

## OFFICIAL STATEMENT DATED FEBRUARY 27, 2025

Book Entry Only

**INSURED RATING: S&P "AA"**  
**INSURANCE: Assured Guaranty Inc.**  
**RATING: Standard & Poor's "BBB+"**  
**(See "Rating" herein)**

In the opinion of Taft Stettinius & Hollister LLP, Chicago, Illinois, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. See "TAX MATTERS" herein.



\$16,550,000

### GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025

**Dated: Date of Delivery**

**Maturity: As Shown on Inside Cover**

The Gary/Chicago International Airport Authority (the "Authority" or the "Issuer"), will issue its \$16,550,000 Airport Development Zone Revenue Bonds, Series 2025 (the "Bonds") pursuant to a trust indenture dated as of November 1, 2014 (the "Original Trust Indenture") by and between the Authority and U.S. Bank Trust Company, National Association, as trustee and successor in interest to U.S. Bank National Association (the "Trustee"), as supplemented and amended by the Series 2024 Supplemental Trust Indenture, dated as of February 1, 2024, and the Series 2025 Supplemental Trust Indenture, dated as of February 1, 2025, (together the "Supplemental Trust Indenture" and together with the Original Trust Indenture, the "Indenture") by and between the Authority and the Trustee, and subject to provisions of applicable Indiana Law, including, without limitation Indiana Code 8-22-3, 8-22-3.5 and other applicable laws, as amended (collectively the "Act"), and Bond Ordinance No. 2024-01 adopted by the Authority, on July 10, 2024, (the "Ordinance"), to (i) pay for the costs of the Projects; (ii) fund a debt service reserve fund for the 2025 Bonds; and (iii) pay for the costs, expenses, and fees in connection with the authorization and issuance of the Series 2025 Bonds, including the Costs of Issuance related to the Series 2025 Bonds. Principal and interest on the Bonds shall be payable from and secured by an irrevocable pledge of the tax increment revenues derived from the Gary Indiana Airport Development Zone (the "Tax Increment"). See "PURPOSE OF THE BONDS" and "SECURITY AND SOURCES OF PAYMENT FOR THE REFUNDING BONDS" herein.

Interest on the Bonds shall be payable semi-annually on February 1 and August 1 of each year, commencing August 1, 2025. Principal on the Bonds will be payable at the principal office of U.S. Bank Trust Company, National Association, Indianapolis, Indiana, as registrar and paying agent under the Indenture. The Bonds will bear interest at the rates and mature in the amounts set forth on the inside cover hereof. The Bonds will be issued only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Bonds may be made in book-entry-only form, in denominations of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of Certificates representing their interests in the Bonds. So long as DTC, or its nominee, is the registered owner of the Bonds, principal of and interest on the Bonds will be paid directly to DTC by the Trustee. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants, all as defined and more fully described herein. See "DESCRIPTION OF THE BONDS" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY INC. See "BOND INSURANCE" herein.



**THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY OUT OF THE REVENUES AND OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE, ON PARITY WITH THE PLEDGE OF TAX INCREMENT PLEDGED FOR PAYMENT OF THE GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY AIRPORT DEVELOPMENT REFUNDING REVENUE BONDS, SERIES 2024 (THE "2024 BONDS"). THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, GENERAL OBLIGATION OR LOAN OF CREDIT OF THE STATE OF INDIANA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF GARY, INDIANA (THE "CITY"), LAKE COUNTY, INDIANA (THE "COUNTY") OR THE AUTHORITY, UNDER THE CONSTITUTION AND LAWS OF THE STATE, NOR A PLEDGE OF THE FAITH, CREDIT AND TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY, THE COUNTY AND THE AUTHORITY. THE SOURCES OF PAYMENT OF AND SECURITY FOR THE BONDS ARE MORE FULLY DESCRIBED HEREIN. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."**

The Bonds are subject to optional redemption, and may be subject to mandatory sinking fund redemption, prior to maturity as described herein. See "REDEMPTION" herein.

#### LEGAL OPINION

The Bonds are offered when, as and if issued by the Authority and received by Mesirow Financial, Inc., Carmel, Indiana (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice and to the approval of legality by Taft Stettinius & Hollister LLP, Chicago, Illinois, Bond Counsel. Legal matters incident to the authorization and issuance of the Bonds are subject to the approving opinion of Taft Stettinius & Hollister LLP, Chicago, Illinois, Bond Counsel, substantially in the form set forth in APPENDIX E. Certain legal matters will be passed upon for the Authority by Tolbert & Tolbert LLC, as counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Barnes & Thornburg LLP. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about March 13, 2025.

*This cover page contains certain information for quick reference only. It is **not** a summary of the issue. Investors must read the entire Official Statement, including the appendices hereto, to obtain information essential to the making of an informed investment decision.*



## OFFICIAL STATEMENT

Base CUSIP (367066)

**\$16,550,000**

### **GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

The Bonds are scheduled to mature on February 1, in the years and amounts as follows:

<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u>
02/01/26	\$ 445,000	5.000%	3.260%	101.499	AZ0
02/01/27	525,000	5.000	3.330	103.020	BA4
02/01/28	555,000	5.000	3.400	104.355	BB2
02/01/29	580,000	5.000	3.480	105.472	BC0
02/01/30	610,000	5.000	3.540	106.491	BD8
02/01/31	640,000	5.000	3.590	107.414	BE6
02/01/32	675,000	5.000	3.640	108.211	BF3
02/01/33	705,000	5.000	3.710	108.743	BG1
02/01/34	740,000	5.000	3.780	109.129	BH9
02/01/35	780,000	5.000	3.840	109.461	BJ5
02/01/36	815,000	5.000	3.880	109.117 †	BK2
02/01/37	860,000	5.000	3.930	108.689 †	BL0
02/01/38	900,000	5.000	3.980	108.263 †	BM8
02/01/39	945,000	5.000	4.060	107.585 †	BN6

\$3,140,000 5.250% Term Bond-Yield 4.350% Price 107.162%† due February 1, 2042 (CUSIP BP1)

\$3,635,000 4.500% Term Bond-Yield 4.670% Price 97.808% due February 1, 2045 (CUSIP BQ9)

†Priced to call date of February 1, 2035.

CUSIP © is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers are provided for convenience and reference only. Neither the Authority nor the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of such maturities.

## NOTICE TO PROSPECTIVE PURCHASERS

This Official Statement does not constitute an offering of any security, other than the original offering of the Bonds. No dealer, broker, salesman, or other person has been authorized by the Authority or Mesirow Financial, Inc. (the "Underwriter") to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor the sale of any of the Bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Information herein has been obtained from the Authority and other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. References in this Official Statement to laws, regulations, reports and documents do not purport to be comprehensive or definitive and all references herein to such laws, regulations, reports and documents are qualified in their entirety by reference to the full text thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, the Securities and Exchange Act of 1934, as amended, or any state securities law and will not be listed on any stock or other securities exchange. This Official Statement includes the front cover page and inside cover page hereof, the Summary Statement herein and the Appendices attached hereto. This Official Statement has been prepared and delivered in connection with the original sale and delivery of the Bonds and may not be reproduced or used, in whole or in part, for any other purpose.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN APPROVED OR 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 DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Assured Guaranty Inc. ("AG") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "Bond Insurance" and "Appendix G - Specimen Municipal Bond Insurance Policy".

**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**

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Pete Visclosky, *Chairman*

Gerald Anderson, *Member*  
Steve Mays, *Member*  
Phillip Mullins, *Member*

Trent McCain, *Vice President*  
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**UNDERWRITER'S COUNSEL**  
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**TRUSTEE**  
U.S. Bank Trust Company, National Association  
*Indianapolis, Indiana*

**COUNSEL TO THE AUTHORITY**  
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*Gary, Indiana*

**OFFICIAL STATEMENT**  
**\$16,550,000**  
**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
**AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

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**SUMMARY STATEMENT**

**\$16,550,000**  
**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
**AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

(This Summary Statement contains certain information which has been summarized for quick reference only and does not purport to represent the significant matters contained in the documents described and exhibited elsewhere herein. Prospective investors should read the complete Official Statement including the Appendices.)

**Issuer** ..... Gary/Chicago International Airport Authority

**Securities Offered** ..... \$16,550,000 Airport Development Zone Revenue Bonds, Series 2025 (the “Bonds” or the “2025 Bonds”).

**Use of Proceeds**..... The Bonds are being issued to (i) pay for costs of the Projects, (ii) fund a debt service reserve fund for the Series 2025 Bonds, and (iii) pay for the costs, expenses, and fees in connection with the authorization and issuance of the Series 2025 Bonds, including the Costs of Issuance related to the Series 2025 Bonds. See “PURPOSE OF THE BONDS” herein.

**ADZ Act, Tax Increment**..... Pursuant to the provisions of Indiana Code 8-22-3.5 (the “ADZ Act”), the Authority confirmed the establishment in 2005 of an Airport Development Zone (“ADZ”) surrounding the Airport for the purposes of collecting Tax Increment and using Tax Increment for various “qualified airport development projects” as defined by the ADZ Act.

Tax Increment means those revenues received by the Authority under the ADZ Act from the ADZ or Allocation Area. Tax Increment consists of all tangible real property tax proceeds attributable to the assessed valuation within the ADZ as of the assessment date in excess of the base assessed value, multiplied by the gross property tax rate, subject to the Circuit Breaker Tax Credits. See “PROCEDURES FOR REAL PROPERTY AND PERSONAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION” and “CIRCUIT BREAKER TAX CREDIT.” The TIF Consultant has used a base assessment date of March 1, 1993, for determination of Tax Increment. See “GENERAL DESCRIPTION

OF THE AIRPORT REDEVELOPMENT ZONE” and EXHIBIT B - “TIF CONSULTANT’S REPORT.”

The authority has covenanted pursuant to the Indenture that the Authority will not reduce the boundaries of the ADZ or otherwise remove parcels of property from the ADZ if the effect of such reduction or removal would be to reduce the amount of Tax Increment which would be available to the Authority following such reduction or removal. See “RISKS TO BONDHOLDERS” and EXHIBIT A - “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

**Debt Presently Outstanding** .....

See page B-1 for a listing of outstanding debt.

**Security** .....

Pursuant to the terms of the Indenture, the Bonds will be secured only by: (i) an irrevocable pledge of the Tax Increment (as hereinafter defined), on parity with the pledge of Tax Increment pledged for payment of the Gary/Chicago International Airport Authority Refunding Revenue Bonds, Series 2024 (the “2024 Bonds”). See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS.” See also “BOND INSURANCE” for discussion regarding the insurance policy guaranteeing debt service payments.

**Additional Bonds** .....

The Authority may issue Additional Bonds in one or more additional series pursuant to the terms and provisions of the Indenture and secured by and payable from the Pledged Funds, on parity with the 2024 Bonds and 2025 Bonds, subject to certain conditions set forth in the Indenture. Currently, the Issuer is considering issuing Additional Bonds later in 2025. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Additional Bonds Test.”

**Subordinate Bonds** .....

The Authority may issue Subordinate Bonds in one or more series pursuant to the terms and provisions of the Indenture and secured by and payable solely from the Tax Increment subject to certain conditions set forth in the Indenture. Currently, the Issuer does not expect to issue Subordinate Bonds See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Subordinate Bonds.”

<b>Anticipated Closing Date</b> .....	March 13, 2025.
<b>Dated Date</b> .....	Date of Delivery.
<b>Rating</b> .....	Insured: S&P “AA”. Underlying: S&P “BBB+”. See “RATING” herein.
<b>Bondholder Risks</b> .....	<p><b>THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY, AND THE AUTHORITY’S OBLIGATION TO PAY THE PRINCIPAL OR PURCHASE PRICE OF AND PREMIUM, IF ANY, AND INTEREST ON THE BONDS IS LIMITED SOLELY TO THE REVENUES AND OTHER ASSETS PLEDGED FOR THE BONDS PURSUANT TO THE INDENTURE. THE BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OF THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF THE PROVISIONS OF THE CONSTITUTION OR STATUTES OF THE STATE OR A PLEDGE OF THE FAITH AND CREDIT OF THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, THE BONDS DO NOT GRANT TO THE OWNERS OR HOLDERS THEREOF ANY RIGHT TO HAVE THE AUTHORITY, THE CITY, THE COUNTY OR THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF LEVY ANY TAXES OR APPROPRIATE FUNDS FOR THE PAYMENT OF THE PRINCIPAL THEREOF OR PREMIUM, IF ANY, OR INTEREST THEREON. For a more detailed discussion see “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” and “RISKS TO BONDHOLDERS.”</b></p>
<b>Interest Payment Date</b> .....	February 1 and August 1 of each year, commencing August 1, 2025.
<b>Maturity Dates</b> .....	The Bonds will be issued as Serial Bonds maturing on February 1, 2026, and annually on February 1 thereafter to February 1, 2039, inclusive, and Term Bonds maturing on February 1, 2042, and February 1, 2045. See “THE BONDS” herein.
<b>Redemption</b> .....	The Bonds due on and after February 1, 2036, are subject to optional redemption on any date on or after February 1, 2035, at the price of par plus

interest accrued to the date of redemption. The Bonds maturing on February 1, 2042, and February 1, 2045, are subject to mandatory sinking fund redemption prior to maturity as described herein.

**Other Terms and Conditions .....**

The Bonds will be issued in fully registered form in \$5,000 denominations or integral multiples thereof. The Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. Purchases of beneficial interest will be made in book-entry-only form. Principal of and interest on Bonds will be paid by U.S. Bank Trust Company, National Association, Indianapolis, Indiana, as Trustee and Registrar and Paying Agent.

**Tax Status of Interest.....**

Under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Code, for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana.

**Continuing Disclosure.....**

Pursuant to the Continuing Disclosure Contract executed by the Authority, as the obligated person and promisor, the Authority has covenanted to comply with the Securities and Exchange Commission Rule 15c2-12 as in effect on the date of delivery of the Bonds. See "APPENDIX F - CONTINUING DISCLOSURE CONTRACT" herein.

**OFFICIAL STATEMENT**  
**\$16,550,000**  
**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
**AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

**INTRODUCTORY STATEMENT**

The purpose of this Official Statement, including the cover page, Summary Statement and Appendices, is to provide information relating to the Gary/Chicago International Airport Authority, Airport Development Zone Revenue Bonds, Series 2025 (the “Bonds” or the “2025 Bonds”) to be issued by the Gary/Chicago International Airport Authority (the “Authority” or “Issuer”).

All financial and other information presented in this Official Statement has been provided by the Authority or the City of Gary, from their records, except for information expressly attributed to other sources. The presentation of information concerning the Authority and the City, including financial and other information, is intended to show recent historic information and is not intended to indicate or project future or continuing trends in the financial position or other affairs of the Authority or the City. No representation is made or implied hereby that any past experience, as might be shown by the financial and other information, will necessarily continue in the future. References to provisions of Indiana law or of the Indiana Constitution are references to current provisions, which may be amended, repealed, or supplemented.

**PURPOSE OF THE BONDS**

The Bonds are authorized by Ordinance No. 2024-01, adopted by the Board of Directors of the Issuer on July 10, 2024 (the “Ordinance”), and are issued pursuant to the provisions of a Trust Indenture (the “Indenture”) dated as of November 1, 2014, between the Issuer and U.S. Bank Trust Company, National Association, as trustee and successor in interest to U.S. Bank National Association (the “Trustee”), as supplemented and amended by the Series 2024 Supplemental Trust Indenture, dated as of February 1, 2024, and the Series 2025 Supplemental Trust Indenture, dated as of February 1, 2025, (together the “Supplemental Trust Indenture” and together with the Original Trust Indenture, the “Indenture”) by and between the Authority and the Trustee, and the laws of the State of Indiana (the “State”), including particularly Indiana Code 8- 22-3 (the “Act”) and 8-22-3.5 (the “ADZ Act”). U.S. Bank Trust Company, National Association, Indianapolis, Indiana is also the Registrar and Paying Agent (“Registrar” or “Paying Agent”) under the Indenture. The Bonds are being issued to (i) pay for costs of the Projects, (ii) fund a debt service reserve fund for the Series 2025 Bonds, if necessary, and (iii) pay for the costs, expenses, and fees in connection with the authorization and issuance of the Series 2025 Bonds, including the Costs of Issuance related to the Series 2025 Bonds.

The Projects include: Airport Terminal renovations, Property Acquisition, Airport Paving, Airport Utility Improvements, Phase 2 of Apron Rehab, Airport Equipment, Cargo Ramp, Design and Engineering of the aforementioned items, reimbursement for the prior expenditures on such projects, and costs associated with the issuance of the bonds

## DESCRIPTION OF THE BONDS

### General Description

The Bonds will be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof, will be dated as of the date of delivery and mature on August 1 in the years and amounts and bear interest at the rates set forth on the inside cover page of this Official Statement.

Interest on the Bonds shall be payable semi-annually on February 1 and August 1 in each year beginning on August 1, 2025. Interest on the Bonds shall be payable by check mailed one business day prior to the interest payment date to the person in whose name the bonds are registered on the bond register maintained at the principal office of the Trustee as registrar and paying agent under the Indenture, or any successor trustee, registrar, and paying agent, as of the first (1<sup>st</sup>) day of the month of the interest payment date. All principal payments and premium payments, if any, on the Bonds shall be made upon surrender thereof at the principal office of the Paying Agent.

So long as DTC or its nominee is the registered owner of the Bonds, principal of and interest on the Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants, all as defined and more fully described herein.) Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

### Book-Entry-Only System

DTC will act as securities depository for the Bonds. The 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 Bond Certificate will be issued for each maturity of each series of the Bonds, each in the aggregate principal amount of such maturity of a series, 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](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each 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 confirmations 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 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 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. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults and proposed amendments to the Resolution. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer 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 the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, premium and interest payments on the 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 Issuer or the Trustee, on the 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 Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, 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 Bonds at any time by giving reasonable notice to the Authority or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, 2025 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2025 Bond Certificates will be printed and delivered to DTC.

The information in this subsection concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

### **Revision of Book-Entry System**

In the event that the book-entry system for the Bonds is discontinued, the Registrar would provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The Authority and the Registrar will, in such event, treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and neither the Authority nor the Registrar would be bound by any notice or knowledge to the contrary.

In such event, each Bond will be transferable or exchangeable only upon the presentation and surrender thereof at the designated corporate trust office of the Registrar, duly endorsed for transfer or exchange, or accompanied by a written assignment duly executed by the owner or its authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bonds for transfer or exchange, the Registrar would authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees (in the case of a transfer), or the owner (in the case of an exchange), in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented. The Authority or the Registrar would require the owner of any Bonds to pay a sum sufficient to cover any tax, fee or other governmental charge required to be paid in connection with the transfer or exchange of such Bonds. The Registrar would not be required to transfer or exchange any Bonds: (i) during

any period between the Record Date and next Interest Payment Date; or (ii) during the 30 days prior to the mailing of any notice of redemption.

## REDEMPTION

### Optional Redemption

The Bonds maturing on or after February 1, 2036, are subject to optional redemption on any date on or after February 1, 2035, at the price of par plus interest accrued to the date of redemption.

### Mandatory Sinking Fund Redemption

The Bonds maturing on February 1, 2042, and February 1, 2045 (the "Term Bonds"), shall be subject to mandatory sinking fund redemption on the dates indicated below, by lot in such manner as the Authority may determine at par plus accrued interest to the date of redemption.

<b>Term Bonds Due 2/01/42</b>		<b>Term Bonds Due 2/01/45</b>	
<u>Date</u>	<u>Price</u>	<u>Date</u>	<u>Price</u>
2/1/40	\$ 995,000	2/1/43	\$ 1,160,000
2/1/41	1,045,000	2/1/44	1,210,000
2/1/42	<u>1,100,000<sup>†</sup></u>	2/1/45	<u>1,265,000<sup>†</sup></u>
	<u>\$ 3,140,000</u>		<u>\$ 3,635,000</u>

<sup>†</sup> Final Maturity

The Trustee shall credit against the mandatory sinking fund requirement for any Term Bonds and corresponding mandatory redemption obligation, in the order determined by the Authority, any Term Bonds maturing on the same date which have been previously redeemed (other than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund obligation of such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

### Notice and Effect of Redemption

Notice of redemption shall be given by the Trustee by mailing a copy of the redemption notice, by registered or certified mail, at least thirty days (30) prior to the redemption date to the owners of the Bonds to be redeemed as the names and addresses of the owners appear on the registration record as of the date of mailing the notice. No failure or defect in that notice with respect to any Bonds shall affect the validity of the proceedings for the redemption of any other Bonds for which notice has been properly given.

If notice of redemption has been given and provisions for payment of the redemption price and accrued interest has been made, the Bonds to be redeemed shall be due and payable on the redemption date at the redemption price, and from and after the redemption date interest on the Bonds will cease to accrue, and the owners of the Bonds shall have no rights in respect thereof,

except to receive payment of the redemption price including unpaid interest accrued to the redemption date.

### ESTIMATED SOURCES AND USES OF FUNDS

#### Sources of Funds

Bond Proceeds	\$ 16,550,000.00
Net Original Issue Premium	<u>864,172.70</u>
Total Sources of Funds	<u>\$ 17,414,172.70</u>

#### Uses of Funds

Project Fund	\$ 15,434,030.21
Reserve Fund	1,324,425.00
Cost of Issuance*	531,592.49
Underwriter's Discount	<u>124,125.00</u>
Total Uses of Funds	<u>\$ 17,414,172.70</u>

\* includes Bond Insurance

**SCHEDULE OF DEBT SERVICE REQUIREMENTS**

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Total</u>
8/01/25		\$ 313,250.42	\$ 313,250.42	
2/01/26	\$ 445,000	408,587.50	853,587.50	\$ 1,166,837.92
8/01/26		397,462.50	397,462.50	
2/01/27	525,000	397,462.50	922,462.50	1,319,925.00
8/01/27		384,337.50	384,337.50	
2/01/28	555,000	384,337.50	939,337.50	1,323,675.00
8/01/28		370,462.50	370,462.50	
2/01/29	580,000	370,462.50	950,462.50	1,320,925.00
8/01/29		355,962.50	355,962.50	
2/01/30	610,000	355,962.50	965,962.50	1,321,925.00
8/01/30		340,712.50	340,712.50	
2/01/31	640,000	340,712.50	980,712.50	1,321,425.00
8/01/31		324,712.50	324,712.50	
2/01/32	675,000	324,712.50	999,712.50	1,324,425.00
8/01/32		307,837.50	307,837.50	
2/01/33	705,000	307,837.50	1,012,837.50	1,320,675.00
8/01/33		290,212.50	290,212.50	
2/01/34	740,000	290,212.50	1,030,212.50	1,320,425.00
8/01/34		271,712.50	271,712.50	
2/01/35	780,000	271,712.50	1,051,712.50	1,323,425.00
8/01/35		252,212.50	252,212.50	
2/01/36	815,000	252,212.50	1,067,212.50	1,319,425.00
8/01/36		231,837.50	231,837.50	
2/01/37	860,000	231,837.50	1,091,837.50	1,323,675.00
8/01/37		210,337.50	210,337.50	
2/01/38	900,000	210,337.50	1,110,337.50	1,320,675.00
8/01/38		187,837.50	187,837.50	
2/01/39	945,000	187,837.50	1,132,837.50	1,320,675.00
8/01/39		164,212.50	164,212.50	
2/01/40	995,000	164,212.50	1,159,212.50	1,323,425.00
8/01/40		138,093.75	138,093.75	
2/01/41	1,045,000	138,093.75	1,183,093.75	1,321,187.50
8/01/41		110,662.50	110,662.50	
2/01/42	1,100,000	110,662.50	1,210,662.50	1,321,325.00
8/01/42		81,787.50	81,787.50	
2/01/43	1,160,000	81,787.50	1,241,787.50	1,323,575.00
8/01/43		55,687.50	55,687.50	
2/01/44	1,210,000	55,687.50	1,265,687.50	1,321,375.00
8/01/44		28,462.50	28,462.50	
2/01/45	1,265,000	28,462.50	1,293,462.50	1,321,925.00

## **GENERAL DESCRIPTION OF THE GARY AIRPORT AUTHORITY AND AIRPORT DEVELOPMENT ZONE**

Gary Airport activities are planned, financed and managed by the Gary/Chicago International Airport Authority (the "Authority"), a seven-member governing body. The Gary ADZ was formed under and is governed by Indiana Code 8-22-3.5, which allows creation of the allocation area to capture assessment for distribution to the Authority.

The Gary Indiana Airport Development Zone (the "Gary ADZ") is located in the City of Gary, Indiana less than 30 miles south of the City of Chicago's "Loop," downtown Chicago, approximately 90 miles west of South Bend, Indiana and 151 miles north of Indianapolis, Indiana.

The Gary ADZ is located generally along the western limits of the City from Lake Michigan shoreline on the north to Ridge Road, the Town of Griffith on the south and Burr Street, Clark Road and Chase Streets on the east. The Gary ADZ consists of approximately 6,742 acres of land (or approximately 10.5 square miles).

### **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

Pursuant to the Indenture, the Bonds are payable and secured only by an irrevocable pledge of the Tax Increment, on parity with the pledge of Tax Increment pledged for payment of the Gary/Chicago International Airport Authority Refunding Revenue Bonds, Series 2024 (the "2024 Bonds").

**THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY OUT OF THE REVENUES AND OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE, ON PARITY WITH THE PLEDGE OF TAX INCREMENT PLEDGED FOR PAYMENT OF THE GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY AIRPORT DEVELOPMENT REFUNDING REVENUE BONDS, SERIES 2024 (THE "2024 BONDS").** THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, GENERAL OBLIGATION OR LOAN OF CREDIT OF THE STATE OF INDIANA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY OF GARY, INDIANA (THE "CITY"), LAKE COUNTY, INDIANA (THE "COUNTY") OR THE AUTHORITY, UNDER THE CONSTITUTION AND LAWS OF THE STATE, OR A PLEDGE OF THE FAITH, CREDIT AND TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY, THE COUNTY AND THE AUTHORITY. The sources of payment of, and security for, the Bonds are more fully described below.

Under the Act any pledge is valid and binding from and after the date of delivery of the Bonds under the Indenture, and the Tax Increment 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 is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof.

## Flow of Funds

The Indenture creates numerous funds and accounts for the collection and disbursement of Tax Increment. Each of the funds and accounts is described in further detail in APPENDIX D - "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Under the Ordinance, the Issuer has agreed to deposit in the Revenue Fund, as and when received, all Tax Increment and all other moneys deposited into the Revenue Fund pursuant to the Ordinance or the Indenture. Moneys on deposit in the Revenue Fund shall be disbursed on each January 25 and July 25, beginning on January 25, 2025, as set forth below:

(a) To the extent available, moneys deposited into the Revenue Fund shall be disbursed by the Trustee no later than July 25<sup>th</sup> of each Bond Year (as defined in APPENDIX D), in the following order or priority, and on parity with the 2024 Bonds:

FIRST: to the Bond Principal and Interest Fund (as defined in APPENDIX D), an amount of money which, together with any money contained therein, is equal to the aggregate amount of the interest due on the next following February 1<sup>st</sup> plus one-half of principal due on August 1<sup>st</sup> of the following year;

SECOND: to the Reserve Fund, on a pro-rata basis, if the amounts then on deposit therein are less than the Reserve Requirement established for each of the 2024 and 2025 Reserve Funds (whether resulting from a withdrawal, a valuation of the Investment Securities deposited therein or otherwise), an amount of money which, together with any money contained therein is sufficient to increase the balance in the Reserve Fund to an amount that is equal to the Reserve Requirement for the Reserve Fund;

THIRD: in the event Subordinate Bonds are issued under the Indenture, to the bond principal and interest account established for such Subordinate Bonds pursuant to the supplemental indenture entered into for such Subordinate Bonds, an amount of money which, together with any money contained in such bond principal and interest account, is equal to the aggregate amount of the interest due on the next following August 1<sup>st</sup> with respect to the Subordinate Bonds and an amount equal to one-half (1/2) of the principal due on the Subordinate Bonds on the following August 1<sup>st</sup>.

Any amounts remaining after the Trustee has made the disbursements required in FIRST through THIRD above shall be held in the Revenue Fund until disbursed as provided in below:

(b) To the extent available, moneys deposited into the Revenue Fund shall be disbursed by the Trustee no later than January 25<sup>th</sup> of each Bond Year, in the following order of priority to the extent of available Tax Increment, and on parity with the 2024 Bonds:

FIRST: to the Bond Principal and Interest Fund, an amount of money which, together with any money contained on deposit therein, is equal to the aggregate amount of principal and interest due on the next following August 1<sup>st</sup>, with respect to the Bonds;

SECOND: to the Reserve Fund, if the amounts then on deposit therein is less than the Reserve Requirement (whether resulting from a withdrawal, a valuation of the Investment

Securities deposited therein or otherwise), an amount of money which, together with any money contained therein is sufficient to fully restore the balance in the Reserve Fund to the Reserve Requirement;

THIRD: to the Rebate Fund, until the full amount is so paid, any amount, as determined by the Issuer, required of the Issuer to be deposited in the Rebate Fund to pay the Rebate Amount when due;

FOURTH: to the Expense Fund, such amounts as are required to pay (i) the reasonable fees, charges and expenses of the Trustee for services rendered under the Indenture and other related amounts referred to in the Indenture; and (ii) such accountants, consultants, attorneys and other experts as may be engaged by the Issuer or the Trustee to prepare financial statements, reports, opinions or such other services required under the Indenture;

FIFTH: at the discretion of the Issuer, to the Bond Principal and Interest Fund to reduce the principal and interest then outstanding on the Bonds (as defined herein); and

SIXTH: in the event Subordinate Bonds are issued pursuant to the Indenture, to the bond principal and interest account established for such Subordinate Bonds pursuant to the supplemental indenture entered into for such Subordinate Bonds, an amount of money which, together with any money contained in such bond principal and interest account, is equal to the aggregate amount of the principal and interest due on the next following August 1st, with respect to the Subordinate Bonds; and

SEVENTH: to the Excess Fund, all amounts remaining on deposit in the Revenue Fund after the Trustee has made the disbursements required in FIRST through SIXTH above.

### **2025 Reserve Account**

Under the Indenture, there is created a 2025 Reserve Account. The Issuer shall deposit into the 2025 Reserve Account (i) from the proceeds of the Bonds and (ii) disbursements from the Revenue Fund, as provided in Section 3.03 of the Indenture, an amount equal to the Series 2025 Reserve Requirement. The 2025 Reserve Account shall constitute an added margin for safety and act as a protection against default in the payment of principal of and interest on the Bonds and moneys in the 2025 Reserve Account shall be used to pay current principal of and interest on the Bonds to the extent that moneys in the Bond Principal and Interest Fund for the Bonds are less than the amount needed to pay principal and interest on the Bonds when due. In the event the Trustee shall have received a certificate or report prepared by an independent certified public accountant or independent financial consultant certifying that the amount in the 2025 Reserve Account exceeds the Series 2025 Reserve Requirement, the Trustee shall transfer such excess moneys to the Bond Principal and Interest Fund for disbursement by the Trustee as set forth in Section 3.03 of the Indenture. In no event shall such excess funds be held in the 2025 Reserve Account. The Series 2025 Reserve Requirement equals the least of: (i) the maximum annual debt service on the Bonds; (ii) one hundred twenty-five percent (125%) of the average annual debt service on the Bonds; or (iii) ten percent (10%) of the proceeds of the Bonds, within the meaning of Section 148(d) of the Code. See APPENDIX D - "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

### **Additional Bonds Test**

Additional Bonds (the “Additional Bonds” and collectively with the Bonds, are referred to herein as the “Bonds,”) secured by and payable from the Pledged Funds on a parity with the Bonds, may be issued in one or more additional series, provided all of the following terms and conditions have been met:

a) the Trustee has received a copy, duly certified by the Issuer, of the Ordinance adopted by the Issuer authorizing the issuance of such Additional Bonds and the execution and delivery of a supplemental indenture, supplementing and amending the Indenture which may provide for a separate reserve fund for such Additional Bonds, which supplemental indenture shall not require the approval of the Registered Owners of the Bonds Outstanding (each as defined in APPENDIX D);

b) the Trustee shall have received an executed copy of a supplemental indenture relating to such Additional Bonds;

c) the Trustee shall have received a certificate or report prepared by an independent certified public accountant or an independent financial consultant (the “Certifier”) certifying that the aggregate amount of Tax Increment received by the Issuer in twelve (12) consecutive months of the last eighteen (18) months immediately preceding the issuance of such Additional Bonds would have been equal or greater to one hundred fifty percent (150%) of the aggregate maximum annual debt service requirements in any Bond Year with respect to the then Outstanding Bonds and the proposed Additional Bonds, during any Bond Year during the term of the then Outstanding Bonds;

d) the Trustee shall have received a certificate or report prepared by the Certifier certifying the amount of the Tax Increment Revenues estimated to be received in each succeeding Bond Year, as provided below, which estimated amount, in aggregate, shall be at least equal to one hundred fifty percent (150%) of the aggregate annual debt service requirements with respect to the then outstanding Bonds and the proposed Additional Bonds, for each respective Bond Year during the term of the then outstanding Bonds. In estimating the Tax Increment Revenues to be received in any future Bond Year, the Certifier shall use the assessed valuation actually assessed as of the assessment date immediately preceding the issuance of the Additional Bonds for each succeeding Bond Year that the then outstanding Bonds and the proposed Additional Bonds will be outstanding;

e) the Trustee shall request an authorization to the Trustee on behalf of the Issuer and signed by any Authorized Representative of the Issuer to authenticate and deliver such Additional Bonds to the purchasers therein identified, upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization, plus accrued interest thereon, if any, to the date of delivery;

f) the interest on the Additional Bonds shall be payable semiannually on February 1 and August 1 and the principal of the Additional Bonds shall be payable on February 1 in the years in which both principal and interest are payable; and

g) the Trustee and the Issuer have received an executed opinion of Bond Counsel to the effect that (i) the Additional Bonds have been duly authorized, executed and delivered and constitute the valid and binding special limited obligations of the Issuer, enforceable in accordance with their terms, subject to normal bankruptcy exceptions, (ii) the issuance of such Additional Bonds will not affect adversely the exclusion from gross income for federal income tax purposes of interest on any Outstanding Tax-Exempt Bonds, (iii) the Additional Bonds will be secured hereunder equally and on a parity with all other Bonds at the time Outstanding hereunder by the Pledged Funds and shall have no interest in the 2025 Pledged Funds, and (iv) the interest on such Additional Bonds is excluded from gross income for federal income tax purposes (unless it is intended that such interest be taxable).

Currently, the Issuer does not expect to issue Additional Bonds.

### **Subordinate Bonds**

Subordinate Bonds (as defined in APPENDIX D) secured by and payable solely from the Pledged Funds may be issued in one or more additional series, provided all of the following terms and conditions have been met:

(a) the Trustee has received a copy, duly certified by the Issuer, of the Ordinance adopted by the Issuer authorizing the issuance of such subordinate Additional Bonds, establishing that such Subordinate Bonds are expressly subordinate in payment from the Pledged Funds to the Bonds and the execution and delivery of a supplemental indenture, supplementing and amending this Indenture, which supplemental indenture shall not require the approval of the Registered Owners of the Bonds Outstanding;

(b) the Trustee shall have received an executed copy of a supplemental indenture relating to such Subordinate Bonds;

(c) the Trustee shall have received from the Issuer an authorization signed by any Authorized Representative of the Issuer to authenticate and deliver such Subordinate Bonds to the purchasers therein identified, upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization, plus accrued interest thereon, if any, to the date of delivery;

(d) the interest on the Subordinate Bonds shall be payable semiannually on February 1 and August 1 and the principal of the Subordinate Bonds shall be payable on February 1 in the years in which both principal and interest are payable; and

(e) the Trustee and the Issuer have received an executed opinion of Bond Counsel to the effect that (i) the Subordinate Bonds have been duly authorized, executed and delivered and constitute the valid and binding special limited obligations of the Issuer, enforceable in accordance with their terms, subject to normal bankruptcy exceptions, (ii) the issuance of such Subordinate Bonds will not affect adversely the exclusion from gross income for federal income tax purposes of interest on any Outstanding Tax-Exempt Bonds, (iii) the Subordinate Bonds will be secured hereunder equally and on a parity with all other Subordinate Bonds at the time Outstanding hereunder by the Pledged Funds, but subordinate to the pledge in support of the Bonds, and the Subordinate Bonds will have no claim to, or be payable from, the 2025 Pledged

Funds; and (v) the interest on such Subordinate Bonds is excluded from gross income for federal income tax purposes (unless it is intended that such interest be taxable).

Currently, the Issuer does not expect to issue Subordinate Bonds.

## **RISKS TO BONDHOLDERS**

The Bonds shall not constitute a general obligation or indebtedness of the City of Gary, but shall constitute a limited obligation of the Authority payable from a pledge of incremental taxes on certain real property located in the Gary ADZ. Principal and interest on the Bonds maturing on and after August 1, 2025, shall be payable from and secured by an irrevocable pledge of the tax increment revenues derived from the Gary ADZ. The pledge of Tax Increment to the payment of the Bonds shall rank on a parity basis to the 2024 Bonds with respect to the Tax Increment.

**The primary source of payment for the Bonds will be the Tax Increment.** There are certain risks associated with tax increment, which prospective investors should consider carefully. The risks to the amount of the tax increment available to pay debt payments relate to: (1) risks to the timing of or success in collecting the tax increment; (2) changes in the tax rate; (3) changes in the assessed valuation of the affected real property; and (4) changes in legislation that affect the calculation or collection of taxes. These risks are more fully discussed below.

### **Risks to Ability to Collect Tax Increment**

Delinquent Taxes. In the event that any one of the major taxpayers in the Allocation Area should fail to pay real property taxes as they become due and payable, such failure will decrease the tax increment distributed to the Authority and available to pay debt service on the Bonds.

Delayed Billing, Collection or Distribution of Tax Increment Revenues. To the extent that there is delayed billing, collection or distribution of property taxes by the Lake County Auditor, Tax Increment may not be available to pay debt service on the Bonds.

### **Risks to Changes in Tax Rate**

Decrease in Property Tax Rates. Should there be a decrease in property tax rates that is lower than the statutory tax cap rates as adjusted, as described under "CIRCUIT BREAKER TAX CREDIT" herein, the effect will be a reduction in the Tax Increment available to pay the principal of and interest on the Bonds.

Any substantial increase in State or Federal aid or other sources of local revenues which would reduce local required fiscal support for certain public programs or any substantial increase in assessed values of property located outside the Gary ADZ could reduce the rates of taxation by taxing bodies levying taxes upon property within the Gary ADZ and have an adverse effect on the amount of Tax Increment available to pay the debt payments. Economic conditions or administrative action could reduce the collection rate achieved by Lake County within its jurisdiction, including the Gary ADZ. See "APPENDIX B - DEBT AND TAXATION" for information about tax collections in the Gary ADZ.

Cap on Property Taxes. As noted below, the Legislature recently enacted legislation which provides taxpayers with a tax credit for all property taxes in an amount that exceeds a specified

percentage of the Gross Assessed Value (the "GAV") of real and personal property eligible for the Circuit Breaker Tax Credit. On November 2, 2010, a Constitutional amendment was approved that makes the Circuit Breaker Tax Credit a part of the State Constitution. See "CIRCUIT BREAKER TAX CREDIT" for a description of such legislation.

The cap is mandatory for all categories of real and personal property (i.e. residential, commercial, industrial, etc.). Future events affecting the City, Authority, or taxing units that overlap with the Gary ADZ, such as the loss of a major taxpayer or reductions in assessed value, increases in property tax rates of overlapping taxing units, or additional property tax debt incurred by overlapping taxing units, could increase the effective property tax rate sufficiently to limit the property taxes paid by taxpayers within the Gary ADZ, and thereby reduce the amount of Tax Increment to be received. The estimated Circuit Breaker Tax Credit for the Tax Increment for 2024 is \$8,635,956, and the historical information is listed in "CIRCUIT BREAKER TAX CREDIT." In the future, if the City's net tax rate increases, the decreased collections due to the tax cap could have an adverse impact on the Tax Increment available to pay the Bonds.

### **Risks to Decrease in Assessed Valuation of Taxes Property**

Damage or Destruction of Property. Substantial damage to or destruction of private property or other improvements that have been or will be constructed in the Gary ADZ could cause a material decline or loss of the Tax Increment; and, there may not be sufficient pledged Tax Increment available to make all of the scheduled debt payments.

Adjustments or Appeals on Assessments. In the event that taxpayers in the Gary ADZ contest the assessed valuation of their real property or request abnormal or economic obsolescence and to the extent that any taxpayer is successful in reducing its assessed valuation, the Tax Increment available to pay the debt service payments will be decreased.

Decreases in Assessed Valuation. If there are decreases in the assessed value of real property located in the Gary ADZ, then such net decrease would reduce Tax Increment and there may not be sufficient Tax Increment available to pay the debt service payments. Such decreases can occur as a result of appeals of real property assessed value, damage or destruction of real property, or acquisitions of real property by a tax exempt entity. Decreases in the assessed valuation of real property of any taxpayer located in the Gary ADZ would result in a reduction in available Tax Increment.

Sale of Property. In the event that taxpayers in the Gary ADZ sell real property, such sales could cause a change in the assessed values of such property if such a sale resulted in a change in the assessed value of such real property. The sale of such property at a price less than the current assessed value, may result in a decrease in the incremental assessed value of the property and a reduction in available Tax Increment.

### **Legislative Changes**

Legislative and Judicial Changes. If the Legislature, the courts, the Indiana Department of Local Government Finance (the "DLGF"), or other administrative agencies with jurisdiction in the matter enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the calculation, collection, definition or distribution of Tax Increment, including laws or regulations relating to reassessment, or a revision in the property tax system,

such changes could result in a decrease in the Tax Increment available to pay the debt service on the Bonds.

Changes to Tax System. The projections of Tax Increment contain certain estimates of revenue, which are dependent upon assumptions as to future events, the occurrence of which cannot be guaranteed.

## **PROCEDURES FOR REAL PROPERTY AND PERSONAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION**

Article 10, Section 1 of the Constitution of the State of Indiana (“Constitutional Provision”) provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer’s property tax liability to a specified percentage of the gross assessed value of the taxpayer’s real and personal property. The Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See “CIRCUIT BREAKER TAX CREDIT” herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. Before August 1 of each year, the County Auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the Department of Local Government Finance (“DLGF”). The DLGF shall make the certified statement available on its gateway website located at <https://gateway.ifionline.org/> (“Gateway”). The County Auditor may submit an amended certified statement at any time before the preceding year, the date by which the DLGF must certify the taxing units’ budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit’s estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF’s estimate of the amount by which the taxing unit’s distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of “CIRCUIT BREAKER TAX CREDIT” herein), and after taking into account the DLGF’s estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year and after taking into account all payments for debt service obligations that are to be made by the taxing unit during the ensuing year. Before August 1 of each year, the DLGF shall provide to each taxing unit, an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced.

The taxing unit must submit the following information to the DLGF via Gateway: (i) its estimated budget; (ii) the estimated maximum permissible tax levy, as determined by the DLGF; (iii) the current and proposed tax levies of each fund; (iv) the percentage change between the current and proposed tax levies of each fund; (v) the estimated amount, determined by the DLGF, by which the taxing unit’s property taxes may be reduced by the Circuit Breaker Tax Credit; (vi) the amounts of excess levy appeals to be requested, if any; (vii) the time and place at which the

taxing unit will conduct a public hearing related to the information submitted to Gateway; and (viii) the time and place at which the taxing unit or appropriate fiscal body will meet to fix the budget, tax rate and levy of the taxing unit. The taxing unit must submit the information listed in (i) - (viii) above on Gateway at least ten days prior to the date of the public hearing. The public hearing must be completed at least ten days before the taxing unit meets to fix the budget, tax rate and tax levy which by statute must each be established no later than November 1. The taxing unit must file the adopted budget with the DLGF within five days after adoption. The public hearing must be conducted at least ten days prior to the date the governing body establishes the budget, tax rate and levy, which by statute must each be established no later than November 1.

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; and (iii) notice is given to the county fiscal body of the DLGF's correction.

The DLGF may not approve a levy for lease payments by an airport authority to a building corporation if: (i) there are no bonds of the building corporation outstanding; and (ii) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested. However, the DLGF may increase the school corporation's tax rate and levy if the tax rate and levy proposed by the school corporation are not sufficient to make its lease rental payments.

The DLGF must complete its review and certification of budgets, tax rates and levies by December 31 of the calendar year immediately preceding the ensuing calendar year unless a taxing unit in the county is issuing debt after December 1 in the year preceding the budget year or intends to file a levy shortfall appeal.

On or before March 15, the County Auditor prepares the tax duplicate, which is a roll of property taxes payable in that year. The County Auditor publishes a notice of the tax rate in accordance with Indiana statutes. The County Treasurer mails tax statements at least 15 days prior to the date that the first installment is due (due dates may be delayed due to a general reassessment or other factors). Property taxes are due and payable to the County Treasurer in two installments on May 10 and November 10, unless the mailing of tax bills is delayed or a later due date is established by order of the DLGF. If an installment of property taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; unless the installment is completely paid within thirty (30) days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is five percent (5%) of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Property becomes subject to tax sale procedures after 15 months of delinquency. The County Auditor distributes property tax collections to the various taxing units on or about June 30 after the May 10 payment date and on or about December 31 after the November 10 payment date.

Personal property values are assessed January 1 of every year and are self-reported by property owners to assessors using prescribed forms. The completed personal property return must be filed with the assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Effective July 1, 2019, pursuant to IC 6-1.1-3-7.2, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business personal property in a county if the total business personal property is less than forty thousand dollars (\$40,000) for that assessment date.

Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amended State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and Indiana Code § 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. "Net Assessed Value" or "Taxable Value" represents the "Gross Assessed Value" less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The "Net Assessed Value" or "Taxable Value" is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. Since July 1, 2013, and before May 1 of every fourth year thereafter, the county assessor is required to prepare and submit to the DLGF a reassessment plan for the county. Since 2015, the DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year

following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each reassessment cycle. The most recent cyclical reassessment began on May 1, 2019, and was to be completed in the first quarter of 2021 for taxes due and payable in 2022. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data ("Trending"). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value.

### **TIF Neutralization**

Indiana Code 8-22-3.5-11(b) provides that after each general assessment under Indiana Code 6-1.1-4, the DLGF shall adjust the base assessed value one (1) time to neutralize any effect of the general assessment on the property tax proceeds allocated to the ADZ. Additionally, Indiana Code 8-22-3.5-11(c) provides that after each annual adjustment under Indiana Code 6-1.1-4-4.5 (which is the Trending described above), the DLGF shall adjust the base assessed value to neutralize any effect on the annual adjustment on the property tax proceeds allocated to the airport development zone. This process of "TIF neutralization" is designed to: (i) protect the ability of the designated allocation area to pay debt service on outstanding bonds and obligations; and (ii) maintain the distribution of at least as much Tax incremental in the ensuing year as in the preceding year. Therefore, the Tax Increment Report does not project or estimate changes in assess values or the net tax rates within the ADZ assumed to occur because of a general reassessment of real property or because of annual Trending of real property that is currently required, since the Statute requires the DLGF to neutralize the effects of a general reassessment and of annual Trending on each allocation area uniquely.

## **CIRCUIT BREAKER TAX CREDIT**

### **Description of Circuit Breaker**

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. Indiana Code § 6-1.1-20.6 (the "Statute") authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit"). For property assessed as a homestead (as defined in Indiana Code § 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed one percent (1%) of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to two percent (2%) of the gross assessed value, and property taxes attributable to other non-residential real property and personal property are limited to three percent (3%) of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. School corporations are authorized to impose a referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive due to the application of the Circuit Breaker Tax Credit. Otherwise, school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly, in the Statute, designated Lake County and St. Joseph County as "eligible counties" and provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for bonds or leases issued or entered into before July 1, 2008, or on bonds issued or leases entered into after June 30, 2008, to refund those bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of Debt Service Obligations, regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made from any other undistributed funds of the political subdivision in possession of the State.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The Authority may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit or if there is not a fund receiving only unprotected taxes from which to distribute revenue, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order

to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The allocation of property tax reductions to funds may impact the ability of political subdivisions to provide existing levels of service, and in extreme cases, the ability to make debt service or lease rental payments.

The City, or Authority cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the City or the Authority.

**Estimated Circuit Breaker Tax Credit for the Issuer**

According to the Lake County abstracts and Indiana Department of Local Government Finance, the Circuit Breaker Tax Credit allocable to the City and the Gary ADZ is as follows:

<u>Payable Year</u>	<u>City of Gary</u>	<u>Gary Airport Development Zone</u>
2024	\$ 52,221,073	\$ 8,635,244
2023	54,717,536	7,754,662
2022	49,857,667	6,272,473
2021	42,974,588	4,193,202
2020	43,509,510	4,240,212

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting loss could be material.

**DEFEASANCE**

If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption, or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or a portion thereof then outstanding shall be paid; or funds as described in the Resolution, or obligations meeting certain requirements shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds or any designated portion thereof issued under the Resolution shall no longer be deemed outstanding or entitled to the pledge contained in the Resolution.

## **LITIGATION**

To the knowledge of the officers and counsel for the Issuer, there is no litigation pending, or threatened, against the Issuer, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

The officers and counsel for the Issuer will certify at the time of delivery of the Bonds that there is no litigation pending or in any way threatened questioning the validity of the Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the Bonds, the Bond Resolution that would result in a material adverse impact upon the financial condition of the Issuer.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinion of Taft Stettinius & Hollister LLP, Chicago, Illinois, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Taft Stettinius & Hollister LLP, has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement and will express no opinion thereon. The form of opinion of Bond Counsel is included in Appendix E of this Official Statement. Certain legal matters will be passed upon for the Issuer by Tolbert & Tolbert LLC, as counsel to the Authority.

## **LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES**

The enforceability of the rights and remedies of the registered owners of the Bonds under the Resolution 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 federal bankruptcy code), the enforceability of the rights and remedies under the Resolution may be limited.

The various legal opinions to be delivered concurrently with the delivery of the 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 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). These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the City and the State), in a manner consistent with the public health and welfare. The enforceability of the Resolution, in a situation where such enforcement or availability may adversely affect public health and welfare, may be subject to these police powers.

## **TAX MATTERS**

In the opinion of Taft Stettinius & Hollister LLP ("Bond Counsel"), under existing federal statutes, decisions, regulations and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") for federal income tax purposes. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals under the Code. However, interest on the Bonds, may be taken into account in determining the alternative minimum tax imposed on

certain corporations. Such excludability is conditioned on continuing compliance with by the Authority with their respective tax representations and covenants made in the Indenture, and in certificates of the Authority (collectively, "Tax Representations"). Failure to comply with the Tax Representations could cause interest on the Bonds to lose the excludability from gross income for federal income tax purposes retroactive to their date of issue.

In the opinion of Bond Counsel, under existing laws, judicial decisions, regulations and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana, for all purposes. See "TAX MATTERS" and "APPENDIX E – FORM OF BOND COUNSEL OPINION" herein.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the excludability of interest on the Bonds from gross income for federal income tax purposes. Noncompliance with such requirements may cause interest on 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 Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of such Bonds would be materially and adversely affected. It is not an event of default under the Indenture if interest on the 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 Bonds.

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 opinions that interest on the Bonds is excludable from gross income for federal income tax purposes and exempt from State income tax, the accrual or receipt of interest on such Bonds may otherwise affect a bondholder's federal or state tax liability. The nature and extent of these other tax consequences with respect to the Bonds will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of Bonds should consult their own tax advisors with regard to the other consequences of owning such Bonds.

### **ORIGINAL ISSUE DISCOUNT**

The initial public offering prices of the Bonds maturing on February 1, 2045 (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 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 February 1 and August 1 (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 prices of the Bonds maturing on February 1, 2026, through and including February 1, 2042 (collectively, the “Premium Bonds”), are greater than the principal amounts thereof 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.

### **CONTINUING DISCLOSURE**

Pursuant to continuing disclosure requirements promulgated by the United States Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the "Rule"), the Authority will execute a Continuing Disclosure Contract for the benefit of the beneficial owners of the Bonds (the "Continuing Disclosure Contract"). The Continuing Disclosure Contract will contain certain promises of the Authority, including a promise to provide continuing disclosure of certain information. A copy of the Form of Continuing Disclosure Contract is attached to this Official Statement as APPENDIX F.

The Authority has engaged Cender | Dalton Municipal Advisors, Valparaiso, Indiana, to assist in providing on-going continuing disclosure information to the Municipal Securities Rulemaking Board (the "MSRB"), including the obligations of the Authority under the Continuing Disclosure Contract. In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to SEC Rule 15c2-12, the Authority represents that in the previous five years it has fully complied with its previous undertakings, but for the unaudited financial statements and audit report not being filed timely in 2020 for the year 2019, both having been due to EMMA in July 2020 but not posted until September 2020. Also, although the runway project, funded by a prior Bond issuance, was completed more than five (5) years ago, a notice was not filed as to the project status as required. Such notice has now been filed as of February 19, 2025.

### **POTENTIAL IMPACTS RESULTING FROM COVID-19 OR OTHER PANDEMICS**

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus ("COVID-19" or the "Pandemic"), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues extensive job losses and declines in business activity across important

sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The Authority cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the Authority associated with operating during any public health emergencies, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute employees, (3) costs to acquire supporting goods and services, or (4) costs to operate remotely and support the employees of the Authority. Accordingly, the Authority cannot predict the effect any public health emergencies will have on the finances or operations of the Authority or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the 2025 Bonds.

## **RATING**

S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") has assigned an underlying rating of "BBB+" to the Bonds. S&P is expected to assign the Bonds an insured rating of "AA" based upon the issuance of the municipal bond insurance policy to be issued at the time of the delivery of the Bonds by Assured Guaranty Inc. These ratings are not a recommendation to buy, sell or hold the Bonds. There is no assurance that the rating will remain in effect for any given period of time or that the rating will not be lowered or withdrawn entirely by S&P if, in their judgment, circumstances so warrant. The Underwriter has undertaken no responsibility to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. The Authority has agreed to provide notice of any rating change to certain information repositories, as described herein. Any such downward revision or withdrawal of rating may have an adverse effect on the market price or marketability of the Bonds.

## **BOND INSURANCE**

### **Bond Insurance Policy**

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy (the "Policy") for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

### **Assured Guaranty Inc.**

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its

investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

*Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.*

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

### ***Current Financial Strength Ratings***

On October 18, 2024, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

### ***Capitalization of AG***

At September 30, 2024:

- The policyholders' surplus of AG was approximately \$3,644 million.
- The contingency reserve of AG was approximately \$1,374 million.

- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,438 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG, and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America

***Incorporation of Certain Documents by Reference***

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (filed by AGL with the SEC on February 28, 2024);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (filed by AGL with the SEC on May 8, 2024);
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 (filed by AGL with the SEC on August 8, 2024); and
- (iv) the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (filed by AGL with the SEC on November 12, 2024).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8 K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE - Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

### *Miscellaneous Matters*

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

### **UNDERWRITER**

The Bonds are being purchased for reoffering by Mesirow Financial, Inc., Carmel, Indiana (the "Underwriter"). The Bond Purchase Agreement (the "Purchase Agreement") between the Underwriter and the Authority provides that the Underwriter will purchase all of the Bonds for a purchase price equal to \$17,290,047.70 (which represents the principal amount of the Bonds plus a net original issue premium of \$864,172.70, and less an Underwriter's discount of \$124,125.00).

The Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligations of the Issuer to deliver the Bonds and the Underwriter to accept delivery of the Bonds are subject to various conditions contained in the Purchase Agreement. After the initial public offering, the offering prices may be changed from time to time by the Underwriter or its representatives. The Underwriter intends to make a secondary market in the Bonds; however, no assurance can be given that such a market will develop or be maintained by the Underwriter in the future.

### **MUNICIPAL ADVISOR**

Cender|Dalton, Municipal Advisors, (the "Municipal Advisor") has been engaged by the Authority to provide municipal advisory services including, among other things, preparation of the "nearly final" Preliminary Official Statement and the Final Official Statement (together, the "Official Statement") and provide on-going continuing disclosure information to the Municipal Securities Rulemaking Board. The information contained in the Official Statement has been compiled from records and other materials provided by the Authority and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statement except for the information contained in APPENDICES A and B. The Municipal Advisor's duties and responsibilities arise solely as Municipal Advisor to the Authority, and the Municipal Advisor has no secondary obligations or other responsibilities. The Municipal Advisor does not undertake to sell or attempt to sell the Bonds, and will take no part in the sale thereof.

The Municipal Advisor is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, the Municipal Advisor is providing certain specific municipal advisory services to the Authority, but is neither a placement agent to the Authority nor a broker nor a dealer.

## CONCLUDING STATEMENT

The foregoing summaries and statements included in this Official Statement do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Prospective purchasers of the Bonds offered by this Official Statement are referred to the Resolution for the details of all terms and conditions thereof relating to the Bonds.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and are not presented as unqualified statements of fact. The information contained herein has been carefully compiled from sources deemed reliable and, to the best knowledge and belief of the Authority, there are no untrue statements nor omissions of material facts in the Official Statement which would make the statements and representations therein misleading.

Certain supplemental information concerning the financial condition of the Authority and the City, which is exhibited hereinafter, is considered part of this Official Statement.

The presentation of historical tax and other financial data exhibited elsewhere herein is intended to show recent trends and conditions. There is no intention to represent by such data that such trends will continue in the future, nor that any pending improvement or diminution of local conditions is indicated thereby.

The execution of this Official Statement has been duly authorized by the Authority. The Authority will provide the Underwriter with sufficient copies of the Final Official Statement in a timely manner to be distributed to the purchasers of the Bonds.

GARY/CHICAGO INTERNATIONAL AIRPORT

/s/ Dan Vicari  
By: Dan Vicari, Executive Director

Dated: February 27, 2025

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**APPENDIX A**

**DESCRIPTION OF THE  
GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**

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## **GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**

### **Authority Organization**

The Gary/Chicago International Airport Authority (the “Authority”) is established as a political subdivision under Indiana Code 8-23-3, with its boundaries coterminous with the City of Gary, Indiana (the “City”).

The Authority is governed by a seven member board which is appointed per statute in the following manner: Chairman by the Governor, four (4) members by the Mayor of the City, one (1) member by Lake County and one (1) member by Porter County.

### **Airport Development Zone Description**

Pursuant to the provisions of the ADZ Act, the Issuer confirmed in 2005 an Airport Development Zone (“ADZ”) surrounding the Airport for the purposes of collecting tax increment and using the tax increment for various Qualified Airport Development Projects. The ADZ is comprised of taxing units 003 and 004 in the City.

### **Location**

The Gary, Indiana, Airport Development Zone (“ADZ”) is located in the City, less than 30 miles south of the City of Chicago’s “Loop,” downtown Chicago, approximately 90 miles west of South Bend, Indiana, and 151 miles north of Indianapolis, Indiana.

The ADZ is located generally along the western limits of the City from Lake Michigan shoreline on the north to Ridge Road, the Town of Griffith on the south and Burr Street, Clark Road and Chase Streets on the east. The ADZ consists of approximately 6,742 acres of land (or approximately 10.5 square miles).

The City of Gary (the “City”) is located in Lake County, Indiana, and is less than 30 miles away from downtown Chicago. The City neighbors the Indiana Dunes National Park and is along the southern border of Lake Michigan.

### **City Organization**

The City government operates on a strong mayor-council system. The mayor is chosen through election and acts as an executive officer to the city. The Gary Common Council is the City’s governing body and is composed of nine elected members. Six members represent residents in their respective districts, while three at-large members represent the city as a whole. The Council passes ordinances, resolutions, special actions, and appropriates revenue for the City.

*Source: City of Gary website (gary.gov)*

## Major Employers

The major employers in Lake County include the following:

<u>Name</u>	<u>Type of Business</u>
Franciscan Health Dyer	Hospital
Franciscan Health Hammond	Hospital
Community Hospital	Hospital
Alverno Clinical Labs LLC	Hospital
Franciscan Health Crown Point	Hospital
Methodist Hospital Southlake	Hospital
Purdue University Northwest	University
US Steel Corporation	Steel Manufacturing
NiSource Inc	Utilities
St. Catherine Hospital	Hospital

*Source: Hoosiers by the Numbers, as provided by the Indiana Department of Workforce Development-Research and Analysis and STATS iiana*

## Employment by Industry for Lake County, Indiana - 2023

<u>Industry</u>	<u>Establishments</u>	<u>Jobs</u>	<u>Average Wage</u>
Agricultural, Forestry, Fishing and Hunting	31	268	\$ 29,175
Mining	8	84	102,390
Construction	1,053	11,113	82,335
Manufacturing	423	22,658	105,482
Wholesale Trade	695	-	-
Retail Trade	1516	22,795	35,595
Transportation, Warehousing	617	9,933	60,786
Utilities	53	107	61,994
Information	114	1,298	55,451
Finance and Insurance	667	4,456	72,862
Real Estate, Rental and Leasing	448	2,003	54,787
Professional, Technical Services	1,376	7,728	67,214
Management of Companies, Enterprises	70	2,241	99,355
Administrative, Waste Services	631	9,477	46,592
Educational Services	247	14,871	47,904
Health Care, Social Services	1,338	32,093	61,651
Arts, Entertainment and Recreation	145	3,570	31,851
Accommodation and Food Services	1,081	20,978	23,166
Other Services	1,023	8,096	42,168
Federal, State, & Local Government	<u>65</u>	<u>7,760</u>	<u>54,165</u>
Total Covered Employment <sup>2</sup>	<u>11,599</u>	<u>189,316</u>	<u>\$ 59,007</u>

Source: STATS Indiana, Bureau of Labor Statistics (BLS)

### Sources of Data

Statistical data and other information set forth under the caption "DESCRIPTION OF THE GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY" has been compiled by the Authority's municipal advisor, Cender | Dalton Municipal Advisors, from sources deemed to be reliable.

<sup>2</sup> Totals as listed by STATS Indiana.

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**APPENDIX B**

**AUTHORITY DEBT AND TAXATION**

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**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY  
DEBT AND TAXATION**

**Direct and Overlapping Debt**

(As of January 30, 2025)

**Airport Development Zone**

<u>Airport Authority Direct Debt</u>	<u>Total Debt</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
None	\$ -	100.00%	\$ -
 <u>ADZ Underlying Debt (TIF only)</u>			
ADZ Rev. Bonds, Series 2025 ( <i>proposed herein</i> )	16,550,000	100.00	16,550,000
Gary ADZ Refunding Bonds, Series 2024	20,770,000	100.00	<u>20,770,000</u>
 Total Direct and Underlying Debt			 <u>\$ 37,320,000</u>
 <u>Overlapping Direct Debt &amp; Lease Obligations</u>			
Gary City	\$ 36,130,000	100.00%	\$ 36,130,000
Calumet Township	-	91.92	-
Lake County	17,555,000	7.19	1,262,205
Lake County Parks	16,270,000	7.19	1,169,813
Lake County Solid Waste	1,562,094	7.19	<u>112,315</u>
 Total Overlapping Direct Debt & Lease Obligations			 <u>\$ 38,674,333</u>
 Total Direct, Underlying, and Overlapping Direct Debt & Lease Obligations			 <u>\$ 75,994,333</u>

**Direct Debt Issuance Limitation**

The Authority is limited to the issuance of direct debt not to exceed 2% of the assessed valuation of property within the ADZ.

Assessed Valuation - 2024 Payable 2025	\$ 2,382,952,582
One-Third of Assessed Valuation	<u>794,317,527</u>
 Constitutional Limitation - 2% Thereof <sup>3</sup>	 \$ 15,886,351
Debt Subject to Limitation <sup>4</sup>	<u>-</u>
 Issuance Margin	 <u>\$ 15,886,351</u>

<sup>3</sup> The constitutional debt limitation of 2% is based on an assessed value equaling one-third of true tax value.

<sup>4</sup> Lease obligations are not included in the calculation on the Debt Issuance Margin.

## Debt Per Capita Analysis

### Per Capita & Debt Ratio Analysis

Population – 2023 (July 1, estimate) <sup>5</sup>			71,010
Assessed Valuation – 2024 Payable 2025			\$ 2,382,952,582
<u>Description</u>	<u>Amount</u>	<u>Percentage of Debt Per Capita</u>	<u>Debt/Assessed Valuation</u>
Total Direct Debt	\$ -	\$ -	.00%
Total ADZ Underlying Debt	37,320,000	525.56	1.57%
Total Overlapping Debt	<u>38,674,333</u>	<u>544.63</u>	<u>1.62%</u>
Total	<u>\$ 75,994,333</u>	<u>\$ 1,070.19</u>	<u>3.19%</u>

### Total City Tax Rates<sup>6</sup>

(Per \$100 Assessed Valuation, by payable year)

<b>City of Gary – Taxing Unit 003</b>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
County	\$ .5896	\$ .6277	\$ .6437	\$ .6527	\$ .6663
Township	.4842	.4589	.5122	.5493	.3377
Airport	.1005	.1033	.1120	.1089	.1053
Schools	2.6299	2.6903	2.9507	2.7729	2.6346
Library	.0799	.0824	.0825	.0876	.0877
Corporation	4.1333	4.2505	4.6497	4.5010	4.1742
Special Districts	<u>.2050</u>	<u>.2176</u>	<u>.2365</u>	<u>.2314</u>	<u>.2204</u>
Total Tax Due	<u>\$ 8.2224</u>	<u>\$ 8.4307</u>	<u>\$ 9.1873</u>	<u>\$ 8.9038</u>	<u>\$ 8.2262</u>
<b>City of Gary – Taxing Unit 004</b>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
County	\$ .5896	\$ .6277	\$ .6437	\$ .6527	\$ .6663
Township	.4842	.4589	.5122	.5493	.3377
Airport	.1005	.1033	.1120	.1089	.1053
Schools	2.3783	2.1641	2.3636	2.3320	2.2682
Referendum <sup>7</sup>	<u>.5083</u>	<u>.5216</u>	<u>.5620</u>	<u>.5620</u>	<u>.5620</u>
Library	.4577	.4732	.5157	.4947	.4769
Corporation	4.1333	4.2505	4.6497	4.5010	4.1742
Special Districts	<u>.2050</u>	<u>.2176</u>	<u>.2365</u>	<u>.2314</u>	<u>.2204</u>
Total Tax Due	<u>\$ 8.3486</u>	<u>\$ 8.2953</u>	<u>\$ 9.0334</u>	<u>\$ 8.8700</u>	<u>\$ 8.2490</u>

Source: Lake County Auditor's Office, Certified Budget Orders

<sup>5</sup>Population is that of the City of Gary. Population data for the ADZ is unavailable.

<sup>6</sup>Includes Lake County and overlapping levies, payable in succeeding year. All tax rates exhibited are before deduction of homestead credits.

<sup>7</sup>The Referendum Rate, which was approved by voters to begin in 2021, is included in the Schools Tax Rate but also listed in the separate row to demonstrate the amount on which Increment is not collected.

### Analysis of Assessed Valuation

Payable Year	<u>Gary ADZ</u>	<u>City of Gary</u>
2025	\$ 245,071,260	\$ 2,382,952,582
2024	234,644,004	2,223,017,379
2023	183,133,981	1,957,065,894
2022	158,709,870	1,921,427,731
2021	126,174,697	1,911,494,397

Source: Lake County Certified Budget Order

### Largest Taxpayers

The following is a list of the ten (10) largest taxpayers located within the Airport Development Zone's boundaries, based upon information provided by the Lake County Auditor's Office, ranked according to the Net Assessed Value and Captured Assessed Value of property owned by each taxpayer. Outside of Windy City Acquisitions ("Hard Rock Casino") and Chase Street Industrial Center, no one taxpayer accounts for more than 3% of the total Captured Assessment.

#### Sorted by Net Assessment

Taxpayer	Type of Business	<u>January 1, 2024</u> Net Assessment	<u>January 1, 2024</u> Captured Assessment	Percentage: Captured Assessment of ADZ <sup>8</sup>	Estimated Real Property Taxes to be Paid in 2025 <sup>9</sup>
Windy City Acquisitions LLC	Real Estate	\$ 54,598,825	\$ 53,998,579	25.07%	\$ 1,619,957
Chase Street Industrial Center	Foundry/Manufacturing	34,396,300	32,410,207	15.05	972,306
Commerce Road Terminals	Truckload & Logistics Services	5,554,400	5,266,650	2.44	158,000
JKC Holdings LLC	Investment Banking	3,378,200	3,127,749	1.45	93,832
Willows on Clark Rd. Ltd Prtshp	Real Estate	3,132,500	2,572,209	1.19	77,166
Roehl Properties of Indiana LLC	Real Estate	3,131,400	2,075,150	0.96	62,255
Melody Lane Republic LLC	Mobile Park Home	2,958,700	2,642,344	1.23	79,270
Z&D TERMINALS LLC	Truckload & Logistics Services	2,040,000	2,020,363	0.94	60,611
Store Master Funding XX LLC	Real Estate	2,023,400	1,893,932	0.88	56,818
EvCap Investments LLC	Investment Banking	1,866,000	1,791,438	0.83	53,743
	<b>Total</b>	<b>\$113,079,725</b>	<b>\$107,798,621</b>	<b>50.04%</b>	<b>\$ 3,233,959</b>

**Largest Taxpayers (Continued)**

**Sorted by Captured Assessment**

Taxpayer	Type of Business	<u>January 1, 2024</u> Captured Assessment	<u>January 1, 2024</u> Net Assessment	Percentage: Captured Assessment of ADZ	Estimated Real Property Taxes to be Paid in 2025 <sup>8</sup>
Windy City Acquisitions LLC	Real Estate	\$ 53,998,579	\$ 54,598,825	25.07%	\$ 1,619,957
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Commerce Road Terminals	Truckload & Logistics Services	5,266,650	5,554,400	2.44	158,000
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Z&D TERMINALS LLC	Truckload & Logistics Services	2,020,363	2,040,000	0.94	60,611
Store Master Funding XX LLC	Real Estate	1,893,932	2,023,400	0.88	56,818
EvCap Investments LLC	Investment Banking	1,791,438	1,866,000	0.83	53,743
<b>Total</b>		<b>\$107,798,621</b>	<b>\$113,079,725</b>	<b>50.04%</b>	<b>\$ 3,233,959</b>

As to both tables, the Percent of Captured Assessment is based on the Total Captured Assessment for the ADZ (as an allocation area) of \$215,410,571 for the January 1, 2024, assessment date for taxes due and payable in 2025.

**Sources of Data and Information**

Statistical data and other information set forth under the caption "AUTHORITY DEBT AND TAXATION" has been compiled by the Authority's Municipal Advisor, Cender | Dalton Municipal Advisors, from sources deemed to be reliable

<sup>8</sup> Estimated Real Property Taxes for 2025 are calculated using the Captured Assessment and 3% property tax cap.

**APPENDIX C**  
**TIF CONSULTANT'S REPORT**

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**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
Gary, Indiana

**CONSULTANT'S REPORT**

**\$16,550,000**

**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
**AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

February 12, 2025



**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
Gary, Indiana

**CONSULTANT'S REPORT**

**\$16,550,000**

**GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY**  
**AIRPORT DEVELOPMENT ZONE REVENUE BONDS, SERIES 2025**

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# GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY

## GENERAL COMMENTS

### Description of Development Zone

The Gary, Indiana, Airport Development Zone ("ADZ") is located in the City of Gary, Indiana ("City"), less than 30 miles south of the City of Chicago's "Loop," downtown Chicago, approximately 90 miles west of South Bend, Indiana, and 151 miles north of Indianapolis, Indiana.

The ADZ is located generally along the western limits of the City from Lake Michigan shoreline on the north to Ridge Road, the Town of Griffith on the south and Burr Street, Clark Road and Chase Streets on the east. The ADZ consists of approximately 6,742 acres of land (or approximately 10.5 square miles).

Pursuant to the provisions of the ADZ Act, the Issuer confirmed in 2005 an Airport Development Zone ("ADZ") surrounding the Airport for the purposes of collecting tax increment and using the tax increment for various Qualified Airport Development Projects. The ADZ is comprised of taxing units 003 and 004 in the City.

### Basis of Assumptions

In projecting 2025 and going forward, we have continued to use Captured Assessed Value times projected tax rate, less projected circuit breakers, and applying an estimated tax collection rate based on the Civil Airport Authority's property tax collections over the last five years. This serves to discount our projections to a highly conservative level.

We have also assumed the current state of Indiana property taxation, if the State Legislature were to make changes for determining assessed valuation of real and or personal property, those changes will affect the calculations reflected in this report.

### Exhibit G: Estimated Collection Rate of Airport Authority Property Tax

This schedule has been included as a perspective to show the Authority's receipt of property taxes for its operating fund and cumulative building fund separate from Tax Increment generated by the ADZ. This history of those receipts focuses on comparing collection rates. *The most recent five-year average is then used to predict future collections.*

Gary Airport Development Zone:  
 Consultant's Report on Tax Increment Financing

Schedule of Ten (10) Year Historical Tax Increment, plus One (1) Year Projection:  
 Gary Airport Development Zone - Taxing Units 003 and 004

Payable Year	Taxing Unit	Captured Assessment	Real Property Tax Rate	Gross Tax Increment (1)	Circuit Breaker Credits	Net Tax Increment	Actual Tax Increment Distributed (2)
2015	004	\$ 84,374,814	\$ 6.0354	\$ 5,092,358	\$ (1,604,914)	\$ 3,487,444	
2015	003	31,474,457	\$ 6.7739	2,132,048	(708,858)	1,423,190	
	Totals:	<u>\$ 115,849,271</u>		<u>\$ 7,224,406</u>	<u>\$ (2,313,772)</u>	<u>\$ 4,910,634</u>	\$ 4,138,568
2016	004	\$ 86,835,902	\$ 6.6188	\$ 5,747,495	\$ (1,716,442)	\$ 4,031,053	
2016	003	29,125,504	\$ 7.3398	2,137,754	(783,062)	1,354,692	
	Totals:	<u>\$ 115,961,406</u>		<u>\$ 7,885,249</u>	<u>\$ (2,499,504)</u>	<u>\$ 5,385,745</u>	\$ 4,181,407
2017	004	\$ 80,292,188	\$ 7.6929	\$ 6,176,798	\$ (2,723,846)	\$ 3,452,952	
2017	003	29,922,095	\$ 7.8939	2,362,020	(1,056,741)	1,305,279	
	Totals:	<u>\$ 110,214,283</u>		<u>\$ 8,538,818</u>	<u>\$ (3,780,587)</u>	<u>\$ 4,758,231</u>	\$ 4,370,074
2018	004	\$ 75,228,297	\$ 7.8535	\$ 5,908,054	\$ (2,800,000)	\$ 3,108,054	
2018	003	26,401,895	\$ 8.4010	2,218,023	(1,100,000)	1,118,023	
	Totals:	<u>\$ 101,630,192</u>		<u>\$ 8,126,077</u>	<u>\$ (3,900,000)</u>	<u>\$ 4,226,077</u>	\$ 4,113,605
2019	004	\$ 72,966,918	\$ 7.9737	\$ 5,818,163	\$ (2,832,396)	\$ 2,985,767	
2019	003	25,180,314	\$ 8.6354	2,174,421	(1,058,551)	1,115,870	
	Totals:	<u>\$ 98,147,232</u>		<u>\$ 7,992,584</u>	<u>\$ (3,890,947)</u>	<u>\$ 4,101,637</u>	\$ 4,123,064
2020	004	\$ 73,151,414	\$ 8.1711	\$ 5,977,275	\$ (3,097,092)	\$ 2,880,183	
2020	003	26,042,076	\$ 8.4716	2,206,181	(1,143,120)	1,063,060	
	Totals:	<u>\$ 99,193,490</u>		<u>\$ 8,183,456</u>	<u>\$ (4,240,212)</u>	<u>\$ 3,943,244</u>	\$ 4,001,579
2021	004	\$ 73,376,696	\$ 8.8110	\$ 6,465,221	\$ (3,141,225)	\$ 3,323,996	
2021	003	26,320,322	\$ 8.2262	2,165,162	(1,051,977)	1,113,185	
	Totals:	<u>\$ 99,697,018</u>		<u>\$ 8,630,383</u>	<u>\$ (4,193,202)</u>	<u>\$ 4,437,181</u>	\$ 4,180,785
2022	004	\$ 73,224,786	\$ 8.9038	\$ 6,519,788	\$ (3,395,692)	\$ 3,124,097	
2022	003	58,560,978	\$ 9.4320	5,523,471	(2,876,781)	2,646,690	
	Totals:	<u>\$ 131,785,764</u>		<u>\$ 12,043,260</u>	<u>\$ (6,272,473)</u>	<u>\$ 5,770,787</u>	\$ 5,447,196
2023	004	\$ 79,339,048	\$ 9.1873	\$ 7,289,116	\$ (3,896,698)	\$ 3,392,418	
2023	003	75,970,450	\$ 9.4992	7,216,585	(3,857,924)	3,358,661	
	Totals:	<u>\$ 155,309,498</u>		<u>\$ 14,505,701</u>	<u>\$ (7,754,622)</u>	<u>\$ 6,751,079</u>	\$ 6,404,328
2024	004	\$ 120,675,818	\$ 8.8169	\$ 10,639,866	\$ (5,687,980)	\$ 4,951,886	
2024	003	86,046,595	\$ 8.4307	7,254,330	(3,878,102)	3,376,228	
	Totals:	<u>\$ 206,722,413</u>		<u>\$ 17,894,196</u>	<u>\$ (9,566,082)</u>	<u>\$ 8,328,114</u>	\$ 8,891,539
2025	004	\$ 126,756,279	\$ 8.3486	\$ 10,582,375	\$ (5,395,953)	\$ 5,186,422	
2025	003	88,654,292	\$ 8.2224	7,289,511	(3,716,921)	3,572,589	
	Totals:	<u>\$ 215,410,571</u>		<u>\$ 17,871,885</u>	<u>\$ (9,112,874)</u>	<u>\$ 8,759,011</u>	(3)

(1) Tax Increment before application of Indiana Constitutional Circuit Breaker Tax Credits.  
 (2) Actual taxes distributed from the County Auditor's Certificate of Tax Distribution (FORM 22-TIF).  
 (3) Incremental taxes are distributed in mid-June and mid-December each year.

Gary Airport Development Zone:  
 Consultant's Report on Tax Increment Financing

Projected Tax Increment Collections for Taxing Unit 003 After Circuit Breaker

Year of Assessment/ Year Payable	Estimated Net Assessed Value: Real Property	<b>LESS:</b> Base Assessment (1)	Captured Assessment	Estimated Net Tax Rate: Real Property	Estimated Gross Tax Increment	Estimated Circuit Breaker	Estimated Collections AFTER Circuit Breaker
2024/25	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2025/26	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2026/27	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2027/28	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2028/29	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2029/30	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2030/31	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2031/32	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2032/33	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2033/34	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2034/35	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2035/36	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2036/37	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2037/38	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2038/39	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2039/40	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2040/41	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2041/42	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2042/43	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2043/44	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2044/45	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2045/46	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589
2046/47	99,432,489	10,778,197	88,654,292	8.2224	7,289,511	(3,716,921)	3,572,589

(1) Assessed values are based on actual net assessed values and net base assessments. The base assessment date is March 1, 1993.

(2) Circuit Breaker Tax Credits limit the amount of property taxes to 1 percent of property values for homesteads (owner-occupied), 2 percent for other residential property and farmland, and 3 percent for all other property.

Subject to comments in Summary of Significant Assumptions and Discussion of Risk Factors.

Gary Airport Development Zone:  
 Consultant's Report on Tax Increment Financing

Projected Tax Increment Collections for Taxing Unit 004 After Circuit Breaker

Year of Assessment/ Year Payable	Estimated Net Assessed Value: Real Property	<u>LESS:</u> Base Assessment (1)	Captured Assessment	Estimated Net Tax Rate: Real Property	Estimated Gross Tax Increment	Estimated Circuit Breaker	Estimated Collections AFTER Circuit Breaker
2024/25	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2025/26	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2026/27	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2027/28	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2028/29	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2029/30	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2030/31	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2031/32	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2032/33	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2033/34	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2034/35	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2035/36	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2036/37	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2037/38	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2038/39	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2039/40	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2040/41	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2041/42	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2042/43	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2043/44	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2044/45	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2045/46	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422
2046/47	144,877,196	18,120,917	126,756,279	8.3486	10,582,375	(5,395,953)	5,186,422

(1) Assessed values are based on actual net assessed values and net base assessments. The base assessment date is March 1, 1993.

(2) Circuit Breaker Tax Credits limit the amount of property taxes to 1 percent of property values for homesteads (owner-occupied), 2 percent for other residential property and farmland, and 3 percent for all other property.

Subject to comments in Summary of Significant Assumptions and Discussion of Risk Factors.

**Gary Airport Development Zone:  
Consultant's Report on Tax Increment Financing**

For Purposes of Estimating Collection Rate  
Airport Authority (NOT ADZ) Property Tax Collections

Payable Year	Taxes Levied	LESS: Circuit Breaker Tax Credit	Adjusted Taxes Levied (1)	Taxes Collected	Percentage of Taxes Collected Versus Taxes Levied
2010	1,642,953	(874,655)	768,298	697,789	90.82%
2011	1,630,313	(699,905)	930,408	684,778	73.60%
2012	1,415,091	(763,664)	651,427	536,006	82.28%
2013	1,413,901	(729,635)	684,266	684,830	100.08%
2014	1,659,156	(641,829)	1,017,327	769,569	75.65%
2015	1,696,345	(667,904)	1,028,441	799,787	77.77%
2016	1,715,077	(774,711)	940,366	746,771	79.41%
2017	1,764,726	(891,310)	873,416	684,803	78.41%
2018	1,821,807	(993,411)	828,396	748,868	90.40%
2019	1,878,541	(1,010,746)	867,795	739,655	85.23%
2020	1,752,476	(955,565)	796,911	588,754	73.88%
2021	2,012,804	(1,084,094)	928,710	778,570	83.83%
2022	2,092,435	(1,206,287)	886,148	735,038	82.95%
2023	2,191,914	(1,318,013)	873,901	808,084	92.47%
2024	2,296,377	(1,269,130)	1,027,247	864,357	84.14%

**Average property tax collection rate for Pay 2010 through Pay 2024: 83.39%**

**Average property tax collection rate for Pay 2020 through Pay 2024:**

**83.45%**

*(since the implementation of the Circuit Breaker Tax Credits)*

(1) Circuit Breaker Tax Credit actual and estimates from the DLGF.

**Gary Airport Development Zone:  
Consultant's Report on Tax Increment Financing**

Summary Schedule of Projected NET Tax Increment

Year of Assessment/ Year Payable	Estimated Tax Increment (1) (2)			Multiplied by: Estimated Tax Collection Rate (3) (See EXHIBIT D)	NET
	Taxing Unit				Estimated Tax
	Unit 003 (See EXHIBIT B)	Unit 004 (See EXHIBIT C)	Total		Increment to be Distributed
2024/25	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2025/26	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2026/27	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2027/28	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2028/29	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2029/30	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2030/31	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2031/32	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2032/33	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2033/34	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2034/35	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2035/36	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2036/37	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2037/38	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2038/39	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2039/40	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2040/41	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2041/42	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2042/43	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2043/44	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2044/45	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2045/46	3,572,589	5,186,422	8,759,011	83.45%	7,309,785
2046/47	3,572,589	5,186,422	8,759,011	83.45%	7,309,785

(1) Estimated Tax Increment is the lesser of Tax Increment available or Total Tax Increment as calculated under the Circuit Breaker Tax Credit.

(2) The Circuit Breaker Tax Credit limits the amount of property taxes to 1 percent of property values for homesteads, (owner-occupied) 2 percent for other residential property and farmland, and 3 percent for all other property.

(3) The Estimated Tax Collection Rate is based upon the rate for all taxpayers in the City of Gary, and is not specific to the ADZ. The rate has been rounded to the hundredths, for which differences in estimated tax increment is deemed immaterial.

Gary Airport Development Zone:  
 Consultant's Report on Tax Increment Financing

Debt Service Schedule:  
 \$20,770,000 Airport Development Zone Refunding Bonds, Series 2024

		Dated Date 2/2/24						
Bond Year	Collection Year	Date	Principal	Rate	Interest	Total	Debt Service	Fiscal Total
1.0	2024	8/1/2024			\$ 497,943.19	\$ 497,943.19	\$ 497,943.19	
1.5	2024	2/1/2025	\$ 970,000	5.00%	500,725.00	1,470,725.00	1,470,725.00	\$ 1,968,668.19
2.0	2025	8/1/2025			476,475.00	476,475.00	476,475.00	
2.5	2025	2/1/2026	1,010,000	5.00%	476,475.00	1,486,475.00	1,486,475.00	1,962,950.00
3.0	2026	8/1/2026			451,225.00	451,225.00	451,225.00	
3.5	2026	2/1/2027	1,065,000	5.00%	451,225.00	1,516,225.00	1,516,225.00	1,967,450.00
4.0	2027	8/1/2027			424,600.00	424,600.00	424,600.00	
4.5	2027	2/1/2028	1,115,000	5.00%	424,600.00	1,539,600.00	1,539,600.00	1,964,200.00
5.0	2028	8/1/2028			396,725.00	396,725.00	396,725.00	
5.5	2028	2/1/2029	1,170,000	5.00%	396,725.00	1,566,725.00	1,566,725.00	1,963,450.00
6.0	2029	8/1/2029			367,475.00	367,475.00	367,475.00	
6.5	2029	2/1/2030	1,230,000	5.00%	367,475.00	1,597,475.00	1,597,475.00	1,964,950.00
7.0	2030	8/1/2030			336,725.00	336,725.00	336,725.00	
7.5	2030	2/1/2031	1,290,000	5.00%	336,725.00	1,626,725.00	1,626,725.00	1,963,450.00
8.0	2031	8/1/2031			304,475.00	304,475.00	304,475.00	
8.5	2031	2/1/2032	1,355,000	5.00%	304,475.00	1,659,475.00	1,659,475.00	1,963,950.00
9.0	2032	8/1/2032			270,600.00	270,600.00	270,600.00	
9.5	2032	2/1/2033	1,420,000	5.00%	270,600.00	1,690,600.00	1,690,600.00	1,961,200.00
10.0	2033	8/1/2033			235,100.00	235,100.00	235,100.00	
10.5	2033	2/1/2034	1,495,000	5.00%	235,100.00	1,730,100.00	1,730,100.00	1,965,200.00
11.0	2034	8/1/2034			197,725.00	197,725.00	197,725.00	
11.5	2034	2/1/2035	1,570,000	5.00%	197,725.00	1,767,725.00	1,767,725.00	1,965,450.00
12.0	2035	8/1/2035			158,475.00	158,475.00	158,475.00	
12.5	2035	2/1/2036	1,645,000	5.00%	158,475.00	1,803,475.00	1,803,475.00	1,961,950.00
13.0	2036	8/1/2036			117,350.00	117,350.00	117,350.00	
13.5	2036	2/1/2037	1,730,000	5.00%	117,350.00	1,847,350.00	1,847,350.00	1,964,700.00
14.0	2037	8/1/2037			74,100.00	74,100.00	74,100.00	
14.5	2037	2/1/2038	1,815,000	4.000%	74,100.00	1,889,100.00	1,889,100.00	1,963,200.00
15.0	2038	8/1/2038			37,800.00	37,800.00	37,800.00	
15.5	2038	2/1/2039	1,890,000	4.000%	37,800.00	1,927,800.00	1,927,800.00	1,965,600.00
<b>TOTALS</b>			<b>\$ 20,770,000</b>		<b>\$ 8,696,368.19</b>	<b>\$ 29,466,368.19</b>	<b>\$ 29,466,368.19</b>	<b>\$ 29,466,368.19</b>

Gary Airport Development Zone:  
 Consultant's Report on Tax Increment Financing

Debt Service Schedule:  
 \$16,550,000 Airport Development Zone Revenue Bonds, Series 2025

Dated Date 3/13/25

Bond Year	Collection Year	Date	Principal	Rate	Interest	Total	Debt Service	Fiscal Total
1.0	2025	8/1/2025			\$ 313,250.42	\$ 313,250.42	\$ 313,250.42	
1.5	2025	2/1/2026	\$ 445,000	5.00%	408,587.50	853,587.50	853,587.50	\$ 1,166,837.92
2.0	2026	8/1/2026			397,462.50	397,462.50	397,462.50	
2.5	2026	2/1/2027	525,000	5.00%	397,462.50	922,462.50	922,462.50	1,319,925.00
3.0	2027	8/1/2027			384,337.50	384,337.50	384,337.50	
3.5	2027	2/1/2028	555,000	5.00%	384,337.50	939,337.50	939,337.50	1,323,675.00
4.0	2028	8/1/2028			370,462.50	370,462.50	370,462.50	
4.5	2028	2/1/2029	580,000	5.00%	370,462.50	950,462.50	950,462.50	1,320,925.00
5.0	2029	8/1/2029			355,962.50	355,962.50	355,962.50	
5.5	2029	2/1/2030	610,000	5.00%	355,962.50	965,962.50	965,962.50	1,321,925.00
6.0	2030	8/1/2030			340,712.50	340,712.50	340,712.50	
6.5	2030	2/1/2031	640,000	5.00%	340,712.50	980,712.50	980,712.50	1,321,425.00
7.0	2031	8/1/2031			324,712.50	324,712.50	324,712.50	
7.5	2031	2/1/2032	675,000	5.00%	324,712.50	999,712.50	999,712.50	1,324,425.00
8.0	2032	8/1/2032			307,837.50	307,837.50	307,837.50	
8.5	2032	2/1/2033	705,000	5.00%	307,837.50	1,012,837.50	1,012,837.50	1,320,675.00
9.0	2033	8/1/2033			290,212.50	290,212.50	290,212.50	
9.5	2033	2/1/2034	740,000	5.00%	290,212.50	1,030,212.50	1,030,212.50	1,320,425.00
10.0	2034	8/1/2034			271,712.50	271,712.50	271,712.50	
10.5	2034	2/1/2035	780,000	5.00%	271,712.50	1,051,712.50	1,051,712.50	1,323,425.00
11.0	2035	8/1/2035			252,212.50	252,212.50	252,212.50	
11.5	2035	2/1/2036	815,000	5.00%	252,212.50	1,067,212.50	1,067,212.50	1,319,425.00
12.0	2036	8/1/2036			231,837.50	231,837.50	231,837.50	
12.5	2036	2/1/2037	860,000	5.00%	231,837.50	1,091,837.50	1,091,837.50	1,323,675.00
13.0	2037	8/1/2037			210,337.50	210,337.50	210,337.50	
13.5	2037	2/1/2038	900,000	5.00%	210,337.50	1,110,337.50	1,110,337.50	1,320,675.00
14.0	2038	8/1/2038			187,837.50	187,837.50	187,837.50	
14.5	2038	2/1/2039	945,000	5.00%	187,837.50	1,132,837.50	1,132,837.50	1,320,675.00
15.0	2039	8/1/2039			164,212.50	164,212.50	164,212.50	
15.5	2039	2/1/2040	995,000	5.25%	164,212.50	1,159,212.50	1,159,212.50	1,323,425.00
16.0	2040	8/1/2040			138,093.75	138,093.75	138,093.75	
16.5	2040	2/1/2041	1,045,000	5.25%	138,093.75	1,183,093.75	1,183,093.75	1,321,187.50
17.0	2041	8/1/2041			110,662.50	110,662.50	110,662.50	
17.5	2041	2/1/2042	1,100,000	5.25%	110,662.50	1,210,662.50	1,210,662.50	1,321,325.00
18.0	2042	8/1/2042			81,787.50	81,787.50	81,787.50	
18.5	2042	2/1/2043	1,160,000	4.50%	81,787.50	1,241,787.50	1,241,787.50	1,323,575.00
19.0	2043	8/1/2043			55,687.50	55,687.50	55,687.50	
19.5	2043	2/1/2044	1,210,000	4.50%	55,687.50	1,265,687.50	1,265,687.50	1,321,375.00
20.0	2044	8/1/2044			28,462.50	28,462.50	28,462.50	
20.5	2044	2/1/2045	1,265,000	4.50%	28,462.50	1,293,462.50	1,293,462.50	1,321,925.00
TOTALS			\$ 16,550,000		\$ 9,730,925.42	\$ 26,280,925.42	\$ 26,280,925.42	\$ 26,280,925.42

**Gary Airport Development Zone:  
Consultant's Report on Tax Increment Financing**

Schedule of Pro Forma Tax Increment Revenue, Obligations,  
and Coverage Percentages

Year	Total Pro Forma Tax Increment Revenues (Exhibit E)	Total Pro Forma Obligations (Exhibit F)	Coverage % on Obligations
2025	7,309,785	3,129,788	233.56%
2026	7,309,785	3,287,375	222.36%
2027	7,309,785	3,287,875	222.33%
2028	7,309,785	3,284,375	222.56%
2029	7,309,785	3,286,875	222.39%
2030	7,309,785	3,284,875	222.53%
2031	7,309,785	3,288,375	222.29%
2032	7,309,785	3,281,875	222.73%
2033	7,309,785	3,285,625	222.48%
2034	7,309,785	3,288,875	222.26%
2035	7,309,785	3,281,375	222.77%
2036	7,309,785	3,288,375	222.29%
2037	7,309,785	3,283,875	222.60%
2038	7,309,785	3,286,275	222.43%
2039	7,309,785	1,323,425	552.34%
2040	7,309,785	1,321,188	553.27%
2041	7,309,785	1,321,325	553.22%
2042	7,309,785	1,323,575	552.28%
2043	7,309,785	1,321,375	553.20%
2044	7,309,785	1,321,925	552.97%
2045	7,309,785	-	

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**APPENDIX D**

**SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE**

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## SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

THE FOLLOWING IS A SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE DATED AS OF NOVEMBER 1, 2014, AS SUPPLEMENTED BY THE SERIES 2024 SUPPLEMENTAL TRUST INDENTURE DATED AS OF FEBRUARY 1, 2024, AND THE SERIES 2025 SECOND SUPPLEMENTAL TRUST INDENTURE DATED AS OF FEBRUARY 1, 2025 (THE "INDENTURE"), BETWEEN THE GARY/CHICAGO INTERNATIONAL AIRPORT AUTHORITY (THE "ISSUER") AND U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS TRUSTEE AND SUCCESSOR IN INTEREST TO U.S. BANK NATIONAL ASSOCIATION (THE "TRUSTEE"). THIS SUMMARY DOES NOT PURPORT TO COMPREHENSIVELY DESCRIBE THE INDENTURE AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE INDENTURE. CAPITALIZED TERMS IN THIS SUMMARY NOT DEFINED IN THIS OFFICIAL STATEMENT WILL HAVE THE MEANINGS SET FORTH IN THE INDENTURE.

### Definitions of Certain Terms

*"2025 Pledged Funds"* means (i) the proceeds from the sale of the Series 2025 Bonds, and (ii) moneys held in the 2025 Reserve Fund and the 2025 Account of the Expense Fund.

*"Authorized Denominations"* means \$5,000 and any integral multiple thereof.

*"Authorized Representative"* means, in the case of the Issuer, the President of the Board, the Secretary of the Board, or any other officer or employee of the Issuer designated by certificate of any of the foregoing as authorized by the Issuer to perform a specified act, sign a specified document or otherwise take action with respect to the Bonds; and, when used with reference to the performance of any act, the discharge of any duty or the execution of any certificate or other document, any officer, employee or other person authorized to perform such act, discharge such duty or execute such certificate or other document.

*"Beneficial Owner"* or *"Registered Owner"* means the owner of a Series 2025 Bond or portion thereof for federal income tax purposes.

*"Bond Register"* means the register kept by the Trustee.

*"Book Entry Bond"* means a Series 2025 Bond authorized to be issued to and restricted to being registered in the name of a Securities Depository.

*"Dated Date"* means the date of issuance and delivery of the Series 2025 Bonds to the Trustee.

*“Electronic Means”* means telegram, telex, telecopier, secure and unsecure electronic mail or other telecommunications or electronic telecommunications device capable of creating a written notice that is operative as between the parties and acceptable for use by them.

*“Interest Payment Date”* means each February 1 and August 1, commencing August 1, 2025.

*“Master Trust Indenture”* means the Trust Indenture dated as of November 1, 2014, between the Issuer and the Trustee, as previously supplemented and amended by the Series 2024 Supplemental Trust Indenture, and as further supplemented by the Series 2025 Second Supplemental Trust Indenture.

*“Principal Payment Date”* means the maturity date or the mandatory redemption date (if applicable) of any Series 2025 Bond.

*“Purchase Contract”* means the Bond Purchase Agreement for the Series 2025 Bonds, dated February 27, 2025.

*“Securities Depository”* means, with respect to a Book Entry Bond, DTC or any person, firm, association or corporation constituting a “clearing agency” (securities depository) registered under Section 17A of the Securities Exchange Act of 1934, as amended, which may at any time be substituted in its place to act as Securities Depository for the Bonds, or its successors, or any nominee therefor.

*“Series 2025 Bonds”* means the Gary/Chicago International Airport Authority Airport Development Zone Revenue Bonds, Series 2025 described in Section 2.02 hereof. The Series 2025 Bonds referred to in this Series 2025 Second Supplemental Trust Indenture are “Additional Bonds” of the Issuer pursuant to Section 2.11 of the Master Trust Indenture.

*“Series 2025 Costs of Issuance Account”* means the account created pursuant to Section 4.01 hereof.

*“Series 2025 Second Supplemental Trust Indenture”* means this Series 2025 Second Supplemental Trust Indenture dated as of February 1, 2025, between the Issuer and the Trustee.

*“Series 2025 Reserve Requirement”* means an amount equal to the maximum annual principal and interest requirement for the Series 2025 Bonds Outstanding. Initially, the Series 2025 Reserve Requirement is \$1,324,425.00.

*“Series 2025 Series Reserve Account”* means the account created pursuant to Section 4.02 hereof.

## Pledge and Assignment

Under the Indenture, the Issuer pledges and assigns to the Trustee, for the benefit of the Registered Owners from time to time of the Bonds on a parity basis, and to its successors and assigns forever, the Pledged Funds and, in addition, solely with respect to the Bonds, also the 2025 Pledged Funds, and all rights and interests of the Issuer in the Pledged Funds and, in addition, solely with respect to the Bonds, also the 2025 Pledged Funds, subject to the provisions of the Indenture requiring or permitting the application thereof for the purposes and on the terms set forth in the Indenture.

## Application of Bond Proceeds

A Portion of the proceeds of the Bonds will be deposited into the 2025 Costs of Issuance Account and the 2025 Reserve Fund.

The Trustee shall pay Costs of Issuance from the 2025 Costs of Issuance Account.

## Funds and Accounts

With respect to the Bonds, the Indenture establishes the following funds and accounts to be held by the Trustee:

- (a) Construction Fund, consisting of:
  - (i) 2025 Construction Account, and
  - (ii) 2025 Costs of Issuance Account;
- (b) Revenue Fund;
- (c) Bond Principal and Interest Fund;
- (d) 2025 Reserve Fund;
- (e) Expense Fund;
- (f) Rebate Fund; and
- (g) Excess Fund.

**Construction Fund.** The Construction Fund consists of the 2025 Construction Account and the 2025 Costs of Issuance Account. After the payment of all costs of issuance, any moneys remaining in the 2025 Costs of Issuance Account will be transferred by the Trustee to the Bond Principal and Interest Fund.

**Revenue Fund.** The Trustee shall deposit into the Revenue Fund as and when received, all Tax Increment and all other moneys received by the Trustee that has been

pledged to the payment of the Bonds pursuant to the Indenture or the Ordinance. The Trustee shall disburse amounts from the Revenue Fund as provided in Section 3.03 of the Indenture.

***Bond Principal and Interest Fund.*** The Trustee will deposit into the Bond Principal and Interest Fund, amounts disbursed from the Revenue Fund according to the terms of the Indenture and any other amounts transferred to the Bond Principal and Interest Fund as provided for in the Indenture.

The amounts in the Bond Principal and Interest Fund shall be used by the Trustee solely to pay the principal, premium (if any) and interest due on the Bonds as the same falls due.

***2025 Reserve Fund.*** The Trustee shall deposit in the 2025 Reserve Fund proceeds of the Bonds in an amount at least equal to the 2025 Reserve Requirement and disbursements from the Revenue Fund, if any. The Trustee shall use the moneys in the 2025 Reserve Fund only after all amounts in the Bond Principal and Interest Fund are depleted to pay principal and interest on the Bonds, provided, amounts in the 2025 Reserve Fund in excess of the 2025 Reserve Requirement shall be transferred to the Bond Principal and Interest Fund. In no event shall excess funds be held in the 2025 Reserve Account

***Expense Fund.*** The Trustee shall deposit into the Expense Fund amounts disbursed from the Revenue Fund according to the terms of the Indenture and any other amounts transferred to the Expense Fund as provided for in the Indenture. The Trustee shall use moneys in the expense fund to pay necessary incidental expenses in connection with the Bonds, including Trustee's fees.

***Excess Fund.*** The Trustee shall deposit in the Excess Fund all moneys transferred from the Revenue Fund according to the terms of the Indenture and any other amounts transferred to the Excess Fund, as provided for in the Indenture. To the extent there are no deficiencies in the amounts required to be deposited into the Bond Principal and Interest Fund, the 2025 Reserve Fund, the Rebate Fund or the Expense Fund, the Trustee will, on February 2 of each year beginning February 2, 2026, distribute to the Issuer any moneys then on deposit in the Excess Fund for deposit in the Project Fund established by the Ordinance.

***Funds to Pay Arbitrage Rebate.*** The Trustee will establish and maintain such fund or funds and take such other actions as may be necessary to enable the Issuer to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended, and the applicable arbitrage regulations; provided, however, that the Trustee will be under no obligation to make computations of the amount of arbitrage required to be rebated to the federal government of the United States of America.

## Investment of Funds

All moneys held as part of any of the Funds shall be invested by the Trustee in Investment Obligations as directed in writing by an Authorized Representative of the Issuer. All such Investment Obligations purchased shall mature or be redeemable on a date or dates prior to the time when the moneys so invested will be required for expenditure.

## Additional Bonds and Subordinate Bonds

The Issuer may from time to time issue Additional Bonds secured solely from the Pledged Funds on parity with the Bonds only if all of the requirements provided in the Indenture have been satisfied. Any Additional Bonds shall be authorized and secured by a supplemental indenture and will be equally and ratably payable from the Pledged Funds.

Subordinate Bonds may be issued from time to time by the Issuer secured solely on a subordinate basis to the Bonds (including the Bonds) from the Pledged Funds. Any Subordinate Bonds shall be authorized and secured by a supplemental indenture and will be equally and ratably payable on a subordinate basis from the Pledged Funds.

## Covenants of the Issuer

In the Indenture, the Issuer makes certain covenants, including but not limited to the following:

- (a) It will faithfully do and perform all, and at all times faithfully observe, any and all covenants, undertakings, stipulations, and provisions contained in each Bond and the Indenture;
- (b) It will promptly make, execute, and deliver all indentures supplemental to the Indenture and take all action as may be reasonably deemed necessary or advisable by the Trustee for the better securing of the Bonds;
- (c) It will duly and punctually pay the principal of, premium, if any, and interest on the Bonds;
- (d) It will not reduce, amend or modify the boundaries of the ADZ or remove or add parcels from the ADZ if the effect of such reduction, amendment, modification, addition or removal would be to reduce the amount of Tax Increment Revenues which would be available to the Issuer following such reduction, amendment, modification, addition or removal and prior to any action to reduce, amend or modify the boundaries of the ADZ or to remove or add any parcels of property from or to the ADZ, the Issuer shall have

received a report from an independent financial advisor detailing the effect of such proposed action;

- (e) It will faithfully observe and comply with the terms of all applicable laws and ordinances of the State of Indiana and any political or municipal subdivision thereof;
- (f) It will maintain records and accounts in which will be kept full, true and correct entries regarding all dealings or transactions of or in relation to the properties, business and affairs of the Issuer; and
- (e) In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, the Issuer represents, covenants and agrees that the Issuer will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the Bonds pursuant to Section 103(a) of the Code, as in effect on the date of delivery of the Bonds, nor will the Issuer act in any manner which would adversely affect such exclusion.

#### Events of Default

The following are each an “Event of Default” under the Indenture:

- (a) Failure in the payment by the Issuer of the principal of or premium, if any, on any Bond when the same shall become due and payable, whether at the stated maturity thereof, on a sinking fund payment date or upon proceedings for redemption;
- (b) Failure in the payment by the Issuer of any installment of interest on any Bond when the same shall become due and payable;
- (c) Failure shall be made in the observance or performance of any covenant, agreement, contract or other provision in the Indenture, any supplemental indenture or the Bonds, and the continuance thereof for a period of 45 days after written notice thereof to the Issuer by the Trustee;
- (d) The Issuer: (i) admits in writing its inability to pay its debts generally as they become due; (ii) files a petition in bankruptcy, (iii) makes an assignment for the benefit of its creditors, or (iv) consents to or fails to contest the appointment of a receiver or trustee for itself;
- (e) The Issuer: (i) be adjudged insolvent by a court of competent jurisdiction; or (ii) on a petition in bankruptcy filed against the Issuer be adjudged a bankrupt, and any of the aforesaid adjudications, orders, judgments or

decrees shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof;

- (f) If any judgment shall be recovered against the Issuer or any attachment or other court process issues that shall become or create a lien upon the Pledged Funds or, in addition, solely with respect to the Bonds, also upon the 2025 Pledged Funds, and such judgment, attachment or court process shall not be discharged or effectually secured within sixty (60) days
- (g) The Issuer files a petition under the provisions of the United States Bankruptcy Code, or files an answer seeking the relief provided in said Bankruptcy Code;
- (h) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Issuer under the provisions of said Bankruptcy Code, and such judgment, order or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof;
- (i) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Issuer or of the whole or any substantial part of the financed property or the income therefrom, and such custody or control is not terminated within 60 days from the date of assumption of such custody or control;

### Remedies

In the case of the happening and continuance of any of the events of default, the holders of a majority, in principal, of the Bonds Outstanding shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver, or any other proceedings or remedies hereunder provided that such direction shall not be otherwise than in accordance with the law or the provisions hereof. The Trustee shall not be required to act on any direction given to it pursuant to this Section unless indemnified or receiving other assurances as provided in Section 9.01 of the Indenture.

No holder of the Bonds shall have any right to institute any proceeding in law or equity for the foreclosure of the Indenture, the appointment of a receiver or any other remedy under the Indenture without complying with the provisions of the Indenture.

No member, officer or employee of the Issuer or of any department or board thereof shall be individually or personally liable for the payment of the principal of or interest on

any Bond. Nothing contained in the Indenture shall, however, relieve any such member, officer or employee from the performance of any duty provided or required by law.

### Supplemental Indentures

The Issuer and the Trustee may, without obtaining the approvals of the holders of the Bonds, enter into supplemental indentures to add covenants and agreements of the Issuer for the protection or benefit of the holders of the Bonds; to cure any ambiguity or formal defect or omission in the Indenture; grant to the Trustee for the benefit of such holders any additional rights, remedies, powers, authority or security that may lawfully be granted; modify, amend or supplement the Indenture to permit the sale of the Bonds under certain securities laws; provide for and evidence the issuance of Additional Bonds or Subordinate Bonds; provide for the refunding or advance refunding of the Bonds in whole or in part; provide for a modification or the Trust Indenture Act of 1939, as amended from time to time; or for any other purpose which is accompanied by a Rating Confirmation.

The holders of not less than a majority of aggregate principal amount of the Bonds then Outstanding, shall have the right, from time to time, except when contrary to the Indenture, to consent to and approve (i) the execution by the Issuer and the Trustee of such supplemental indentures, or (ii) the amendment of the Ordinance by the Issuer; provided, however, that, without the consent of the Registered Owners of all of the Bonds at the time Outstanding and adversely affected thereby, nothing in the Indenture (not including supplemental indentures permitted in the previous paragraph) shall allow supplemental indentures which permit:

- (a) An extension of the maturity of, or a reduction of the principal amount of, or a reduction of the rate of, or extension of the time of payment of interest on, or a reduction of a premium payable upon any redemption of, any Bond;
- (b) The deprivation of the Registered Owner of any Bond then Outstanding of the lien or the priority of the lien created by this Indenture (other than as permitted hereby when such Bond was initially issued);
- (c) A privilege or priority of any Bond or Bonds over any other Bond or Bonds; or
- (d) A reduction in the aggregate principal amount of the Bonds, if any, required for consent to such supplemental indenture or amendment to this Indenture.

If the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of the execution of such a supplemental indenture or the adoption of an amendment to the Ordinance by the Issuer have consented to and approved the

execution or adoption thereof as provided in the Indenture, no owner of any Bond shall have any right to object to the execution of such supplemental indenture or adoption of such Ordinance amendment or to object to any of the terms and provisions contained therein or the operation thereof or in any manner to question the propriety of the execution or adoption thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same, or from taking any action pursuant to the provisions thereof.

The Issuer and the Trustee may in connection with an issuance of a series of bonds, effect a supplemental indenture containing any terms and conditions affecting only such series of bonds or subsequent series of bonds and deem the original purchasers of such bonds to have consented and to have waive any notice of such supplemental indenture that may otherwise have been required.

Upon the execution of any supplemental indenture pursuant to the provisions of the Indenture, the Indenture shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture, of the Issuer, the Trustee, and all owners of Bonds then outstanding will thereafter be determined, exercised and enforced thereunder, subject in all respects to such modifications and amendments.

#### Defeasance

If, when the Bonds or a portion thereof have become due and payable in accordance with their terms or have been duly called for redemption or irrevocable instructions to call such Bonds for redemption have been given by the Issuer to the Trustee, and the whole amount of the principal and the interest so due and payable upon all of such Bonds then outstanding are paid or (i) sufficient money; or (ii) Government Obligations which shall not contain provisions permitting the redemption thereof at the option of the Issuer, the principal of and the interest on which when due, without reinvestment, will provide sufficient money; or (iii) a combination thereof, are held for such purpose under the provisions of the Indenture, and provision is also made for paying all Trustee's fees and expenses and other sums payable under the Indenture by the Issuer, such Bonds shall no longer be deemed to be outstanding under the Indenture. In the event the foregoing applies to all Bonds secured by the Indenture, the right, title and interest of the Trustee will thereupon cease and become void.

Upon any such termination of the Trustee's title, on demand of the Issuer, the Trustee will turn over to the Issuer or to such officer, board or body as may then be entitled by law to receive the same any surplus in the various funds created by the Indenture, other than moneys and obligations held for the redemption or payment of Bonds or payment of the Rebate Amount.

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**APPENDIX E**

**FORM OF BOND COUNSEL OPINION**

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March 13, 2025

U.S. Bank Trust Company, National Association,  
Indianapolis, Indiana

Gary/Chicago International Airport Authority  
Lake County, Indiana

Mesirow Financial, Inc.  
Indianapolis, Indiana

Re: \$16,550,000 Gary/Chicago International Airport Authority Airport Development  
Zone Revenue Bonds, Series 2025 (the "Bonds")

Ladies and Gentlemen:

We have examined a certified transcript containing (a) proceedings and certificates relative to the authorization and issuance of the above-captioned Bonds including, but not limited to, the Trust Indenture dated as of November 1, 2014, as supplemented by the Series 2024A Supplemental Trust Indenture dated as of February 1, 2024, and the Series 2025 Supplemental Trust Indenture dated as of February 1, 2025 (collectively, the "Indenture") each between the Gary/Chicago International Airport Authority (the "Authority") and U.S. Bank Trust Company, National Association; (b) Ordinance No. 2024-01 adopted on July 12, 2024 (the "Bond Ordinance"), by the Gary/Chicago International Airport Authority (the "Authority"); (c) the Tax Representation and Arbitrage Certificate of the Authority (the "Tax Certificate"); (d) an opinion of Tolbert & Tolbert LLC, counsel to the Authority; and (e) certain other certifications and representations of the Authority concerning material facts within its knowledge and control. We have also examined the Constitution and statutes of the State of Indiana, including Indiana Code, Title 8, Article 22, Chapter 3 and Chapter 3.5 (the "Act"), pursuant to which the Bonds are issued, and such other records, certifications, representations, documents, opinions, reports or laws as we have deemed relevant, appropriate or necessary for purposes of the opinions set forth herein.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Authority is duly created and validly existing as a separate and distinct municipal corporation with power under the Act to adopt the Ordinance, to issue, sell and deliver the Bonds and to enter into and perform its obligations under the Indenture.
2. The Authority has duly authorized and executed the Indenture, and the Indenture is a valid and binding obligation of the Issuer enforceable upon the Issuer in accordance with its terms.

3. The Bonds have been duly authorized, executed, issued and delivered and are valid and binding limited obligations of the Issuer secured by and payable solely from the sources provided in the Indenture.

4. Under existing statutes, rules and decisions, interest on the Bonds is exempt from income taxation by the State of Indiana. This opinion relates only to the tax exemption of interest from State of Indiana income tax.

5. Under federal statutes, decisions, regulations and rulings existing on this date, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") for federal income tax purposes and is not a specific reference item for purposes of the federal alternative minimum tax imposed on individuals under the Code. However, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The opinions expressed in paragraph 5 relate only to the excludability 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 by the Authority with the representations and covenants contained in the Tax Certificate and the Bond Ordinance ("Tax Representations"). Failure to comply with the Tax Representations could cause interest on the Bonds to lose the excludability 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 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 further understood that the rights of the owners of the Bonds, and the enforceability thereof may be subject to the valid exercise of the constitutional powers of the Authority, the State of Indiana and the United States of America.

Very truly yours,

**APPENDIX F**  
**CONTINUING DISCLOSURE CONTRACT**

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## CONTINUING DISCLOSURE UNDERTAKING AGREEMENT

This CONTINUING DISCLOSURE UNDERTAKING AGREEMENT, dated March 13, 2025 (as may be supplemented and amended, this “Agreement”), is made by Gary/Chicago International Airport Authority (the “Issuer”), for the purpose of permitting Citigroup Global Markets Inc., as representative of the underwriters (the “Underwriters”) of the Bonds (as defined herein) to purchase the Bonds in compliance with the Securities and Exchange Commission (“SEC”) Rule 15c2-12 (“SEC Rule”), as published in the Federal Register on November 17, 1994, and as amended to the date hereof.

Section 1. Definitions. The words and terms defined in this Agreement shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization, shall have the meanings assigned to them in the SEC Rule.

- (1) “Bondholder” or “holder” or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, including the holders of beneficial interests in the Bonds.
- (2) “EMMA” shall mean the Electronic Municipal Market Access of MSRB accessible at <http://emma.msrb.org> or at such other information depository as may be designated by the SEC from time to time to receive final official statements, material event notices and annual financial information under the SEC Rule.
- (3) “Final Official Statement” means the Official Statement dated February 27, 2025, relating to the Bonds, including any document or set of documents included therein by specific reference which is available to the public on EMMA.
- (4) “MSRB” means the Municipal Securities Rulemaking Board.
- (5) “Obligated Person” means any person, including an issuer of municipal securities, which is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), for which Annual Information (as defined in Section 5) is presented in the Official Statement. The Issuer is identified as the only Obligated Person with respect to the Bonds in Section 4.

Section 2. Bonds. This Agreement applies to the issuance of the \$16,550,000 aggregate principal amount of Gary/Chicago International Airport Authority Airport Development Zone Revenue Bonds (the “Bonds”), which are secured pursuant to the Indenture, as supplemented, (as defined in the Final Official Statement) in part by the pledge to the Trustee (as defined in the Final Official Statement) .

Section 3. Term. The term of this Agreement is from the date of delivery of the Bonds by the Issuer to the earlier of (i) the date of payment in full of principal of, premium, if any, and

interest on the Bonds, whether upon scheduled maturity, redemption, acceleration or otherwise, or (ii) the date of defeasance of the Bonds in accordance with the terms of the Indenture.

Section 4. Obligated Persons. The Issuer hereby warrants and represents as of the date hereof, that the Issuer is the only Obligated Person with respect to the Bonds. If the Issuer is no longer committed by contract or other arrangement to support payment of the obligations on the Bonds, the Issuer shall no longer be considered an Obligated Person within the meaning of the SEC Rule and the continuing disclosure obligation under this Agreement to provide annual financial information and notices of events shall terminate with respect to the Issuer. If the Issuer is no longer considered an Obligated Person within the meaning of the SEC Rule, the Issuer shall file, or cause to be filed with EMMA a written notice that it is no longer an Obligated Person. In the event that any entity subsequently becomes an Obligated person with respect to the Bonds, the Issuer agrees to use their best efforts to cause such other entity to enter into a written undertaking to comply with the disclosure requirements of the Issuer set forth herein.

Section 5. Provision of Annual Information.

(a) The Issuer hereby undertakes to provide the following financial information:

(i) To the MSRB through EMMA, when and if available, the annual financial information of the Issuer for each fiscal year of the Issuer, beginning with the fiscal year ended December 31, 2025, including the audited financial statements of the Issuer, within sixty (60) days of the date such financial information is delivered by the Issuer to the Issuer Board or no later than July 31 of each year; and

(ii) To the MSRB through EMMA, within two hundred ten (210) days after the close of each fiscal year of the Issuer, beginning with the fiscal year ended December 31, 2025, annual information of the Issuer for such fiscal year, described in (i) above, including:

(a) Unaudited financial statements of the Issuer if audited financial statements are not then available and

(b) Operating data (excluding any demographic information or forecast) of the general type included in the Consultant's Report ("CR") and Appendix B of the Final Official Statement as follows (collectively, the "Annual Information"):

- i. Schedule of Ten Year Historical Tax Increment, plus One Year Projection (CR - Ex. A, previously Table II),
- ii. Projected Tax Increment Collections for Taxing Units (which includes the Net and Base Assessed Values) (CR - Ex. B & C, previously referenced as gross and base assessed values),
- iii. Summary Schedule of Projected NET Tax Increment (CR - Ex. E, previously Table IV),
- iv. Schedule of Pro Forma Tax Increment Revenue, Obligations, and Coverage Percentages (CR - Ex. G, previously Table V), and
- v. Top Ten Taxpayers - sorted by Net Assessment and Captured Assessment (B-3 & B-4, previously Table III).

- (b) To the extent the Annual Information of the Issuer referred to in paragraph (a) of this Section 5 is included in a final official statement (as that term is defined in paragraph (f)(3) of the SEC Rule) dated within two hundred ten (210) days prior to the due date for such information for any fiscal year and filed with the MSRB through EMMA, the Issuer shall have been deemed to have provided that information as of the due date for the immediately preceding fiscal year as required by paragraph (a) of this Section 5.
- (c) To the extent the Annual Information of the Issuer referred to in paragraph (a) of this Section 5 no longer can be generated because the operations of the Issuer have been materially changed or discontinued, a statement to that effect, provided by the Issuer to the MSRB through EMMA, along with any other Annual Information required to be provided under this Agreement, shall satisfy the undertaking to provide such Annual Information. To the extent available, the Issuer shall cause to be filed along with the other Annual Information or audited financial statements, operating data similar to that which can no longer be provided.
- (d) Failure to provide any component of Annual Information because it is not available to the Issuer on the date by which Annual Information is required to be provided hereunder shall not be deemed a breach of this Agreement; provided, however, that in the event such Annual Information is not available to the Issuer, the Issuer will provide to the MSRB through EMMA, in the remaining disclosure of the Annual Information, (i) a description of the Annual Information that is not available, (ii) any replacement or substitute information, (iii) whether such Annual Information is expected to be available, and (iv) if known by the Issuer, the dates such Annual Information will be made available to the Issuer. The Issuer further agrees to supplement the Annual Information filing when such data is available.
- (e) Annual Information required to be provided pursuant to this Section 5 may be provided by a specific reference to such Annual Information already prepared and previously provided to the MSRB or filed with the SEC; however, if such document is a final official statement, it must also be available from the MSRB.

Section 6. Accounting Principles. Beginning with the fiscal year ended December 31, 2014, the accounting principles pursuant to which the Issuer's financial statements will be prepared shall be generally accepted accounting principles, as in effect from time to time, described in the auditor's report and the notes accompanying the audited financial statements of the Issuer mandated by the law of the State of Indiana from time to time, or any other accounting principles which do not, in the determination of the Issuer, materially deviate from any of such accounting principles.

Section 7. Listed Events.

- (a) The Issuer hereby undertakes to provide, either directly or indirectly through an indenture trustee or a designated agent, to provide the following to the MSRB in an electronic format as prescribed by the MSRB within ten (10) Business Days of the occurrence of any of the following events with respect to the Bonds, if material (which determination of materiality shall be made by the Issuer in accordance with the standards established by federal securities laws):

- (i) Non-payment related defaults;
  - (ii) Modifications to rights of Bondholders;
  - (iii) Bond calls (other than scheduled mandatory sinking fund redemptions for which notice is given in accordance with the Indenture);
  - (iv) Release, substitution or sale of property securing repayment of the Bonds;
  - (v) Mergers, consolidations or acquisitions involving the Issuer, or the sale of all or substantially all of the assets of the Issuer, including the entry into or the termination of agreements providing for such;
  - (vi) Appointment of a successor or additional trustee or the change of name of a trustee; and
  - (vii) Solely as to the Bonds and any obligations issued after the date hereof which are subject to the SEC Rule, incurrence of a financial obligation (as defined in the SEC Rule) of the Obligor or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligor, any of which affect security holders.
- (b) The Issuer shall, either directly or indirectly through an indenture trustee or a designated agent, provide the following to the MSRB in an electronic format as prescribed by the MSRB within ten (10) Business Days of the occurrence of any of the following events with respect to the Bonds, regardless of materiality:
- (i) Principal and interest payment delinquencies;
  - (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
  - (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
  - (iv) Substitution of credit or liquidity providers, or their failure to perform;
  - (v) 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 Bonds;
  - (vi) Defeasances;
  - (vii) Rating changes;
  - (viii) Tender offers; and

- (ix) Bankruptcy, insolvency, receivership or similar event of the Issuer; and
  - (x) Solely as to the Bonds and any obligations issued after the date hereof which are subject to the SEC Rule, default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined in the SEC Rule) of the Obligor, any of which reflect financial difficulties.
- (c) The Issuer 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 Issuer, such other event is material with respect to the Bonds and should be disclosed, but the Issuer does not commit to provide any such notice of the occurrence of any material event except those events set forth above.

Section 8. Use of Agent. The Issuer may, at its sole discretion, use an agent (“Dissemination Agent”) in connection with the dissemination of any information required to be provided by the Issuer pursuant to the SEC Rule and this Agreement. If a Dissemination Agent is selected for these purposes, the Issuer shall provide prior written notice thereof (as well as notice of replacement or dismissal of such agent) to the MSRB.

Further, the Issuer may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Issuer in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all to further the purposes of this Agreement as set forth in the preamble and Section 10 hereof.

Section 9. Failure to Disclose. If, for any reason, the Issuer fails to provide the Annual Information or notification of a listed event as required by this Agreement, the Issuer shall provide notice of such failure in a timely manner to the MSRB in an electronic format as prescribed by the MSRB.

Section 10. Remedies.

- (a) The purpose of this Agreement is to enable the Underwriters to purchase the Bonds by providing for an undertaking by the Issuer in satisfaction of the SEC Rule. This Agreement is solely for the benefit of the Bondholders 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, if any, or any other third party or person. The sole remedy against the Issuer for any failure to carry out any provision of this Agreement shall be for specific performance of the Issuer’s disclosure obligations hereunder and not for money damages of any kind or in any amount, or for any other remedy. The Issuer’s failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Indenture or any other agreement to which the Issuer is a party.
- (b) Subject to paragraph (c) of this Section 10, the remedy set forth in the preceding paragraph may be exercised by any holder of the Bonds in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a

holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

- (c) Prior to pursuing any remedy for any breach of any obligation under this Agreement, a holder of Bonds shall give notice to the Issuer by registered or certified mail, of such breach and its intent to pursue such remedy. Fifteen (15) days after the mailing of such notice, and not before, such remedy may be pursued under this Agreement if and to the extent the Issuer has failed to cure such breach within such fifteen (15) days.

Section 11. Identifying Information. All documents provided to the MSRB under this Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 12. Modification of Agreement. The Issuer may, from time to time, amend or modify this Agreement without the consent of or notice to the owners of the Bonds if: (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 Issuer, or type of business conducted; (ii) this Agreement, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, 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 Bonds, as determined either by (A) any person selected by the Issuer that is unaffiliated with the Issuer (including the Trustee having relied on an opinion from nationally recognized bond counsel) or (B) an approving vote of the holders of the requisite percentage of Outstanding (as defined in the Indenture) Bonds as required under Section 10.02 of the Indenture at the time of such amendment or modification; or (b) such amendment or modification is permitted by law.

The Annual Information for the fiscal year during which any such amendment or modification occurs that contains the amended or modified Annual Information shall explain, in narrative form, the reasons for such amendment or modification and the impact of the change in the type of Annual Information being provided.

Section 13. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana.

Section 14. Severability Clause. In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 15. Successors and Assigns. All covenants and agreements in this Agreement made by the Issuer shall bind its successors, whether so expressed or not.

Section 16. Notices. All notices required to be given under this Agreement shall be made at the following addresses:

If to the Issuer: Gary/Chicago International Airport Authority  
6001 Airport Road  
Gary, IN 46406  
Attn: Executive Director

IN WITNESS WHEREOF, the Issuer has caused this Agreement to be executed as of the March 13, 2025.

GARY/CHICAGO INTERNATIONAL  
AIRPORT AUTHORITY, as Issuer

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

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_ Secretary

*(Signature Page to Continuing Discloser Undertaking Agreement)*

**EXHIBIT A**

**CERTIFICATE REGARDING AUDITED FINANCIAL STATEMENTS**

The Gary/Chicago International Airport Authority (the "Issuer"), pursuant to the Continuing Disclosure Undertaking Agreement, dated as of \_\_\_\_\_, 20\_\_ (the "Agreement"), hereby certifies that enclosed herewith is the audited financial statement which are required to be provided pursuant to Section 5(a)(1) of this Agreement.

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

GARY/CHICAGO INTERNATIONAL  
AIRPORT AUTHORITY

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

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT B**

**CERTIFICATE REGARDING ANNUAL FINANCIAL  
INFORMATION DISCLOSURE**

The Gary/Chicago International Airport Authority (the "Issuer"), pursuant to the Continuing Disclosure Undertaking Agreement, dated as of \_\_\_\_\_, 20\_\_ (the "Agreement"), hereby certifies that the information enclosed herewith constitutes the Annual Information (as defined in the Agreement) which is required to be provided pursuant to Section 5(a)(2) of this Agreement.

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

GARY/CHICAGO INTERNATIONAL  
AIRPORT AUTHORITY

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

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT C**

**CERTIFICATE REGARDING MATERIAL EVENT DISCLOSURE**

The Gary/Chicago International Airport Authority (the "Issuer"), pursuant to the Continuing Disclosure Undertaking Agreement, dated as of \_\_\_\_\_, 20\_\_ (the "Agreement"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a material event which is required to be provided pursuant to Section 7 of this Agreement.

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

GARY/CHICAGO INTERNATIONAL  
AIRPORT AUTHORITY

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

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

**APPENDIX G**

**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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# MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$        in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

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

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)

