

St. Louis City Ordinance 64652

FLOOR SUBSTITUTE

BOARD BILL NO. [99] 11

INTRODUCED BY ALDERMAN FRED WESSELS, FRANCIS G. SLAY, Stephen Gregali, Mike Mitchell, Matt Villa, April Ford Griffin, Parrie May, Michael McMillan, Lyda Krewson, Lewis Reed, Kenneth Ortmann

An ordinance recommended by the Board of Estimate and Apportionment authorizing and directing the St. Louis Municipal Finance Corporation (the "Corporation") to issue and sell up to Ninety Million Dollars (\$90,000,000) principal amount of its City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A (the "Series 1999A Bonds"), in order to refund all or a portion of its City Justice Center Leasehold Revenue Improvement Bonds, Series 1996A (the "Series 1996A Bonds"), and/or all or a portion of its City Justice Center Leasehold Revenue Improvement and Refunding Bonds, Series 1996B (the "Series 1996B Bonds"), on behalf of and all for the general welfare, safety and benefit of the City of St. Louis, Missouri (the "City"); authorizing and directing the Corporation to execute and deliver the Second Supplemental Indenture, the First Supplemental Base Lease, the First Supplemental Lease Agreement, the Escrow Agreement, the Official Statement and a Bond Purchase Agreement for the Series 1999A Bonds; authorizing the City to execute the First Supplemental Base Lease, the First Supplemental Lease Agreement, the Escrow Agreement, the Continuing Disclosure Agreement, the Official Statement and a Bond Purchase Agreement; authorizing the Corporation, on behalf of the City, to obtain credit enhancement for the Series 1999A Bonds from a Credit Provider, authorizing the payment of any obligations due to a Credit Provider, if any, and authorizing the Comptroller and any other appropriate City officials, if necessary, to execute any Credit Agreement or other documents related thereto; authorizing participation of appropriate City officials in preparing the Corporation's Preliminary Official Statement and final Official Statement for the Series 1999A Bonds and acceptance of the terms of a Bond Purchase Agreement and the taking of further actions with respect thereto; and authorizing and directing the taking of other actions, approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof.

WHEREAS, the Board of Aldermen of the City has previously authorized and directed the issuance by the Corporation of the Series 1996A Bonds and the Series 1996B Bonds pursuant to an Indenture of Trust, between the Corporation

and UMB Bank of St. Louis, N.A., as trustee (the "Trustee"), dated as of August 1, 1996, as amended and supplemented (the "Indenture") to finance the costs of acquisition (by lease or purchase, including condemnation) of real and personal property, construction, equipping and installing of furnishings and equipment for St. Louis Jail Facilities including the City Justice Center;

WHEREAS, pursuant to a Base Lease, between the City and the Corporation, dated as of August 1, 1996 (the "Base Lease"), the City has conveyed to the Corporation a leasehold interest in the Property for consideration consisting, in part, in the issuance by the Corporation of the Series 1996A Bonds and the Series 1996B Bonds on behalf of the City;

WHEREAS, pursuant to a Lease Purchase Agreement, between the Corporation and the City, dated as of August 1, 1996 (the "Lease Purchase Agreement"), the Corporation has subleased the Property in exchange for rental payments which rental payments include amounts necessary to pay principal of and interest on the Bonds (as hereinafter defined), but only if and to the extent annually appropriated by the Board of Aldermen of the City;

WHEREAS, the Board of Aldermen of the City has heretofore pledged as security for the Bonds certain State Reimbursements (as hereinafter defined) paid to the City as provided in the Pledge Agreement;

WHEREAS, it is necessary and desirable in connection with the Project for the City and the Corporation to release certain parcels of land from the Base Lease and the Lease Purchase Agreement which are not required for such completion and execute and deliver certain documents to effect such release, including the Supplemental Base Lease (as hereinafter defined) and the Supplemental Lease Agreement (as hereinafter defined);

WHEREAS, it is necessary and desirable in connection with the issuance of the Series 1999A Bonds for the City and the Corporation to execute and deliver certain documents, including the Second Supplemental Trust Indenture, the Escrow Agreement and the Continuing Disclosure Agreement; and that the City execute certain other documents, take certain other actions and approve certain other documents, as herein provided.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

Section 1. Definitions. Capitalized terms used herein and not defined in this Ordinance shall have the meanings ascribed to such terms in the Indenture. As used in this Ordinance, the following words shall be defined as follows:

"Base Lease" means the Base Lease, between the City and the Corporation, as lessor, dated as of August 1, 1996, as amended and supplemented by the First Supplemental Base Lease, pursuant to which the City conveyed a leasehold interest in the Property to the Corporation.

"Bond Purchase Agreement" means the Bond Purchase Agreement related to the issuance and sale of the Series 1999A Bonds.

"City Justice Center" means the City Justice Center proposed to be constructed on the real property described on Tract II of Schedule I to the Lease Agreement attached hereto, and situated in the City and any other real or personal property hereafter acquired by the Corporation and leased by the Corporation to the City pursuant to any supplemental Lease Agreement with respect to the City Justice Center and appurtenant easements, rights-of-way, improvements, paving and personal property necessary, convenient and appurtenant thereto, and any modifications, alterations or changes in, on or to the foregoing or any repairs thereto or thereof.

"Credit Agreement" means any agreement by and among the Credit Provider, the City and the Corporation providing for Credit Enhancement.

"Credit Enhancement" means a letter of credit, liquidity facility, a surety bond or bond insurance policy or policies, issued by a Credit Provider guaranteeing, providing for or insuring the payment of all or a portion of the principal of and interest on one or more series of Bonds as provided therein.

"Credit Provider" means the issuer or issuers of any Credit Enhancement, if any, pursuant to or identified in the Second Supplemental Indenture.

"Dated Date," with respect to the Series 1999A Bonds, shall mean June 1, 1999, or such other date as may be approved by the parties signatory thereto.

"Escrow Agreement" means the Escrow Agreement among the City, the Corporation and UMB Bank, N.A., as escrow agent, dated as of the Dated Date.

"Financial Advisor" means P.G. Corbin & Company, Inc., the financial advisor to the City with respect to the Series 1999A Bonds.

"Lease Agreement" means the Lease Purchase Agreement, between the Corporation and the City, dated as of the August 1, 1996, as amended and supplemented by the First Supplemental Lease Agreement, pursuant to which

the Corporation conveyed a leasehold interest in the Property to the City, and the City leased the Property, together with any improvements thereon, from the Corporation and agreed to pay Rentals and Additional Rentals, subject to annual appropriation, equal to the principal and interest due on the Bonds.

"Pledge Agreement" means the Pledge Agreement, dated as of August 1, 1996, between the City and the Trustee, dated as of August 1, 1996.

"Pledged Revenues" means State Reimbursements pledged under the Pledge Agreement.

"Property" means the real and personal property described on Revised Schedule I to the Lease Agreement together with any improvements constructed thereon.

"Refunded Bonds" means all or a portion of the outstanding St. Louis Municipal Finance Corporation Leasehold Revenue Improvement Bonds, Series 1996A, and/or all or a portion of the outstanding St. Louis Municipal Finance Corporation Leasehold Revenue Improvement and Refunding Bonds, Series 1996B, both dated August 1, 1996, as more particularly described in the Second Supplemental Indenture.

"Second Supplemental Indenture" means the Second Supplemental Indenture of Trust between the Corporation and the Trustee, dated as of the Dated Date.

"Supplemental Base Lease" means the First Supplemental Base Lease, between the City and the Corporation, dated as of the Dated Date.

"Supplemental Lease Agreement" means the First Supplemental Lease Purchase Agreement, between the Corporation and the City dated as of the Dated Date.

"Series 1999A Bonds" means the Series 1999A Bonds and any additional series of Bonds authorized pursuant to the Second Supplemental Indenture.

"State Reimbursements" means certain prisoner per diem cost reimbursements received by the City pursuant to Section 221.105 Revised Statutes of Missouri, as amended, from the State of Missouri.

"St. Louis Jail Facilities" means the existing medium security correctional facility, improvements to be acquired, constructed, installed and equipped, if any, situated on the Property described on Revised Schedule I to the Lease Agreement, together with all improvements and equipment thereon, the City Justice Center to be constructed with proceeds of the Series 1996A Bonds and

any additional jail facilities constructed with the proceeds of Additional Bonds; provided however, that upon the date on which the payment of all principal and interest on the Series 1996B Bonds have been fully made or provided for pursuant to Section 1301 of the Indenture, the term "St. Louis Jail Facilities" shall no longer include the Medium Security Correctional Facility.

"Trustee" means UMB Bank, N. A., St. Louis, Missouri, as trustee or any successor thereto under the Indenture.

"Underwriters" means the underwriters with respect to the Series 1999A Bonds.

Section 2. Findings and Determinations. The Board of Aldermen hereby finds and determines that it is necessary and in the best interests of the City

(a) to authorize and direct the Corporation to issue its Series 1999A Bonds to refund the Refunded Bonds;

(b) to amend the conveyance of a leasehold interest in the Property to the Corporation;

(c) to authorize and direct the Corporation to enter into a negotiated sale of the Series 1999A Bonds to the Underwriters; and

(d) to authorize the City to pay reasonable expenses, if any, incurred by the Corporation and City in connection with the issuance and sale of the Series 1999A Bonds, in accordance with the Lease Agreement and the Bond Purchase Agreement which would not otherwise be payable out of Bond proceeds as cost of issuance.

Section 3. Authority and Direction to Issue Series 1999A Bonds for the Purpose of Refunding. The City hereby authorizes and directs the Corporation to issue up to ninety million dollars (\$90,000,000) of bonds pursuant to the provisions of the Indenture, entitled "City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A" (the "Series 1999A Bonds"), on behalf of the City, for the purpose of refunding all or a portion of the Series 1996A and/or all or a portion of the Series 1996B Bonds (the "Refunding Bonds"). The Series 1999A Bonds (i) shall have a final maturity not more than 30 years from their date of issuance, (ii) shall bear a fixed rate of interest of not more than 10%, and (iii) may be sold at a premium or at a discount with such discount not to

exceed the maximum discount allowable under Missouri law. The terms and provisions of the Series 1999A Bonds shall be as provided in the Second Supplemental Indenture.

Section 4. Limited Obligations. The Series 1999A Bonds and the interest thereon shall be limited obligations payable by the Corporation solely from (I) the Pledged Revenues, (ii) Rentals and Additional Rentals received by the Corporation from the City or received by the Trustee on behalf of the City and reasonably expected to be used to pay debt service on the Series 1999A Bonds pursuant to the herein authorized Pledge Agreement and Lease Agreement and (iii) any amounts payable by any Credit Provider in connection with any Credit Enhancement on the Series 1999A Bonds. The Bonds and the interest thereon shall not constitute an indebtedness of the City or State of Missouri within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make payments of Rentals and Additional Rentals and other amounts under the Lease Agreement is subject to annual appropriation as provided therein. The obligation of the City to make such payments under the Lease Agreement nor the Series 1999A Bonds shall constitute a debt of the City. The issuance of the Series 1999A Bonds will not directly or contingently obligate the City to make any payments beyond those appropriated for its then current fiscal year. The terms and provisions of the Series 1999A Bonds shall be as provided for in the Second Supplemental Indenture of Trust.

Section 5. Authority and Direction to Execute and Deliver Certain Documents. In connection with the issuance of the Series 1999A Bonds, the City hereby authorizes and directs the Corporation to execute and deliver the Second Supplemental Indenture of Trust, in substantially the form attached hereto as Exhibit A, with such changes as may be approved by the City, the City's execution and delivery of the Escrow Agreement to evidence such approval. In connection with releasing certain parcels of land from the Base Lease and the Lease Purchase Agreement which are not required for the completion of the Project, the City hereby authorizes and directs the Corporation, as Lessor, to execute and deliver the Supplemental Base Lease, in substantially the form attached hereto as Exhibit B, the Supplemental Lease Agreement, in substantially the form attached hereto as Exhibit C, and the Escrow Agreement, in substantially the form attached hereto as Exhibit D, with such changes as may be approved by the City, the City's execution and delivery thereof to evidence such approval.

Section 6. Authority and Direction to Sell the Series 1999A Bonds in a Negotiated Sale. In connection with the issuance of the Series 1999A Bonds, the City hereby authorizes and directs the Corporation to negotiate the sale

thereof with the Underwriters, subject to the provisions of this Ordinance. The City further hereby authorizes and directs the Corporation to prepare, at the request of the Underwriters, a Preliminary Official Statement and the Official Statement, to execute and deliver the final Official Statement and to execute and deliver a Bond Purchase Agreement, in connection with such negotiated sale of the Series 1999A Bonds.

Section 7. Authority and Direction to Obtain Credit Enhancement. The City hereby authorizes and directs the Corporation to obtain Credit Enhancement for the Series 1999A Bonds from a Credit Provider with such credit rating that, in the opinion of the Underwriters and the Financial Advisor, the City will achieve an economic benefit if the Series 1999A Bonds are secured by such Credit Enhancement. Any Credit Agreement executed in connection therewith may pledge Pledged Revenues, Rentals and Additional Rentals on a parity basis to payment of (i) debt service on the Bonds and (ii) any amounts due and owing to the Credit Provider under the Credit Agreement. The Comptroller is hereby authorized to approve the terms of any agreement for Credit Enhancement with the Credit Provider, and the Comptroller, with the advice of the City Counselor as to form thereof, is hereby authorized and directed to execute such agreement for Credit Enhancement and other documents in connection therewith as required to obtain the Credit Enhancement.

Section 8. Authorization with Respect to Execution and Delivery of Documents. The Supplemental Base Lease, the Supplemental Lease Agreement and the Escrow Agreement substantially in the forms attached hereto as Exhibits B, C and D respectively, are hereby approved, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, acknowledge and deliver the Supplemental Base Lease, the Supplemental Lease Agreement and the Escrow Agreement in substantially such forms, with such changes therein and the completions and modifications thereof not inconsistent with the provisions of this Ordinance as the Mayor and Comptroller shall approve with the advice of the Underwriters and the Financial Advisor, and which the City Counselor shall approve as to form, and the Register of the City is hereby authorized and directed to affix the corporate seal of the City thereto and to attest the same and the signature of the Mayor and the Comptroller shall be conclusive as to their approval of such changes or modifications by the City.

Section 9. Approval of Second Supplemental Indenture. The Second Supplemental Indenture, substantially in the form attached hereto as Exhibit A, is hereby approved with such completions thereof, changes therein and modifications thereof not inconsistent with the provisions of this Ordinance as

shall be compatible with the provisions of the Base Lease, the Lease Agreement and the Escrow Agreement.

Section 10. Authorization with Respect to Sale of the Series 1999A Bonds. The preparation of a Preliminary Official Statement and a final Official Statement, the execution and delivery of the final Official Statement by the City, and the execution and delivery of a Bond Purchase Agreement are hereby contemplated, and the Mayor, the Comptroller, and other appropriate officers, agents and employees of the City are hereby authorized and directed to, take such further actions, and execute such other documents as are required by the City thereunder, with their respective signatures thereon to be evidence of such approval by the City.

The Mayor, the Comptroller, and other appropriate officers, agents and employees of the City are hereby authorized and directed to participate with the Corporation in the preparation of the Preliminary Official Statement and final Official Statement, and to execute and deliver the final Official Statement and the Continuing Disclosure Agreement, in substantially the form attached hereto as Exhibit E, with such changes as may be approved by the City, their respective signatures thereon to be evidence of such approval.

Section 11. Further Authority. The City and the Mayor, the Comptroller, the Treasurer as to permitted investments only, and other appropriate officers, agents and employees of the City are hereby authorized to take such further actions and execute such other documents as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Lease Agreement, the Base Lease, the Escrow Agreement and any Credit Agreement.

Section 12. Incorporation of Exhibits. All exhibits attached to this Ordinance are hereby incorporated herein by this reference as if such exhibits are fully set forth herein.

EXHIBIT A
SECOND SUPPLEMENTAL INDENTURE OF TRUST

EXHIBIT B
SUPPLEMENTAL BASE LEASE

EXHIBIT C
SUPPLEMENTAL LEASE PURCHASE AGREEMENT

EXHIBIT D
ESCROW AGREEMENT

EXHIBIT E
CONTINUING DISCLOSURE AGREEMENT

EXHIBIT B

FIRST SUPPLEMENTAL BASE LEASE

between

THE CITY OF ST. LOUIS, MISSOURI

and

ST. LOUIS MUNICIPAL FINANCE CORPORATION

DATED AS OF JUNE 1, 1999

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FIRST SUPPLEMENTAL BASE LEASE

THIS FIRST SUPPLEMENTAL BASE LEASE (the "Base Lease") dated as of the Dated Date, by and between the CITY OF ST. LOUIS, a municipal corporation and political subdivision in the State of Missouri (the "City"), and ST. LOUIS MUNICIPAL FINANCE CORPORATION, a nonprofit corporation duly organized under the Missouri Nonprofit Corporation Act (the "Corporation"),

WITNESSETH:

WHEREAS, the City is a municipal corporation and a political subdivision duly organized and existing under its Charter and the Constitution and the laws of the State of Missouri with full lawful power and authority to enter into this Base Lease by and through its duly authorized officers; and

WHEREAS, the Corporation is a nonprofit corporation organized under the Missouri Nonprofit Corporation Act with full lawful power and authority to enter into this Base Lease by and through its Board of Directors; and

WHEREAS, the City previously identified certain land upon which it intended to build a new city justice center which land was leased to the Corporation pursuant to a Base Lease, dated as of August 1, 1996 (the "Original Base Lease"), and

WHEREAS, the City has redesigned the Project and proposes to remove a portion of Tract II listed on Schedule I of the Original Base Lease from the Property; and

WHEREAS, now owns fee simple title to the Property (hereinafter defined) located in the City described on the Revised Schedule I attached hereto and made a part hereof, including any improvements thereon and desires to lease such real estate to the Corporation; and

WHEREAS, the Corporation has heretofore issued its \$75,705,000 City Justice Center Leasehold Revenue Improvement Bonds, Series 1996A and its \$34,335,000 City Justice Center Leasehold Revenue Improvement and Refunding Bonds, Series 1996B Bonds (collectively the "Series 1996 Bonds"), authorized under and pursuant to a certain Indenture of Trust, dated as of August 1, 1996, between the Corporation and UMB Bank, N.A., as Trustee (the "Master Indenture"), and a First Supplemental Master Indenture of Trust supplementing the Master Indenture, dated as August 1, 1996, between the Corporation and the Trustee (the "First Supplemental Indenture,"); and

WHEREAS, the Corporation proposes to refund the Series 1996A Bonds by the issuance of its \$[Amount] St. Louis Municipal Finance Corporation Leasehold Refunding Bonds, Series 1999A (the "Series 1999A Bonds") pursuant to a Second Supplemental Indenture, dated as of the Dated Date; (which Master Indenture, First Supplemental Indenture and Second Supplemental Indenture are incorporated herein by reference and are collectively referred to herein as the "Indenture").

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the City and the Corporation do hereby covenant and agree as follows:

ARTICLE I DEFINITIONS, RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. Capitalized words and terms as used in this First Supplemental Base Lease, the Lease Agreement and the Indenture shall have the meanings set forth in the Indenture, unless some other meaning is plainly intended. In addition, the term

"Original Base Lease" means the Base Lease, by and between the City and the Corporation, dated August 1, 1996.

Section 1.2. Single Instrument. The parties hereto intend that this First Supplemental Base Lease and the existing Base Lease shall be deemed to be a single instrument and interpreted accordingly.

ARTICLE II REPRESENTATIONS

Section 2.1. Representations of the City. In addition to the representations in the original Base Lease, the City hereby represents, warrants and covenants as follows:

(a) The City, pursuant to its Charter and the Ordinance has full power and authority to enter into the transactions contemplated by this First Supplemental Base Lease and to carry out its obligations hereunder, and has been duly authorized to execute and deliver this First Supplemental Base Lease and by proper action has duly authorized the execution and delivery of this First Supplemental Base Lease;

(b) The City now owns the Property free and clear of any liens or encumbrances except certain Permitted Encumbrances hereinabove referred to and except as contemplated herein, and such real property is presently exempt from property and any other taxes levied by the State of Missouri or any political subdivision thereof or by the City; and

Section 2.2. Representations of the Corporation. In addition to the representations in the original Base Lease, the Corporation represents, warrants and covenants as follows:

(a) The execution and delivery of this First Supplemental Base Lease and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under the Corporation's Articles of Incorporation or Bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement or lease to which the Corporation is a party or by which it is bound;

(b) The Corporation will issue its City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A, to provide funds to refund the Refunded Bonds;

(c) Prior to any termination of or default under the Lease Agreement, the Corporation will not take or cause to be taken any action which will cause the interest on the Bonds to be included in gross income for purposes of Federal income taxation; and

(d) Interest on the Series 1999A Bonds is not includible in gross income of the Holders of Series 1999A Bonds for purposes of the Federal income taxes and is exempt from all income taxation imposed by the State under Chapter 143 of the Revised Statutes of Missouri. The Corporation will do all things necessary to

assure the continuation of the tax-exempt status of the Series 1999A Bonds. The Corporation is exempt from Federal taxation on its income pursuant to Section 501(c)(3) of the Code.

ARTICLE III
RELEASE OF PART OF THE LAND

Section 3.1. Release of Land. The City and the Corporation hereby agree to release from the Original Base Lease the parcels of land described as follows:

Lots 17,18,19, 50, 51 and 52 of the Henry Chouteau Estate

ARTICLE VII
MISCELLANEOUS

Section 4.1. Affirmation of Original Base Lease. Each of the parties affirms its respective obligations under the Base Lease and acknowledges the Base Lease as its valid and binding obligation, enforceable in accordance with its terms.

Sectin 4.2 Binding Effect. This First Supplemental Base Lease shall inure to the benefit of and shall be binding upon the City, the Corporation and their respective successors and assigns.

Section 4.3. Execution in Counterparts. This First Supplemental Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City has caused this First Supplemental Base Lease to be executed in its name with its seal hereunder affixed and attested by its duly authorized officers. The Corporation has executed this First Supplemental Base Lease in its name with its seal hereunto affixed and attested by its duly authorized officers. All of the above occurred as of the date first above written.

CITY OF ST. LOUIS, MISSOURI
SEAL as Lessor

By: _____
Clarence Harmon.

My commission expires: _____.

REVISED SCHEDULE I

SCHEDULE I TO BASE LEASE DATED AS OF THE DATED DATE, BETWEEN THE CITY OF ST. LOUIS, MISSOURI, AND ST. LOUIS MUNICIPAL FINANCE CORPORATION AND TO LEASE PURCHASE AGREEMENT DATED AS OF THE DATED DATE, BETWEEN ST. LOUIS MUNICIPAL FINANCE CORPORATION AND THE CITY OF ST. LOUIS, MISSOURI, AND THE FIRST SUPPLEMENTAL INDENTURE DATED AS OF THE DATED DATE BETWEEN THE ST. LOUIS MUNICIPAL FINANCE CORPORATION AND UMB BANK, N.A. TRUSTEE.

The following-described real estate situated in the City of St. Louis, Missouri:

Tract I

A parcel of land in City Block 4222 E being a part of Merchants Park Subdivision in the Thatcher tract described as follows:

The point of beginning being the intersection of the southern line of Thatcher Avenue (sixty feet wide), and eastern line of St. Louis Water Works conduit R/W (forty feet wide), thence along the eastern line of said R/W in a southerly direction a distance of eleven hundred sixty and seventy-three hundredths feet (1160.73') to the northern line of Calvary Avenue (sixty feet wide); thence in an easterly direction along the northern line of Calvary Avenue (sixty feet wide) a distance of one hundred forty-six and seventy-five hundredths feet (146.75') to a point; thence in a southerly direction a distance of thirty feet (30') to the northern line of Calvary Avenue (thirty feet wide) in an easterly direction a distance of nine hundred fifty-three and nine hundredths feet (943.09') to a point; thence northerly along a line perpendicularly distant eleven hundred feet (1100') and parallel to the eastern line of the City of St. Louis Water Works conduit R/W forty feet wide, a distance of eleven hundred ninety-three and forty-five hundredths feet (1193.45') to the southern line of Thatcher Avenue (sixty feet wide) thence along southern line of Thatcher Avenue (sixty feet wide) a distance of eleven hundred feet (1100') to the point of beginning, excepting therefrom that part dedicated to public use by plat recorded in Plat Book 35 Page 25.

It is anticipated that the following described property will be acquired by the City and become part of the Property under this First Supplemental Base Lease:

Tract II

Lots 20, 21, 22, 23, 24, 25, 26, 27, 28, 42, 43, 44, 45, 46, 47, 48, 49, and 53 of the Henry Chouteau Estate and in Block 206 South of the City of St. Louis and more or less bounded North by the South line of Walnut St., South by the North line of the East and West alley in said City Block 206 South; West by the East line of Tucker (formerly 12th Street) Blvd. and East by the West line of Eleventh Street.

EXHIBIT C

FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT

between

ST. LOUIS MUNICIPAL FINANCE CORPORATION

and

THE CITY OF ST. LOUIS, MISSOURI

DATED AS OF JUNE 1, 1999

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FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT

THIS FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT (the "Lease Agreement"), made and entered into as of the Dated Date, by and between the St. Louis Municipal Finance Corporation, a nonprofit corporation duly organized under the Missouri Nonprofit Corporation Act, as Lessor (the "Corporation"), and the City of St. Louis, Missouri, a municipal corporation and political subdivision in the State of Missouri, as Lessee (the "City"),

WITNESSETH:

WHEREAS, the Corporation and the City have heretofore entered into a Lease Purchase Agreement, dated as of August 1, 1996 (the "Original Lease Agreement"), relating to certain real property and improvements as more fully described in Schedule I to the Original Lease Agreement; and

WHEREAS, the Corporation is a nonprofit corporation organized under the Missouri Nonprofit Corporation Act with full lawful power and authority to enter into this First Supplemental Lease Agreement by and through its Board of Directors; and

WHEREAS, the City is a municipal corporation and political subdivision duly organized and existing under its Charter and the Constitution and the laws of the State of Missouri with full lawful power and authority to enter into this First Supplemental Lease Agreement by and through its duly authorized officers; and

WHEREAS, the Corporation has heretofore issued its Leasehold Revenue Improvement Bonds, Series 1996A, dated as of August 1, 1996 (the "Series 1996A Bonds") and its Leasehold Revenue Improvement and Refunding Bonds, Series 1996B, dated as of August 1, 1996 (the "Series 1996B Bonds") to finance part of the St. Louis Jail Facilities; and

WHEREAS, the Corporation and the City have determined that it is in their best interests to refund [all or a portion of] the Series 1996A Bonds [and/or all or a portion of the Series 1996B Bonds] (the "Refunded Bonds") and to issue the Series 1999A Bonds as hereinafter provided; and

WHEREAS, pursuant to the terms of a First Supplemental Base Lease by and between the City and the Corporation dated as of the Dated Date, the City leased the real estate described in Revised Schedule I hereto and the existing improvements and certain equipment and other personal property to the Corporation for the payments and upon the terms and conditions therein set forth; and

WHEREAS, the Corporation proposes to provide funds to the City to refund the Refunded Bonds; and

WHEREAS, the Corporation proposes to issue its \$[Amount] City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A (the "Series 1999A Bonds"), authorized under and pursuant to a certain Indenture of Trust of even date herewith between the Corporation and UMB Bank of St. Louis, N.A., St. Louis, Missouri, as Trustee (the "Master Indenture"), and a Second Supplemental Indenture of Trust supplementing the Master Indenture of even date herewith between the Corporation and the Trustee (the "Second Supplemental Indenture", which Second Supplemental Indenture, First Supplemental Indenture and Master Indenture are incorporated herein by reference and are collectively referred to herein as the "Indenture") for the purposes set forth in the Second Supplemental Indenture.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the Corporation and the City do hereby covenant and agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms. Capitalized words and terms used in the Base Lease, the Lease Agreement, this First Supplemental Lease

Purchase Agreement and the Indenture shall have the meanings as set forth in the Indenture, including the Second Supplemental Indenture, unless some other meaning is plainly intended. In addition, the term:

"Original Lease Agreement" means the Lease Purchase Agreement by and between the Corporation and the City, dated as of August 1, 1996.

Section 1.2. Single Instrument. The parties hereto intend that this First Supplemental Lease Purchase Agreement and the existing Lease Agreement shall be deemed to be a single instrument and interpreted accordingly.

ARTICLE II

ADDITIONAL REPRESENTATIONS BY THE CORPORATION

Section 2.1. Additional Representations by the Corporation. In addition to the representations made in the original Lease Agreement, the Corporation hereby represents, warrants and covenants as follows:

- (a) The execution and delivery of this First Supplemental Lease Agreement and the consummation of the transactions herein contemplated will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement or sublease to which the Corporation is a party or by which it is bound or materially affecting its property or assets;
- (b) The Corporation will issue its \$[Amount] City Justice Center Leasehold Revenue Improvement Bonds, Series 1999A, to finance the refunding of the Refunded Bonds; and
- (c) Interest on the Series 1999A Bonds is not includible in gross income of the Holders thereof for purposes of the Federal income taxes and is exempt from all income taxation imposed by the State under Chapter 143 of the Revised Statutes of Missouri. The Corporation will do all things necessary and within its control to assure the continuation of the tax-exempt status of the Bonds. The Corporation is exempt from Federal taxation on its income pursuant to Section 501(c)(3) of the Code.

Section 2.2. Additional Representations by the City. In addition to the representations in the original Lease Agreement, the City hereby represents, warrants and covenants as follows:

(a) The City, pursuant to its Charter and the Ordinance has full power and authority to enter into the transactions contemplated by this First Supplemental Lease Agreement and to carry out its obligations hereunder, and has been duly authorized to execute and deliver this First Supplemental Lease Agreement and by proper action has duly authorized the execution and delivery of this First Supplemental Lease Agreement.

(b) The City represents and warrants that (i) the City is a governmental unit under the laws of the State of Missouri with general taxing powers and (ii) 95% or more of the net proceeds of the Bonds will be used for local governmental activities of the City.

(c) The City is now the owner fee title to the Property free and clear of any liens and encumbrances except the Permitted Encumbrances, and such real property is exempt from property and other taxes levied by the State of Missouri or any political subdivision thereof or by the City.

(d) There is no action or proceeding pending or to the knowledge of the City threatened by or against the City by or before any court or administrative body that would materially adversely affect the ability of the City to perform its obligations under this Lease Agreement, the Base Lease and the Non-Arbitrage Certificate and all authorizations, consents and approvals of governmental bodies or agencies required to be obtained by the City as of the date hereof in connection with the execution and delivery of this Lease Agreement, the Base Lease and the Non-Arbitrage Certificate or in connection with the performance of the obligations of the City hereunder and thereunder have been obtained.

(e) It is the City's intent to pay all Rentals and Additional Rentals for the Lease Term if funds are legally available therefor and in that regard the City represents that the use of the St. Louis Jail Facilities, including the City Justice Center is essential to its proper, efficient and economic operation.

Section 2.3 Affirmation of Original Lease Agreement. Each of the parties affirms its respective obligations under the Lease Agreement and acknowledges the Lease Agreement as its valid and binding obligation, enforceable in accordance with its terms.

ARTICLE III
AMENDED PROVISIONS OF LEASE PURCHASE AGREEMENT

Section 3.1. Conveyance; Granting of Leasehold, Release of Portion of Land.

(a) Simultaneously with the issuance of the Series 1999A Bonds (i) the City and the Corporation will enter into the First Supplemental Base Lease and (ii) the Corporation will deposit the proceeds of the Series 1999A Bonds in accordance with Section 503 of the Master Indenture and the Second Supplemental Indenture. The Bond proceeds shall be utilized as provided in the Indenture.

(b) The Corporation, by these presents, hereby rents, leases and sublets the Property currently under its control and management, subject to Permitted Encumbrances, unto the City and the City hereby rents and leases such Property, subject to Permitted Encumbrances, from the Corporation for the Rentals and Additional Rentals and subject to the terms and conditions hereinafter set forth.

(c) The City and the Corporation hereby agree to release any interest which the City has acquired or intended to acquire in from the Original Lease Purchase Agreement the parcels of land described as follows:

Lots 17,18,19, 50, 51 and 52 of the Henry Chouteau Estate

Section 3.2 Miscellaneous Amendments

(a) The second paragraph of Section 3.2 is amended to read as follows:

Subject to the following two paragraphs, the payment obligation of the City under this Lease agreement shall be absolute and unconditional, free of deductions and without any abatement, offset, recoupment, diminution or set-off whatsoever and shall be sufficient to provide all funds required for debt service on the Bonds, funding of the Debt Service Reserve fund and all other amounts required under the Indenture.

(b) The first paragraph of 3.2 of the Original Lease Agreement is amended to read as follows:

B. City Covenant. The City covenants and agrees that the City's Budget Director, or any other officer at any time charged with responsibility of

formulating budget proposals, is directed to include in the budget proposals submitted to the Board of Estimate and Apportionment, and to the extent permitted by law, to the Board of Aldermen of the City, in any year during the Lease Term, a request or requests for the Rentals and a reasonable estimate of Additional Rentals. Requests for appropriations shall be made in each Fiscal Year so that the City's Rentals and a reasonable estimate of Additional Rentals to be paid during the succeeding Fiscal Year will be available for such purposes. It is the intention of the City that the decision to appropriate the City's Rentals and Additional Rentals to provide financing for the Project pursuant to this Lease Agreement shall be made solely by the Board of Aldermen and not by any other official of the City except subject to the power of the Mayor of the City to approve or disapprove ordinances. The City presently expects to, in each Fiscal Year of the City during this Lease Term, appropriate funds for the City to provide financing for the Project in an amount sufficient to pay principal of, interest on and redemption premium, if any, on the Bonds. Upon such appropriation, the Rentals and reasonably estimated Additional Rentals will be available for such Fiscal Year to be drawn upon to make payments pursuant to the terms of this Lease Agreement after the budget is adopted and in no event later than July 1 of each year.

(c) The first paragraph of Section 4.3 of the Original Lease Agreement is amended to read as follows:

Section 4.3. Rentals and Additional Rentals, etc., Payable without Abatement or Set-Off; City Obligations, Assignments of Rentals and Certain Additional Rentals. Subject to the provisions of Section 3.2, the City covenants and agrees with and for the express benefit of the Corporation from time to time Outstanding that all payments of Rentals and Additional Rentals shall be made by the City on or before the date the same become due, and the City shall perform all of its other obligations, covenants and agreements hereunder (including the obligation to pay Rentals and Additional Rentals) without notice or demand, and without abatement, offset, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether any portion of the Project shall have been started or completed and shall be sufficient to provide all funds required for debt service on the Bonds, funding of the Debt Service Reserve Fund and all other amounts required under the Indenture.

(d) The first paragraph of Section 7.3 of the Original Lease Agreement shall be amended to read as follows:

Section 7.3. Other Matters Related to Insurance. Anything herein contained to the contrary notwithstanding, so long as the Credit Enhancement shall be in force and effect, such insurance as required by Section 7.2 of this Lease Agreement shall be provided only through standard commercial insurance under policies and issued by insurers acceptable to the Credit Provider, having coverage limits in amounts not less than the Full Replacement Value of the St. Louis Jail Facilities; provided, however, the City may during any such period during which any Credit Enhancement shall be in force and effect self-insure for all or any part of the coverage required hereunder with the consent of the Credit Provider and notice to the rating agencies named in the Indenture.

ARTICLE IV
MISCELLANEOUS

Section 5.1 Binding Effect. This First Supplemental Lease Purchase Agreement shall inure to the benefit and shall be binding upon the City, the Corporation and their respective successors and assigns.

Section 5.2. Counterparts. This First Supplemental Lease Purchase Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

(SEAL)

ST. LOUIS MUNICIPAL FINANCE

CORPORATION, as Lessor

By: _____
President

ATTEST:

Notary Public - State of Missouri
Commissioned in the City of St. Louis

My commission expires: _____.

STATE OF MISSOURI)

) ss.
CITY OF ST. LOUIS) On this ___ day of June, 1999, before me, the undersigned, a Notary Public, appeared Clarence Harmon, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ST. LOUIS, MISSOURI, a municipal corporation and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its City Council, and said Mayor acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Notary Public - State of Missouri
Commissioned in the City of St. Louis

My commission expires: _____.

STATE OF MISSOURI)

) ss.
CITY OF ST. LOUIS) On this ___ day of June, 1999, before me, the undersigned, a Notary Public, appeared Darlene Green to me personally known, who, being by me duly sworn, did say that she is Comptroller of the CITY OF ST. LOUIS, MISSOURI, a municipal corporation and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its City Council, and said Comptroller acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Notary Public - State of Missouri
Commissioned in the City of St. Louis

My commission expires: _____.

REVISED SCHEDULE I

SCHEDULE I TO BASE LEASE DATED AS OF THE DATED DATE, BETWEEN THE CITY OF ST. LOUIS, MISSOURI, AND ST. LOUIS MUNICIPAL FINANCE CORPORATION, TO FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT DATED AS OF THE DATED DATE, BETWEEN ST. LOUIS MUNICIPAL FINANCE CORPORATION AND THE CITY OF ST. LOUIS, MISSOURI, AND THE SECOND SUPPLEMENTAL INDENTURE OF TRUST DATED AS OF THE DATED DATE, BETWEEN ST. LOUIS MUNICIPAL FINANCE CORPORATION AND UMB BANK, N.A., AS TRUSTEE

The following-described real estate situated in the City of St. Louis, Missouri:

Tract I

A parcel of land in City Block 4222 E being a part of Merchants Park Subdivision in the Thatcher tract described as follows:

The point of beginning being the intersection of the southern line of Thatcher Avenue (sixty feet wide), and eastern line of St. Louis Water Works conduit R/W (forty feet wide), thence along the eastern line of said R/W in a southerly direction a (1160.73') to the northern line of Calvary Avenue (sixty feet wide); thence in an easterly direction along the northern line of Calvary Avenue (sixty feet wide) a distance of one hundred forty-six and seventy-five hundredths feet (146.75') to a point; thence in a southerly direction a distance of thirty feet (30') to the northern line of Calvary Avenue (thirty feet wide) in an easterly direction a distance of nine hundred fifty-three and nine hundredths feet (943.09') to a point; thence northerly along a line perpendicularly distant eleven hundred feet (1100') and parallel to the eastern line of the City of St. Louis Water Works conduit R/W forth feet wide, a distance of eleven hundred ninety-three and forty-five hundredths feet (1193.45') to the southern line of Thatcher Avenue (sixty feet wide) thence along southern line of Thatcher Avenue (sixty feet wide) a distance of eleven hundred feet (1100') to the point of beginning,

excepting therefrom that part dedicated to public use by plat recorded in Plat Book 35 Page 25.

Tract II

Lots 20, 21, 22, 23, 24, 25, 26, 27, 28, 42, 43, 44, 45, 46, 47, 48, 49, and 53 of the Henry Chouteau Estate and in Block 206 South of the City of St. Louis and more or less bounded North by the South line of Walnut St., South by the North line of the East and West alley in said City Block 206 South; West by the East line of Tucker (formerly 12th Street) Blvd. and East by the West line of Eleventh Street.

EXHIBIT D

ESCROW AGREEMENT

among

THE CITY OF ST. LOUIS, MISSOURI

and

ST. LOUIS MUNICIPAL FINANCE CORPORATION

and

UMB BANK, N.A.

ST. LOUIS, MISSOURI

AS ESCROW AGENT

DATED AS OF JUNE 1, 1999

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ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of June 1, 1999, (the "Agreement"), by and among the CITY OF ST. LOUIS, MISSOURI, a municipal corporation and a political subdivision of the State of Missouri (the "City"), ST. LOUIS MUNICIPAL FINANCIAL CORPORATION, a Missouri nonprofit corporation duly organized and existing under the laws of the State of Missouri (the "Corporation"), and UMB BANK, N.A., a trust company duly organized and existing under and by virtue of the laws of the State of Missouri, in its capacity as escrow agent (hereinafter the "Escrow Agent").

WITNESSETH:

WHEREAS, the Corporation has heretofore duly authorized and issued its St. Louis Municipal Finance Corporation Leasehold Revenue Improvement Revenue Bonds, Series 1996A, in the aggregate principal amount of Seventy-Five Million, Seven Hundred Five Thousand Dollars (\$75,705,000) of which issue bonds in the aggregate principal amount of Seventy-Five Million, Two Hundred Fifty Thousand Dollars (\$75,250,000) remain Outstanding (the "Series 1996A Bonds") pursuant to an Indenture of Trust by and between the Corporation and UMB Bank, N.A., as Trustee, dated as of August 1, 1996 and a First Supplemental Indenture of Trust, dated as of August 1, 1996 (collectively, the "Indenture"); and

WHEREAS, the Board of Aldermen of the City and the Board of Directors of the Corporation have determined that it is necessary and advisable and in the

best interest of the City and the Corporation to pay, refund, redeem and retire [a portion of] the Series 1996A Bonds [and a portion of the Series 1996B Bonds] which remain outstanding and unpaid by depositing with the Escrow Agent funds in an amount sufficient together with certain funds of the City, to purchase direct obligations of the United States of America that may not be redeemed at the option of the issuer or any person other than the holder thereof, as identified in Schedule I hereto (the "Defeasance Obligations"), which Defeasance Obligations will mature in principal amounts and bear interest in such amounts and become due and payable at such times so that monies will be available from such maturing principal and interest payments as shall, together with such beginning cash balance, be sufficient to pay, as the same become due by reason of maturity, all principal of and interest, on [that portion of]the outstanding Series 1996A Bonds, which mature on and after February 15, _____ [and that portion of the Series 1996B Bonds maturing on February 15, _____] (the "Refunded Bonds"); and and

WHEREAS, in order to provide funds to purchase the Defeasance Obligations, the Corporation and the City have determined that it is necessary to issue the Corporation's City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A (the "Series 1999A Bonds") in the aggregate principal amount of \$[Amount] under the authority of Ordinance _____ adopted by the Board of Aldermen of the City on _____, 1999, and approved by the Mayor of the City on _____, 1999 authorizing the Corporation to issue the Series 1999A Bonds, a portion of the proceeds of which will be used for the purpose of providing funds, together with the investment earnings thereon, to refund the Refunded Bonds; and

WHEREAS, the Board of Directors of the Corporation has on _____, 1999, authorized and approved the issuance of the Series 1999A Bonds; and

WHEREAS, pursuant to the Ordinance, the Corporation is authorized pursuant to an Indenture of Trust dated as of August 1, 1996, as supplemented by a First Supplemental Indenture and the Second Supplemental Indenture (collectively, the "Indenture") with UMB Bank of St. Louis, N.A., in the City of St. Louis, Missouri as trustee (the "Trustee"), for the purpose of issuing and securing the Series 1999A Bonds and any Additional Bonds, as therein provided, and to apply a portion of the proceeds thereof to such purpose; and

WHEREAS, the Corporation has agreed to purchase Defeasance Obligations from the proceeds of the Series 1999A Bonds, and has agreed to deposit with the Escrow Agent such obligations and cash from the proceeds of the sale of the Series 1999A Bonds in the amount set forth herein;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Creation of the Escrow Account. There is hereby created and established with the Escrow Agent a special and irrevocable escrow account designated "St. Louis Municipal Finance Corporation Leasehold Revenue Refunding Bonds Escrow Fund for Leasehold Revenue Improvement Bonds, Series 1996" (the "Escrow Account") to be held in the custody of the Escrow Agent in a segregated account separate and apart from all other funds held by the Escrow Agent, in trust for the benefit of the holders of the Refunded Bonds.

2. Deposits into Escrow Account.

(a) Concurrently with the execution of this Agreement, there is hereby deposited with the Escrow Agent, and the Escrow Agent hereby acknowledges the receipt of, immediately available funds in the amount of \$_____, consisting of certain proceeds of the Series 1999A Bonds in the amount of \$_____, \$_____ contributed by the City and certain moneys transferred from the Bond Fund from the Series 1996A Bonds and certain other available funds in the amount of \$_____, which amount shall be deposited in the Escrow Account.

The aforesaid funds so held shall be held in the Escrow Account and administered subject to and in accordance with the terms of this Agreement.

(b) The Corporation and the City hereby instruct the Escrow Agent to purchase with the aforesaid funds on deposit with the Escrow Agent, the Defeasance Obligations described in Schedule I. Of the \$_____ of moneys transferred from the Bond Fund and other available funds, \$_____ shall be used to purchase the Defeasance Obligations listed in Schedule I, Part 1 and \$_____ shall be held uninvested. Of the \$_____ of proceeds of the Series 1999A Bonds and funds contributed by the City, \$_____ shall be used to purchase the Defeasance Obligations listed in Schedule I, Part 2 and \$_____ shall be held uninvested.

3. Creation of Lien. The escrow created hereby shall be irrevocable. The holders of the Refunded Bonds are hereby granted an express lien on, and security interest in, the cash and Defeasance Obligations in the Escrow Account and all earnings thereon until used and applied in accordance with this Agreement. Except as otherwise expressly provided in Section 5, such cash

funds and the matured principal of and interest income from the Defeasance Obligations in the Escrow Account shall be applied solely for the payment of the principal of, redemption premium and interest on the Refunded Bonds.

The Corporation and the City hereby acknowledge and agree that the deposit of funds hereinbefore described and application of the same in accordance with the terms of this Agreement will constitute all action required for the Refunded Bonds to cease to be entitled to any lien, benefit or security under the Indenture and, upon such deposit and such application as aforesaid, all covenants, agreements and obligations of the Corporation under the Indenture to the owners of the Refunded Bonds shall cease, terminate and become void and be discharged and fully satisfied. Simultaneously with the delivery of the amounts described in the Section 2 above, the City shall provide to the Trustee a verification report addressed to the Trustee, the City, the Corporation and Co-Bond Counsel from a firm of nationally recognized independent certified public accountants that the amounts which will consist of cash and/or Defeasance Obligations available or to be available for the payment of the Corporation's Refunded Bonds will be sufficient to pay when due all principal and interest on the Refunded Bonds.

4. Application of Proceeds of Defeasance Obligations. Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any monies held hereunder or to sell, transfer or otherwise dispose of the Defeasance Obligations.

As the principal of an interest on the Defeasance Obligations shall mature and be paid, the Escrow Agent shall transfer from the Escrow Account to the Paying Agent for the Refunded Bonds such maturing principal and interest, in an account necessary to pay principal and interest coming due on the Refunded Bonds on the next payment date. Such transfers for payment of principal and interest on, the Refunded Bonds shall be made from the matured principal and interest of the Defeasance Obligations on deposit in the Escrow Account, all in accordance with the dates and amounts set forth in Schedule II attached hereto. The Escrow Agent shall immediately reinvest all or a portion of the amounts received from the maturing principal of and interest on the Defeasance Obligations listed in Schedule I, Part 2, in the United States Treasury Certificates of Indebtedness - State and Local Government Series (for which subscriptions for purchase will be filed pursuant to the next succeeding sentence) or other United States Treasury Securities ("Open Markets") bearing interest at a rate of 0% in the amounts and maturities and on the dates set forth in Schedule III hereof. Subscriptions for purchase of such obligation shall be filed by the Escrow Agent with the Bureau of Public Debt at least 15 days (but

not more than 60 days) prior to the actual date of purchase or at such time as may be required by then effective regulations relating to the purchase of such obligations.

On February 15, _____ (the "Redemption Date"), the Escrow Agent shall pay, pursuant to the Indenture, principal of and interest on all of the Series 1996A Bonds which remain outstanding.

On February 15, _____ (the "Redemption Date"), the Escrow Agent shall pay, pursuant to the Indenture, principal of and interest on all of the Series 1996B Bonds which remain outstanding.

The liability of the Escrow Agent to make the payments required by this Section 4 shall be limited to the funds and Defeasance Obligations on deposit in the Escrow Account. Notwithstanding any other provisions of this Agreement, the City and the Corporation hereby covenant that no part of the proceeds of the Series 1999A Bonds or of the monies or funds in the Escrow Account shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Series 1999A Bonds would have caused any of such Series 1999A Bonds, the Series 1996A Bonds and/or the Series 1996B Bonds to be an "arbitrage bond" under Section 148 of the Internal Revenue Code of 1986, as amended, (herein the "Code") and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Series 1999A Bonds.

At the written direction of the Corporation and the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of or request the redemption of the Defeasance Obligations acquired hereunder and to substitute for the Defeasance Obligations (the "Substituted Obligations") which are not subject to redemption prior to maturity except at the option of the holder thereof, provided, however, that such substitution shall only occur upon the receipt by the Escrow Agent of (i) a new verification by a verification agent of the sufficiency of the escrowed securities (assuming such substitution has been made) to provide for the payment of the Refunded Bonds in accordance with the terms herein and (ii) an opinion of bond counsel to the effect that such substitution shall not affect the tax-exempt status of the Series 1996A Bonds, the Series 1996 B Bonds and/or the Series 1999A Bonds. The Corporation and the City hereby covenant and agree that they will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which, if reasonably expected on the date of issuance thereof, would cause any such Series 1996A

Bonds, the Series 1996B Bonds and/or Series 1999A Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, and the regulations thereunder in effect on the date of such request and applicable to obligations issued on the issue date of such Series 1999A Bonds. The Escrow Agent shall purchase such Substituted Obligations with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Obligations in the Escrow Account together with any other funds available for such purpose.

5. Escrow Agent Covenants. The Escrow Agent covenants and agrees with the City and the Corporation as follows:

The Escrow Agent will hold the Defeasance Obligations and all interest income or profit derived therefrom and all uninvested deposits in an irrevocable segregated and separate trust fund account for the sole and exclusive benefit of the Corporation (and the holders of the Refunded Bonds) to the purposes for which escrowed.

The Escrow Agent will take no action in the investment or securing of the proceeds of the Defeasance Obligations which would cause the Series 1999B Bonds to be classified as "arbitrage bonds" under Section 103(c) of the Internal Revenue Code of 1986, as amended, and all lawful regulations promulgated thereunder, provided, it shall be under no duty to affirmatively inquire whether the Defeasance Obligations as deposited are properly invested under said section; and, provided, further, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

The Escrow Agent will submit to the Comptroller of the City a statement within forty-five (45) days after January 1 and July 1 of each calendar year, commencing January 1, 2000, itemizing all moneys received by it and all payments made by it under the provisions of this Agreement during the preceding six (6) month period, and also listing the Defeasance Obligations on deposit therewith on the date of said report, including all moneys held by it received as interest on or profit from the collections of the Defeasance Obligations.

6. Corporation and City Covenants. The Corporation and the City covenant and agree with the Escrow Agent as follows:

The Escrow Agent in its capacity hereunder shall have no responsibility or liability whatsoever for (a) any of the recitals of the City or the Corporation herein, (b) the performance of or compliance with any covenant, condition,

term or provisions of the Indenture and (c) any undertaking or statement of the City or the Corporation hereunder or under the Indenture.

All payments to be made by, and all acts and things required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the City or the Corporation.

7. (a) Redemption of Series 1996A Bonds; Notices. The Corporation and the City hereby irrevocably elect and direct the Escrow Agent to cause to be redeemed on the Redemption Date, with the funds in the Escrow Account, the Series 1996A Bonds then outstanding which mature on and after February 15, _____.

The Escrow Agent hereby agrees to expeditiously mail by first class mail, as soon as practicable, after the closing of the Series 1999A Bonds, a notice to registered owners of the Series 1996A Bonds in substantially the following form:

NOTICE TO OWNERS OF ST. LOUIS MUNICIPAL FINANCE CORPORATION LEASEHOLD REVENUE IMPROVEMENT BONDS, SERIES 1996A, DATED AUGUST 1, 1996, MATURING ON FEBRUARY 15, _____, AND THEREAFTER

Notice is hereby given by the undersigned on behalf of the St. Louis Municipal Finance Corporation (the "Corporation") to the owners of the Corporation's outstanding Leasehold Revenue Improvement Bonds, Series 1996A, (the "Series 1996A Bonds"), that there has been deposited irrevocably in trust with UMB Bank, N.A., St. Louis, Missouri, as Escrow Agent, direct obligations of the United States of America, the principal of and interest on which, together with other monies on deposit with the Escrow Agent, shall be sufficient to pay at their stated maturity or on February 15, _____ (with respect to the Series 1996A Bonds maturing on or after February 15, _____), the Series 1996A Bonds maturing on and after February 15, _____, and interest thereon in accordance with the irrevocable election and instructions of the Corporation and the City of St. Louis.

UMB Bank, N.A.
As Escrow Agent

The Corporation and the City hereby gives the Escrow Agent irrevocable instructions as follows:

To provide in writing, notice in the name of the Corporation, of the Corporation's intention to redeem the Series 1996A Bonds which mature on or after February 15, _____, prior to their stated maturities, such notice to be in substantially the following form and to be mailed to each of the registered owners of such Series 1996A Bonds maturing after February 15, _____, as hereinafter provided, not less than 30 nor more than 60 days prior to the Redemption Date:

NOTICE OF REDEMPTION TO THE OWNERS OF THE ST. LOUIS MUNICIPAL FINANCE CORPORATION LEASEHOLD REVENUE IMPROVEMENT BONDS, SERIES 1996A, DATED AUGUST 1, 1996, MATURING ON FEBRUARY 15, _____, AND THEREAFTER

Notice is hereby given by the undersigned on behalf of the St. Louis Municipal Finance Corporation (the "Corporation") that all outstanding Leasehold Revenue Improvement Bonds, Series 1996A (described above (the "Series 1996A Bonds")) have been irrevocably designated for payment upon redemption and shall be redeemed on February 15, _____, at a redemption price equal to the percentage set forth below of the principal amount thereof plus interest accrued on such principal amount to, but not including, the date fixed for redemption.

The stated maturity dates, aggregated principal amounts, interest rates, and CUSIP numbers and redemption price (as a percentage) of the Series 1996A Bonds hereby called for redemption are as follows:

Stated Principal	Interest	CUSIP	Redemption	Maturity	Amount	Rate	Number
Price	February 15, 2011	February 15, 2016	February 15, 2019				

The total aggregate principal amount of Series 1996A Bonds maturing after February 15, _____, which are hereby called for redemption and shall be payable on February 15, _____, is \$_____.

The Series 1996A Bonds shall be payable upon presentation and surrender at the principal office of UMB Bank, N.A., Attention: Corporate Trust Department, 6 South Broadway, St. Louis, Missouri 63102. Inquiries or

requests for additional information should be directed to the principal office of UMB Bank, N.A. or by telephone to (314) _____.

Interest on the Series 1996A Bonds called for redemption shall cease to accrue from and after February 15, _____.

Dated: _____

UMB BANK, N.A.
ESCROW AGENT

[(b) Redemption of Series 1996B Bonds; Notices. The Corporation and the City hereby irrevocably elect and direct the Escrow Agent to cause to be redeemed on the Redemption Date, with the funds in the Escrow Account, the Series 1996B Bonds then outstanding which mature on and after February 15, _____.

The Escrow Agent hereby agrees to expeditiously mail by first class mail, as soon as practicable, after the closing of the Series 1999A Bonds, a notice to registered owners of the Series 1996B Bonds in substantially the following form:

NOTICE TO OWNERS OF ST. LOUIS MUNICIPAL FINANCE CORPORATION LEASEHOLD REVENUE IMPROVEMENT BONDS, SERIES 1996B, DATED AUGUST 1, 1996, MATURING ON FEBRUARY 15, _____, AND THEREAFTER

Notice is hereby given by the undersigned on behalf of the St. Louis Municipal Finance Corporation (the "Corporation") to the owners of the Corporation's outstanding Leasehold Revenue Improvement Bonds, Series 1996B, (the "Series 1996B Bonds"), that there has been deposited irrevocably in trust with UMB Bank, N.A., St. Louis, Missouri, as Escrow Agent, direct obligations of the United States of America, the principal of and interest on which, together with other monies on deposit with the Escrow Agent, shall be sufficient to pay at their stated maturity or on February 15, _____ (with respect to the Series 1996B Bonds maturing on or after February 15, _____), the Series 1996B Bonds maturing on and after February 15, _____, and interest thereon in accordance with the irrevocable election and instructions of the Corporation and the City of St. Louis.

UMB Bank, N.A.
As Escrow Agent

The Corporation and the City hereby gives the Escrow Agent irrevocable instructions as follows:

To provide in writing, notice in the name of the Corporation, of the Corporation's intention to redeem the Series 1996B Bonds which mature on or after February 15, _____, prior to their stated maturities, such notice to be in substantially the following form and to be mailed to each of the registered owners of such Series 1996B Bonds maturing after February 15, _____, as hereinafter provided, not less than 30 nor more than 60 days prior to the Redemption Date:

NOTICE OF REDEMPTION TO THE OWNERS OF THE ST. LOUIS MUNICIPAL FINANCE CORPORATION LEASEHOLD REVENUE IMPROVEMENT BONDS, SERIES 1996B, DATED AUGUST 1, 1996, MATURING ON FEBRUARY 15, _____, AND THEREAFTER

Notice is hereby given by the undersigned on behalf of the St. Louis Municipal Finance Corporation (the "Corporation") that all outstanding Leasehold Revenue Improvement Bonds, Series 1996B (described above (the "Series 1996B Bonds")) have been irrevocably designated for payment upon redemption and shall be redeemed on February 15, _____, at a redemption price equal to the percentage set forth below of the principal amount thereof plus interest accrued on such principal amount to, but not including, the date fixed for redemption.

The stated maturity dates, aggregated principal amounts, interest rates, and CUSIP numbers and redemption price (as a percentage) of the Series 1996B Bonds hereby called for redemption are as follows:

Stated Maturity	Principal Amount	Interest Rate	CUSIP Number	Redemption Price
February 15, 2011				
February 15, 2016				
February 15, 2019				

The total aggregate principal amount of Series 1996B Bonds maturing after February 15, _____, which are hereby called for redemption and shall be payable on February 15, _____, is \$_____.

The Series 1996B Bonds shall be payable upon presentation and surrender at the principal office of UMB Bank, N.A., Attention: Corporate Trust Department, 6 South Broadway, St. Louis, Missouri 63102. Inquiries or requests for additional information should be directed to the principal office of UMB Bank, N.A. or by telephone to (314) _____.

Interest on the Series 1996B Bonds called for redemption shall cease to accrue from and after February 15, _____.

Dated: _____

UMB BANK, N.A.
ESCROW AGENT

Under the provisions of the Interest and Dividend Tax Compliance Act of 1983, as amended, Paying Agents making payments of principal on municipal securities will be obligated to withhold 31% of the payment of principal to holders who have failed to provide the paying agent with a valid Taxpayer Identification Number. Holders of the above described securities will avoid such withholding by providing a certified Taxpayer Identification Number when presenting securities for payment.

8. Remaining Funds. All cash funds and Defeasance Obligations together with any income and interest thereon remaining in the Escrow Account after all Series 1996B Bonds have been duly paid in full at maturity according to their terms or upon redemption as herein provided, shall be transferred to the City, this was already made, for use for any valid City purpose.

9. Liability of Escrow Agent.

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no lien whatsoever on, or right of set-off with respect to, any of the moneys or Defeasance Obligations on deposit in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Defeasance Obligations and moneys to pay the

Refunded Bonds. So long as the Escrow Agent applies the Defeasance Obligations and moneys as provided herein and complies fully with the Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from, and proximate to, its failure to comply fully with the terms of this Agreement.

(c) In the event of the Escrow Agent's failure to account for any of the Defeasance Obligations or moneys received by it, said Defeasance Obligations or moneys shall be and remain the property of the City in trust for the owners of the Refunded Bonds as herein provided, and if for any reason, such Defeasance Obligations or moneys are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

10. Fees and Costs of the Escrow Agent. The Escrow Agent shall be entitled to reimbursement from the Corporation of out-of-pocket, legal or extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement. Claims for such reimbursement may be made to the City, and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.

11. Resignation or Removal of Escrow Agent; Successor Escrow Agent. The Escrow Agent at the time acting hereunder may, at any time, resign and be discharged from its duties and responsibilities hereby created by giving written notice to the City, the Credit Provider and the Corporation not less than sixty (60) days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the occurrence of the following events: (i) the acceptance of the City, the Credit Provider and the Corporation of the resignation, (ii) the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent), (iii) the acceptance by such successor Escrow Agent of the terms, covenants and conditions of this Agreement, (iv) the transfer of the Escrow Account, including the moneys and Defeasance Obligations held therein, to such successor Escrow Agent, and (v) the completion of any other actions required for the principal of, and interest on, the Defeasance Obligations to be made payable to such successor Escrow Agent rather than to the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and to the Corporation and the City and signed by the owners of a majority in principal amount of the

Refunded Bonds then outstanding. The Escrow Agent may also be removed by the City, the Credit Provider or the Corporation if the Escrow Agent fails to make timely payment on any Payment Date of the amounts required to be paid by it on such payment date by Section 5 of this Agreement to the persons specified in Section 5. Any removal pursuant to this paragraph shall become effective upon the occurrence of the following events: (i) the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the City with the approval of the Credit Provider and the Corporation, (ii) the acceptance by such successor Escrow Agent of the terms, covenants and conditions of this Agreement, (iii) the transfer of the Escrow Account, including the moneys and Defeasance Obligations held therein, to such successor Escrow Agent, and (iv) the completion of any other actions required for the principal of, and interest on, the Defeasance Obligations to be made payable to such successor Escrow Agent rather than to the Escrow Agent being removed.

In the event that the Escrow Agent shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer(s), or of a receiver appointed by a court, the City with the consent of the Credit Provider and the Corporation shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the City in the manner above provided, and any such temporary Escrow Agent so appointed by the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such owners of a majority in principal amount of Refunded Bonds then outstanding or by the City pursuant to the foregoing provisions of this Section within sixty (60) days after written notice of resignation of the Escrow Agent has been given to the City, the Credit Provider and the Corporation, the holder of any Series 1996A Bond or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and thereupon, such court may, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with full trust powers, authorized to do business in the State of Missouri, as amended, and organized under the banking laws of the United States or the State of Missouri, and shall have, at the time of appointment, capital, surplus and undivided profits of not less than Seventy Five Million Dollars (\$75,000,000).

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City, the Credit Provider and the Corporation an instrument in writing accepting such appointment hereunder and, thereupon, such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all of the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent, the City, the Credit Provider or the Corporation, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver, to its successor, all securities and moneys held by such predecessor Escrow Agent. In the event that any transfer, assignment or instrument in writing from the City, the Credit Provider or the Corporation be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instrument in writing shall, on request, be executed, acknowledged and delivered by the City, the Credit Provider or the Corporation.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted, or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax free reorganization to which the Escrow Agent or any successor to it shall be a party, shall, if satisfactory to the City, the Credit Provider and the Corporation, be the successor Escrow Agent under this Agreement, without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

12. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions hereof shall have been made.

13. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained, and shall in no way affect the validity of the remaining provisions of this Agreement.

14. Successors and Assigns. All of the covenants, promises and agreements in this Agreement contained by or on behalf of the Corporation or by or on behalf of the Escrow Agent shall be binding upon, and inure to the benefit of, their respective successors and assigns, whether or not so expressed.

15. Reliance. The Escrow Agent hereunder is conclusively entitled to rely on this Agreement and the opinions of bond counsel and any special tax counsel as to the validity and legal sufficiency thereof and of the refunding, and shall incur no liability for application of funds in accordance with the provisions of this Agreement. The City agrees to indemnify and save harmless to the extent permitted by law the Escrow Agent from and against any claims arising out of or on account of the refunding except for its willful misconduct or gross negligence and except for claims based on its failure to faithfully perform the terms and provisions of this Agreement.

16. Governing Law. This Agreement shall be governed by, and be construed in accordance with, the laws of the State of Missouri.

17. Counterparts. This Agreement may be executed in several counterparts, all of any of which shall be regarded, for all purposes, as one original, and shall constitute and be but one and the same instrument.

18. Amendments to this Agreement. This Agreement is made for the benefit of the owners from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners and the Escrow Agent; provided however, that the Escrow Agent may, without the consent of, or notice to, such owners, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, or any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement.

(b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and

(c) to subject to this Agreement additional funds, securities or properties. The Escrow Agent shall be entitled to rely exclusively upon an opinion of counsel, nationally recognized on the subject of municipal bonds, acceptable to the Escrow Agent with respect to compliance with this Section, including the

extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials, and their corporate seals to be hereunder affixed and attested as of the date first above written.

THE CITY OF ST. LOUIS

By: _____
Mayor

By: _____
Comptroller

By: _____
Treasurer
(SEAL)
ATTEST:

By: _____
Register

Approved as to form:

By: _____
City Counselor

ST. LOUIS MUNICIPAL FINANCE CORPORATION

By: _____
President
(SEAL)

ATTEST:

By: _____

Secretary
UMB BANK, N.A.

By: _____
Vice President
(SEAL)

ATTEST:

By: _____
Assistant Secretary

EXHIBIT A
DEFEASANCE OBLIGATIONS

SCHEDULE I

Part 1

Type Par Amount Coupon Maturity Date

SCHEDULE III
Schedule of Reinvestments

Reinvestment Date Maturity Date Amount Reinvested

CONTINUING DISCLOSURE AGREEMENT

between

THE CITY OF ST. LOUIS, MISSOURI

and

UMB BANK, N. A.

St. Louis, Missouri
as Trustee

Dated June 1, 1999

\$ _____

ST. LOUIS MUNICIPAL FINANCE CORPORATION

CITY JUSTICE CENTER

LEASEHOLD REVENUE REFUNDING BONDS

SERIES 1999A

Hardwick Law Firm LLC

Draft 1, 3-24-99

Draft 2, 4-2-99

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the City of St. Louis, Missouri (the "City") and UMB Bank, N.A., as Trustee (the "Trustee") in connection with the issuance of

§ _____ City Justice Center Leasehold Revenue Refunding Bonds, Series 1999A (the "Series 1999A Bonds") of St. Louis Municipal Finance Corporation (the "Corporation"). The Series 1999A Bonds are being issued pursuant to an Indenture of Trust, dated as of August 1, 1996 (the "Master Indenture") between the City and the Trustee, as supplemented by the Second Supplemental Indenture dated June 1, 1999 (the "Second Supplemental Indenture", collectively, the "Indenture"), by and between the Corporation and the Trustee. The proceeds of the Series 1999A Bonds are being used to refund outstanding St. Louis Municipal Finance Corporation Leasehold Revenue Improvement Bonds, Series 1996A, and to pay the cost of issuance of the Series 1999A Bonds. Pursuant to Section 16.8 of the Lease Purchase Agreement between the Corporation and the City (the "Lease Agreement"), the City has covenanted and agreed as follows:

SECTION 1: Purpose of the Disclosure Agreement.

This Disclosure Agreement is being executed and delivered by the City and the Trustee for the benefit of the Bondholders and Beneficial Owners of the Series 1999A Bonds and in order to assist the Participating Underwriters in complying with the Rule (as defined below). The City and the Trustee acknowledge that the Credit Provider (as defined in the Second Supplemental Indenture) has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Agreement, and has no liability to any person, including any Holder or Beneficial Owner of the Series 1999A Bonds, with respect to the Rule.

SECTION 2: Definitions.

In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 1999A Bonds for federal income tax purposes.

"Disclosure Representative" shall mean the Comptroller of the City or his or her designee, or such other person as the City shall designate in writing to the Trustee from time to time.

"Dissemination Agent" shall mean the Trustee, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Exhibit B hereto.

"Participating Underwriter" shall mean any of the original underwriters of the Series 1999A Bonds required to comply with the Rule in connection with offering of the Series 1999A Bonds.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Missouri.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Agreement, there is no State Repository.

SECTION 3: Provisions of Annual Reports.

A. The City shall, or shall cause the Dissemination Agent to, not later than 180 days after the end of the City's fiscal year (presently June 30) commencing with the report for the 1999 Fiscal Year, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-

reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5A of this Disclosure Agreement.

B. Not later than fifteen (15) Business Days prior to the date specified in Subsection A for providing the Annual Report to the Repositories, the City shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent) to determine if the City is in compliance with the first sentence of this subsection.

C. If the Trustee is unable to verify that an Annual Report has been provided to the Repositories by the date in Subsection A, the Trustee shall send a notice to each Repository (the Municipal Securities Rulemaking Board and the State Repository, if any) in substantially the form as Exhibit A hereto.

D. The Dissemination Agent shall:

1. determine each year prior to the date for providing the Annual Report the name and address of each National Repository and the State Repository, if any; and

2. file a report with the City, the Corporation and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4: Content of the Annual Report.

The City's Annual Report shall contain or include by reference the following:

- A. The audited financial statements of the City for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated from time to time by the Financial Accounting Standards Board. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3A of this Disclosure Agreement, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official

Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

B. Particular Items To Be Listed To Be Determined -- consisting largely of updates of specified categories of financial information and operating data and/or specific sections and charts in the final official statement. *****

Any or all of the items listed above may be included by specific reference to other documents, including official statements of issues with respect to which the City is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The City shall clearly identify each such other document so included by reference.

SECTION 5: Reporting of Significant Events.

A. Pursuant to the provisions of this Section, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 1999A Bonds, if material:

1. principal and interest payment delinquencies;
2. non-payment related defaults;
3. modifications to rights of Bondholders;
4. optional, contingent or unscheduled bond calls;
5. defeasance;
6. rating changes;
7. adverse tax opinions or events affecting the tax-exempt status of the Series 1999A Bonds;
8. unscheduled draws on debt service reserves reflecting financial difficulties;
9. unscheduled draws on credit enhancements reflecting financial difficulties;
10. substitution of credit or liquidity providers, or their failure to perform;

11. release, substitution or sale of property securing repayment of the Series 1999A Bonds.

B. The Trustee shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events, contact the Disclosure Representative, inform such person of the event, and request that the City promptly notify the Trustee in writing whether or not to report the event pursuant to Subsection F.

C. Whenever the City obtains knowledge of the occurrence of a Listed Event, because of a notice from the Trustee pursuant to Subsection B or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

D. If knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the City shall promptly notify the Trustee in writing. Such notice shall instruct the Trustee or Dissemination Agent to report the occurrence pursuant to Subsection F.

E. If in response to a request under Subsection B, the City determines that the Listed Event would not be material under applicable federal securities laws, the City shall so notify the Trustee in writing and instruct the Trustee not to report the occurrence pursuant to Subsection F.

F. If the Trustee has been instructed by the City to report the occurrence of a Listed Event, the Trustee shall file a notice of such occurrence with the Municipal Securities Rulemaking Board or to National Repositories and each State Repository with a copy to the City and the Credit Provider. Notwithstanding the foregoing, notice of Listed Events described in Subsections A-4 and 5 need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Bondholders of affected Bonds pursuant to the Indenture.

SECTION 6: Termination of Reporting Obligations.

The City's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all the Series 1999A Bonds. If the City's obligations under the Indenture are assumed in full by another entity, such entity shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or

substitution occurs prior to the final maturity of the Series 1999A Bonds, the City shall give notice of such termination or substitution in the same manner as for a Listed Event under Section 5A of this Disclosure Agreement.

SECTION 7: Dissemination Agent.

The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be the Trustee.

SECTION 8: Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the City and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment so requested by the City) and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

1. If the amendment or waiver related to the provisions of Sections 3A, 4 or 5A of this Disclosure Agreement, it may only be 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 an obligated person with respect to the Series 1999A Bonds, or the type of business conducted;
2. The undertaking, as amended or taking into account such waiver, should, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 1999A Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
3. The amendment or waiver either (i) is approved by the Bondholders of the Series 1999A Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Bondholders, or (ii) does not, in the opinion of the Trustee or nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners of the Series 1999A Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section E1 of this Disclosure Agreement, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9: Additional Information.

Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of the occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of the occurrence of a Listed Event.

SECTION 10: Default.

In the event of a failure of the City or the Trustee to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Bondholders or Beneficial Owner of at least 25% aggregate principal amount of Outstanding Bonds, shall), or any Bondholder or Beneficial Owner of at least 25% aggregate principal amount of the Series 1999A Bonds may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Trustee, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed to be an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the City or the Trustee to comply with this Disclosure Agreement shall be action to compel performance.

SECTION 11: Duties, Immunities and Liabilities of Trustee and Dissemination Agent.

Article X of the Master Indenture is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Indenture. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement, and, to the extent permitted by applicable law, the City hereby indemnifies and saves the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 1999A Bonds.

SECTION 12: Notices.

Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

To the City:

The City of St. Louis, Missouri
City Hall, Room 212
1200 Market Street
St. Louis, Missouri 63103
Attention: Comptroller
Telephone/Fax: 314-622-4389/314-622-4026

To the Trustee:

UMB Bank, N.A.
Attn: Victor Zarilli
6 South Broadway
St. Louis, MO 63102
Telephone/Fax: 314-612-8044/314/612-8015

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13: Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the City, the Trustee, the Dissemination Agent, the Participating Underwriters, and Bondholders and Beneficial Owners from time to time of the Series 1999A Bonds, and shall create no rights in any other person or entity.

SECTION 14: Counterparts.

This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15: Governing Law.

This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

SECTION 16: Severability.

If any provision in this Disclosure 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 17: Captions.

The captions or headings in this Disclosure Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or section of this Disclosure Agreement.

Dated: _____, 1999

THE CITY OF ST. LOUIS, MISSOURI

By _____
Mayor

By _____
Comptroller

(SEAL)

ATTEST

Register

APPROVED AS TO FORM:

By _____
City Counselor

UMB BANK, N.A. as Trustee

By _____
Authorized Officer

EXHIBIT A
NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: St. Louis Municipal Finance Corporation ("Corporation")

Name of Bond Issue: City Justice Center
Leasehold Revenue Refunding Bonds
Series 1999A

Name of Obligor: The City of St. Louis, Missouri
Date of Issuance: June ____, 1999

NOTICE IS HEREBY GIVEN that the Corporation has not provided an Annual Report with respect to the above-named Bonds as required by Section 507 of the Second Supplemental Indenture of Trust dated June 1, 1999, between the City and UMB Bank, N.A., as Trustee (the "Trustee"). [The City anticipates that the Annual Report will be filed by _____.]

DATED: _____

UMB BANK, N.A., as Trustee, on behalf of the City of St. Louis, Missouri

cc: Comptroller, The City of St. Louis, Missouri

A-1
EXHIBIT B

Nationally Recognized Municipal Securities Information Repositories approved
by the Securities and Exchange Commission as of March 17, 1999

Bloomberg Municipal Repository
P.O. Box 840
Princeton, NJ 08542-0804
Internet address: MUNIS@bloomberg.doc
(609) 279-3225 FAX (609) 279-5962

Thomson NRMSIR
Municipal Disclosure
395 Hudson Street, 3rd Floor
New York, NY 10014
Internet address: Disclosure@muller.com
(212) 807-5001
FAX (212) 989-2078

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
E-mail: nrmsir@dpcdata.com

Kenny Information Services, Inc.
Kenny Repository Service
65 Broadway, 16th Floor
New York, NY 10006
(212) 770-4595
FAX (212) 797-7994

Legislative History				
1ST READING	REF TO COMM	COMMITTEE	COMM SUB	COMM AMEND
04/30/99	04/30/99	T&C		
2ND READING	FLOOR AMEND	FLOOR SUB	PERFECTN	PASSAGE

05/14/99			05/21/99	05/21/99
ORDINANCE	VETOED		VETO OVR	
64652				