

OFFICIAL STATEMENT
\$9,900,000

The Indianapolis Local Public Improvement Bond Bank
Taxable Special Program Variable Rate Demand Bonds, Series 2004 B
(Circle Block Project)

Dated: Date of Delivery

Due: April 1, 2030

This Official Statement, including the Appendices attached hereto, is provided to furnish information in connection with the original issuance by The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank") of its Taxable Special Program Variable Rate Demand Bonds, Series 2004 B (Circle Block Project) in the aggregate principal amount of \$9,900,000 (the "Series 2004 B Bonds"). The Series 2004 B Bonds will be issued pursuant to a Trust Indenture dated as of June 1, 2004 (the "Series 2004 B Bond Bank Indenture"), between the Bond Bank and National City Bank of Indiana, as trustee (the "Series 2004 B Bond Bank Trustee"). The Series 2004 B Bonds are issued by the Bond Bank pursuant to Indiana Code 5-1.4, as amended (the "Act") for the purpose of providing funds to (i) purchase the City of Indianapolis, Indiana, Taxable Variable Rate Demand Economic Development Revenue Bonds, Series 2004B (Circle Block Project) (the "Series 2004B City Bonds") to be issued by the City of Indianapolis, Indiana (the "City"), (ii) fund a debt service reserve fund for the Series 2004B Bonds, and (iii) pay costs of issuance of the Series 2004 B Bonds. The City will use the proceeds of the Series 2004B City Bonds to provide financial incentives and assistance to a private developer for use in construction of a luxury hotel in the City's downtown (the "Project"). The City-Council of the City of Indianapolis and of Marion County, Indiana (the "Council") has adopted an ordinance authorizing the issuance of the Series 2004B City Bonds and approving the execution of a Trust Indenture between the City and National City Bank of Indiana, as trustee (the "Series 2004B City Trustee"), dated as of June 1, 2004 (the "Series 2004B City Indenture"), securing the Series 2004B City Bonds and their sale to the Bond Bank, the City will enter into an agreement with the Bond Bank setting forth the terms of the Bond Bank's purchase of the Series 2004B City Bonds (the "Series 2004B Qualified Entity Purchase Agreement").

The Series 2004 B Bonds are to be issued as fully registered bonds in denominations of \$100,000 and integral multiples of \$25,000 in excess thereof, while bearing interest at a Weekly Rate (as defined herein). The Series 2004 B Bonds will be issued initially under a book-entry only system, registered in the name of Cede & Co., as registered bondholder and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2004 B Bonds and will receive all payments with respect to the Series 2004 B Bonds from the Series 2004 B Bond Bank Trustee. DTC is required by its rules and procedures to remit such payments to participants in DTC for subsequent disbursement to the individual purchasers of book-entry interests in the Series 2004 B Bonds ("Beneficial Owners"). Beneficial Owners will not receive certificates representing their interest in the Series 2004 B Bonds. So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2004 B Bonds, references herein to the Holders, bondholders or registered owners shall mean Cede & Co., rather than the Beneficial Owners with respect to the Series 2004 B Bonds, except for the purpose of giving certain bondholder consents. See "SERIES 2004 B BONDS" herein.

The Series 2004 B Bonds will mature on April 1, 2030, subject to redemption prior to maturity as described herein. See "SERIES 2004 B BONDS - Redemption Prior to Maturity." The Series 2004 B Bonds will bear interest from the date of their delivery, payable on the first Business Day of each calendar month commencing July 1, 2004 (any such day on which interest is payable being an "Interest Payment Date").

The Series 2004 B Bonds will be issued in a Weekly Rate Mode (as defined herein) and bear interest at an interest rate adjusted weekly by NatCity Investments, Inc. (the "Remarketing Agent"), in accordance with the terms of the Series 2004 B Bond Bank Indenture. The Series 2004 B Bonds may be converted to a Fixed Rate Mode (as defined herein). Upon such conversion of the Series 2004 B Bonds (which may only be converted in whole, not in part) to a Fixed Rate Mode, the Series 2004 B Bonds are subject to mandatory tender and purchase as described herein. See "SERIES 2004 B BONDS - Mandatory Tender and Purchase."

While the Series 2004 B Bonds are held in book-entry form, beneficial interests in the Series 2004 B Bonds may be optionally tendered for purchase at a price of par plus accrued interest upon seven days prior written notice as described herein under "THE SERIES 2004 B BONDS - Tender Option."

Initially, payment of the purchase price for Series 2004 B Bonds tendered or required to be tendered for purchase will be supported by a Standby Bond Purchase Agreement (as defined herein) for the Series 2004 B Bonds ("Initial Liquidity Facility") between the Bond Bank and National City Bank of Indiana (the "Initial Liquidity Facility Provider"). Under the Initial Liquidity Facility, subject to certain terms and conditions and to the extent provided for therein, the Initial Liquidity Facility Provider agrees to purchase Series 2004 B Bonds that are tendered or required to be tendered for purchase and are not remarketed or for which remarketing proceeds are not available. The obligation of the Initial Liquidity Facility Provider to purchase any Series 2004 B Bonds under the Initial Liquidity Facility will, unless earlier terminated, expire on July 1, 2007, but may be extended as described herein. The Bond Bank may, under certain circumstances replace the Initial Liquidity Facility with an Alternate Liquidity Facility. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS" herein and Appendix E - "THE INITIAL LIQUIDITY FACILITY PROVIDER AND SUMMARY OF INITIAL LIQUIDITY FACILITY."

Payment of the principal of, and interest on, the Series 2004 B Bonds, as the same become due and payable (other than by reason of optional redemption) is to be guaranteed under a financial guaranty insurance policy to be issued by MBIA Insurance Corporation (the "Bond Insurer") simultaneously with the delivery of the Series 2004 B Bonds. See "BOND INSURANCE."



The Series 2004 B Bonds are limited obligations of the Bond Bank payable solely from the revenues and funds of the Bond Bank pledged therefor under the Indenture, as more fully described herein, including payments received on the Series 2004B City Bonds. The Series 2004 B Bonds do not constitute a debt, obligation, liability or loan of the credit of the State of Indiana or any political subdivision thereof, including the City, Marion County, Indiana (the "County"), or any other qualified entity under the constitution and laws of the State of Indiana, or a pledge of the faith, credit and taxing power of the State of Indiana or any political subdivision thereof, including the City, or the County, or any other qualified entity. The sources of payment of, and security for, the Series 2004 B Bonds are more fully described herein. The Bond Bank has no taxing power. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS."

Pursuant to the Act and the Series 2004 B Bond Bank Indenture, the Bond Bank has agreed to request the Council to appropriate amounts to restore the Series 2004 B Bond Bank Reserve Fund to the Series 2004 B Bond Bank Reserve Requirement (as such terms are defined herein) in accordance with Indiana Code 5-1.4-5 if a deficiency in the Series 2004 B Bond Bank Reserve Fund exists. Neither the Act nor the Series 2004 B Bond Bank Indenture creates any debt or liability of the City or an obligation of the Council to make any such appropriation. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS - Series 2004 B Bond Bank Reserve Fund and the Replenishment Thereof."

The Series 2004 B Bonds are offered when, as and if issued by the Bond Bank and received by NatCity Investments, Inc., as underwriter, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of certain legal matters by Baker & Daniels, Indianapolis, Indiana, as bond counsel, and the satisfaction of certain other conditions. Certain other legal matters will be passed on by the Corporation Counsel of the City, as General Counsel to the Bond Bank, Stewart & Irwin, P.C., Indianapolis, Indiana, as Special Counsel to the City, Barnes & Thornburg and Locke Reynolds LLP, Indianapolis, Indiana, as co-counsel for National City Bank of Indiana, in its capacity as the Initial Liquidity Facility Provider, Bingham McHale LLP, of Indianapolis, Indiana, as underwriter's counsel and Kutak Rock, LLP, Irvine, California as counsel to the Bond Insurer. It is expected that the Series 2004 B Bonds will be available in definitive form for delivery via the FAST System of DTC in Indianapolis, Indiana, on or about June 23, 2004.

NATCITY INVESTMENTS, INC.

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

Dated: June 9, 2004

No dealer, broker, salesperson or other person has been authorized by the Bond Bank, the City or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2004 B Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2004 B Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to Investors under the securities laws as applied to the facts and circumstances of this transaction, but the underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there have been no changes in the information presented herein since the date hereof.

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2004 B Bonds to any person in any jurisdiction where such offer or solicitation or sale would be unlawful. Neither the delivery of this Official Statement nor the sale of the Series 2004 B Bonds implies that information herein is correct as of any time subsequent to the date hereof.

THE SERIES 2004 B BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BOND AND THE BOND BANK AND THE TERMS OF THE OFFERING, INCLUDING THE MERIT AND RISKS INVOLVED. THE SERIES 2004 B BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market price of the Series 2004 B Bonds at a level above that which might otherwise prevail in the open market. Such stabilization, if commenced, may be discontinued at any time.

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OFFICIAL STATEMENT

\$9,900,000
THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
TAXABLE SPECIAL PROGRAM VARIABLE RATE DEMAND BONDS,
SERIES 2004 B
(CIRCLE BLOCK PROJECT)

INTRODUCTION

The purpose of this Official Statement, including the cover pages and appendices hereto, is to set forth certain information concerning the issuance and sale by The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank") of its \$9,900,000 Taxable Special Program Variable Rate Demand Bonds, Series 2004 B (Circle Block Project) (the "Series 2004 B Bonds"). The Series 2004 B Bonds are authorized by a resolution adopted by the Board of Directors of the Bond Bank on May 11, 2004, and are issued pursuant to the provisions of a Trust Indenture between the Bond Bank and National City Bank of Indiana, as trustee (the "Series 2004 B Bond Bank Trustee"); dated as of June 1, 2004 (the "Series 2004 B Bond Bank Indenture") and the laws of the State of Indiana, including particularly Indiana Code 5-1.4 (the "Act"). National City Bank of Indiana will serve as registrar (the "Registrar"), paying agent (the "Paying Agent") and tender agent (the "Tender Agent") under the Series 2004 B Bond Bank Indenture.

The definitions of certain capitalized terms used in this Official Statement are contained in Appendix A, "DEFINITIONS".

The Financing

The Bond Bank is issuing the Series 2004 B Bonds and, simultaneously is issuing its Special Program Bonds, Series 2004 C (Circle Block Project) (the "Series 2004 C Bonds," and together with the Series 2004 B Bonds, the "Bond Bank Bonds") to provide funds to purchase two series of bonds (or qualified obligations) from the City, namely its Taxable Variable Rate Demand Economic Development Revenue Bonds, Series 2004B (Circle Block Project) (the "Series 2004B City Bonds") and its Economic Development Revenue Bonds, Series 2004C (Circle Block Project) (the "Series 2004C City Bonds", and together with the Series 2004B City Bonds, the "City Bonds"). The City will use the proceeds of the City Bonds, together with other available funds, to provide financial incentives and assistance to a private developer (the "Developer") for use in construction of a luxury hotel in the City's downtown (the "Project"). The Developer is not responsible for the payment of principal of or interest on the Bond Bank Bonds or the City Bonds and neither the Project nor any other property of the Developer will be mortgaged or pledged to or otherwise serve as security for the Bond Bank Bonds or the City Bonds.

The City intends to repay and secure the Bond Bank Bonds and the City Bonds generally from revenues available from certain parking facilities in the City's downtown, and such repayment of the City Bonds will accordingly secure the repayment of the Bond Bank Bonds. The Series 2004B City Bonds (and accordingly the Series 2004 B Bonds) will be

payable from and secured by a pledge of certain amounts derived from the revenues from an existing public parking facility owned and operated by the Circle Area Community Development Corporation, a nonprofit supporting organization of the City ("CAC") that includes ground level retail space (the "CAC Parking Facility") and will include additional connected parking spaces that will serve the proposed luxury hotel to be constructed by the Developer (the "Hotel Parking Facility"). The Series 2004C City Bonds (and accordingly, the Series 2004 C Bonds) will be payable from and secured by a pledge of the revenues from an existing parking garage owned by the City that is connected to the Circle Centre Mall located in the City's downtown (the "Square 74 Garage").

The Series 2004B City Bonds and the Series 2004C City Bonds are separate and distinct bond issues governed by separate and distinct trust indentures and related bond documents. The two bond issues are related, however, because each trust indenture provides that certain of the pledged revenues for a particular bond issue not needed for payment of debt service on such bond issue may be used to pay debt service on the other bond issue if the revenues for that other issue are not sufficient to meet its debt service requirements. Each of the respective trust indentures also provides that revenues not needed for payment of debt service in a particular year are to be retained and deposited in stabilization funds to be available for payment of future debt service on the bond issues as more fully described below.

In addition to the pledge of the respective parking revenues, each bond issue is secured by a Stabilization Fund. The Series 2004 B Stabilization Fund will, at closing, contain \$200,000 of non-bond funded monies and will then be used to accumulate pledged revenues in excess of the debt service requirements on the Series 2004B City Bonds. Under the circumstances described hereinafter, the 2004B Stabilization Fund will be available for payment of debt service on either series of City Bonds.

This Official Statement contains detailed discussions of, among other things, the historical financial performance of the CAC Parking Facility and the Square 74 Garage and the operation of the Series 2004 B Bond Bank Reserve Fund and the Stabilization Funds. See also the captions "FINANCING PLAN" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS" for a discussion of the plan of finance, the City and the City Bonds.

Security and Sources of Payment for the Series 2004 B Bonds

Bond Bank. The Series 2004 B Bonds are limited obligations of the Bond Bank payable solely out of revenues and funds of the Bond Bank pledged therefor under the Series 2004 B Bond Bank Indenture, as more fully described herein, including payments received on the Series 2004B City Bonds, which are pledged for the benefit of the owners of the Series 2004 B Bonds without priority. Additional bonds may be issued by the Bond Bank on parity with the Series 2004 B Bonds only to refund obligations issued under the Series 2004 B Bond Bank Indenture.

Neither the faith, credit nor taxing power of the State or any political subdivision thereof, including the City or the County, are pledged to the payment of the principal of, and interest on any of the Series 2004 B Bonds. The Series 2004 B Bonds are not a debt, liability, loan of the credit or pledge of the faith and credit of the State or of any political subdivision thereof, including the City, the County or any other qualified entity. The Bond Bank has no taxing power and has only those powers and sources of revenue set forth in the Act and the Series 2004 B Bond Bank Indenture.

The Series 2004 B Bonds are also secured by a debt service reserve fund established under the Series 2004 B Bond Bank Indenture (the "Series 2004 B Bond Bank Reserve Fund"). In addition, pursuant to the provisions of Indiana Code 5-1.4-5, the Bond Bank has covenanted to request the Council to appropriate funds to replenish the Series 2004 B Bond Bank Reserve Fund in the event of a deficiency thereof. Neither the Act nor the Series 2004 B Bond Bank Indenture creates any debt or liability of the City or an obligation of the Council to make any such appropriation. See "SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2004 B BONDS – Series 2004 B Bond Bank Reserve Fund and the Replenishment Thereof."

The Series 2004 B Bonds are secured by the pledge under the Series 2004 B Bond Bank Indenture of all moneys and securities in the Funds and Accounts established by the Series 2004 B Bond Bank Indenture and the investment earnings thereon and all proceeds thereof, the Series 2004B City Bonds acquired with the proceeds of the Series 2004 B Bonds, the earnings thereon and the proceeds thereof (except to the extent transferred as provided therein), including payments made thereon, all rights of the Bond Bank in, to and under the Liquidity Facility pursuant to the Standby Bond Purchase Agreement, and all Revenues and other moneys or securities pledged to the Series 2004 B Bond Bank Trustee as security for the Series 2004 B Bonds (collectively the "Series 2004 B Bond Bank Trust Estate"). All Series 2004 B Bonds will be secured by the Series 2004 B Bond Bank Trust Estate without privilege, preference, priority or distinction. The sources of payment for the Series 2004 B Bonds are further described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS."

The Initial and Alternate Liquidity Facilities. The payment of the purchase price of the Series 2004 B Bonds tendered or required to be tendered for purchase will be initially supported by the Initial Liquidity Facility, to the extent provided therein. For a summary of the Initial Liquidity Facility and information on the Initial Liquidity Facility Provider, see Appendix E, "THE INITIAL LIQUIDITY FACILITY PROVIDER AND SUMMARY OF INITIAL LIQUIDITY FACILITY." The Indenture also allows for the Bond Bank to provide an Alternate Liquidity Facility in substitution of the Initial Liquidity Facility upon satisfying certain requirements set forth in the Indenture. If such an Alternate Liquidity Facility is provided, the Series 2004 B Bonds are subject to mandatory tender and purchase as described herein.

Bond Insurance. The scheduled payment of principal of and interest on the Series 2004 B Bonds will be guaranteed under a financial guaranty insurance policy (the "Policy") to be issued by MBIA Insurance Corporation (the "Bond Insurer"). Beneficial Owners of the Series 2004 B Bonds should be aware that the issuance of the Policy gives

the Bond Insurer certain rights, including the sole right to direct remedies with respect to the Series 2004 B Bonds in the Event of Default. See "BOND INSURANCE."

Series 2004B City Bonds. The Series 2004B City Bonds to be purchased by the Bond Bank will be issued by the City under the Series 2004B City Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS - The City and the Series 2004B City Bonds."

THE SERIES 2004B CITY BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION OF THE CITY, BUT CONSTITUTE LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE SERIES 2004B PLEDGED REVENUES AND OTHER FUNDS PLEDGED UNDER THE SERIES 2004B CITY INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED TO PAY THE PRINCIPAL OF OR INTEREST ON THE SERIES 2004B CITY BONDS. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS - The City And The Series 2004B City Bonds."

In the Series 2004B City Indenture, the City grants to the Series 2004B City Trustee, as security for the payment of the Series 2004B City Bonds, a security interest in: (i) all right, title and interest of the City in and to the Series 2004B Pledged Revenues; (ii) on a junior and subordinate basis and subject in all respects to the rights of the Series 2004C City Trustee the Series 2004C Pledged Revenues; and (iii) all moneys and securities from time to time held by the Series 2004B City Trustee under the terms of the Series 2004B City Indenture and any and all other real or personal property conveyed, mortgaged, pledged, assigned or transferred as and for additional security thereunder by the City or by anyone on its behalf to the Series 2004B City Trustee (collectively, the "Series 2004B City Trust Estate"). See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS - Series 2004B City Indenture", "- Series 2004B Pledged Revenues" and "- Historical Operating Revenues of the CAC Parking Facility."

The Series 2004 B Bonds and the Series 2004 C Bonds are being issued under, and will be secured by, separate indentures (the Series 2004 B Bond Bank Indenture and the Series 2004 C Bond Bank Indenture, respectively). The primary source of payment for Series 2004 B Bonds and the Series 2004 C Bonds are the Series 2004B City Bond Payments and the Series 2004C City Bond Payments, respectively, which are made by the City. However, moneys held in the respective Stabilization Funds, under the Series 2004B City Indenture and the Series 2004C City Indenture, which are not required to pay debt service on that particular series of City Bonds, may be transferred to pay Debt Service for the other series of the City Bonds. As a result of the above-described transfers, certain monies may be transferred from Series 2004C City Trustee to the Series 2004B City Trustee, and *vice versa*, if needed to prevent a payment default on the Series 2004 C Bonds or the Series 2004 B Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS - Series 2004B Indenture - *Series 2004B Stabilization Fund*" and " - The Series 2004C City Bonds - *Series 2004C Stabilization Fund*".

The Series 2004 B Bonds

While in Weekly Rate Mode, the Series 2004 B Bonds will bear interest from the date of their delivery, payable on the first Business Day of each calendar month, commencing July 1, 2004, at an interest rate adjusted weekly by the Remarketing Agent in accordance with the terms of the Series 2004 B Bond Bank Indenture. The Series 2004 B Bonds will be issued in fully registered form in the denomination of \$100,000 and integral multiples of \$25,000 in excess thereof while bearing interest at a Weekly Rate. See "SERIES 2004 B BONDS - General Description."

The Series 2004 B Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Series 2004 B Bonds will be made in book-entry-only form. Purchasers of beneficial interests in the Series 2004 B Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Series 2004 B Bonds. Interest on the Series 2004 B Bonds, together with principal of and redemption premium, if any, on the Series 2004 B Bonds, will be paid by the Paying Agent directly to DTC, so long as DTC or its nominee is the registered owner of the Series 2004 B Bonds. The final disbursement of such payments to Beneficial Owners of the Series 2004 B Bonds will be the responsibility of the DTC Participants and Indirect Participants, all as defined and more fully described herein. See "THE DEPOSITORY TRUST COMPANY AND BOOK-ENTRY-ONLY SYSTEM."

The Series 2004 B Bonds are subject to redemption prior to maturity as described herein. See "SERIES 2004 B BONDS - Redemption Prior to Maturity."

The Bond Bank and the Act

The Bond Bank is a body corporate and politic, separate from the City in its corporate capacity, established for the public purposes set forth in the Act. The Bond Bank has no taxing power. The Bond Bank is governed by a five (5) member board of directors appointed by the Mayor of the City.

Pursuant to the Act, the purpose of the Bond Bank is to buy and sell securities of "qualified entities," as defined in the Act.

The Official Statement; Additional Information

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

The information contained in this Introduction is qualified by reference to this entire Official Statement (including the appendices). This Introduction is only a brief description and a full review should be made of this entire Official Statement (including the Appendices), as well as the documents summarized or described in this Official Statement. The summaries of and references to all documents, statutes and other instruments referred to in this Official Statement do not purport to be complete and are

qualified in their entirety by reference to the full text of each such document, statute or instrument. Summaries of certain provisions of the Series 2004 B Bond Bank Indenture are set forth in Appendix C.

Information contained in this Official Statement with respect to the Bond Bank and the City and copies of the Series 2004 B Bond Bank Indenture and the Series 2004B City Indenture may be obtained from The Indianapolis Local Public Improvement Bond Bank, 200 East Washington Street, City-County Building, Room 2421, Indianapolis, Indiana 46204. The Bond Bank's telephone number is (317) 327-4220.

SERIES 2004 B BONDS

General Description

The Series 2004 B Bonds may operate in one of two Modes: Weekly Rate Mode and Fixed Rate Mode. All of the Series 2004 B Bonds will initially be issued in the Weekly Rate Mode. This Official Statement describes Series 2004 B Bonds operating in the Weekly Rate Mode. Upon conversion of the Series 2004 B Bonds (which may only be converted in whole, not in part) to a Fixed Rate Mode, the Series 2004 B Bonds are subject to mandatory tender and purchase. See “ – Mandatory Tender and Purchase” herein. **This Official Statement will be supplemented or replaced if the Series 2004 B Bonds are converted to a Fixed Rate Mode.**

The Series 2004 B Bonds will be issued in fully registered form in the denomination of \$100,000 and integral multiples of \$25,000 in excess thereof. The Series 2004 B Bonds will be dated as of the date of their delivery, and will mature on April 1, 2030, subject to redemption prior to maturity. The Series 2004 B Bonds will bear interest from the date of their delivery, payable on the first Business Day of each calendar month, commencing July 1, 2004 (any such day on which interest is payable being an “Interest Payment Date”) at the interest rates determined as described below.

The Series 2004 B Bonds will be issued originally solely in book-entry form to DTC or its nominee, Cede & Co., to be held in DTC's book-entry only system. So long as the Series 2004 B Bonds are held in the book-entry only system, DTC (or a successor securities depository) or its nominee will be and will be considered to be the registered owner or Holder of the Series 2004 B Bonds for all purposes under the Indenture, the Series 2004 B Bonds and this Official Statement. See “THE DEPOSITORY TRUST COMPANY AND BOOK-ENTRY ONLY SYSTEM.”

In the event that the Series 2004 B Bonds are not held in a book-entry only system, the principal of the Series 2004 Bonds will be payable when due upon presentation and surrender thereof at the designated corporate trust office of the Series 2004 B Bond Bank Trustee. Interest on the Series 2004 B Bonds is to be paid on each Interest Payment Date to the persons in whose name the Series 2004 B Bonds are registered (the “Holders”) at the close of business on the Record Date on the books maintained by the Series 2004 B Bond Bank Trustee, as Registrar, for registration and transfer of the Series 2004 B Bonds (the “Register”) at the address appearing therein (i) by check or draft which the Series

2004 B Bond Bank Trustee shall cause to be mailed on such Interest Payment Date or (ii) by wire transfer on such Interest Payment Date upon written request of any Person who is a Holder of the Series 2004 B Bonds in the principal amount of \$1,000,000 or more. If and to the extent that the Bond Bank fails to make payment or provision for payment of interest on any Series 2004 B Bond on an Interest Payment Date, the Series 2004 B Bond Bank Trustee will establish a special record date for the payment of that defaulted interest, as described in the Indenture. The Indenture permits the Series 2004 B Bond Bank Trustee to enter into an agreement with any Holder, under certain conditions, to provide for payments of the principal of and interest on the Series 2004 B Bonds to that Holder at a place and in a manner other than as described above, without presentation and surrender of the Series 2004 B Bonds, upon any conditions which will be satisfactory to the Series 2004 B Bond Bank Trustee and the Bond Bank.

Nonpresentation of Series 2004 B Bonds

If any check or draft representing payment of interest, principal, premium or purchase price on any Series 2004 B Bond is returned to the Series 2004 B Bond Bank Trustee or the Tender Agent or is not presented for payment by the payee thereof, or any Series 2004 B Bond is not presented for payment of principal or premium at the maturity or redemption date, or purchase price at the purchase date, if amounts drawn under a Liquidity Facility or the proceeds of a remarketing of such Series 2004 B Bond by the Remarketing Agent, or, during a Weekly Rate Period or the Fixed Rate Period funds and/or Defeasance Obligations sufficient to pay such interest, or such principal and premium or purchase price, as is applicable, shall have been made available to the Series 2004 B Bond Bank Trustee or the Tender Agent for the benefit of the Owner of the applicable Series 2004 B Bond, all liability of the Bond Bank to the Owner of such Series 2004 B Bond for such interest or such principal and premium or purchase price shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Series 2004 B Bond Bank Trustee or the Tender Agent to hold such moneys and/or Defeasance Obligations, without investing or reinvesting the same and without liability for interest thereon, for the benefit of the Owner of such Series 2004 B Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on such Owner's part under the Series 2004 B Bond Bank Indenture or on, or with respect to, such Series 2004 B Bond, and thereafter such Series 2004 B Bond shall no longer be considered to be Outstanding. The Series 2004 B Bond Bank Trustee's or Tender Agent's obligation to hold such moneys and/or Defeasance Obligations shall continue for a period equal to four (4) years following the date on which the principal of all Series 2004 B Bonds has become due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Series 2004 B Bond Bank Trustee or the Tender Agent, upon payment of all fees and expenses due and owing to it and receipt of indemnity satisfactory to it, shall surrender any remaining funds so held to the Liquidity Facility Provider upon its written direction or, if the Liquidity Facility Provider is owed no moneys under the Standby Bond Purchase Agreement (as evidenced by written notice thereof given to the Series 2004 B Bond Bank Trustee and the Tender Agent by the Liquidity Facility Provider), to the Bond Bank (or to the Bond Insurer if paid from the proceeds of the Bond Insurance Policy) upon its written direction. Following such surrender, any claim under the Series 2004 B Bond Bank Indenture by

the Owner of any Series 2004 B Bond of whatever nature shall be made only upon the Bond Bank.

Transfer and Exchange

Except as provided with respect to Series 2004 B Bonds in book-entry form (see "THE DEPOSITORY TRUST COMPANY AND BOOK-ENTRY ONLY SYSTEM" herein), and subject to certain restrictions hereinafter described, any Series 2004 B Bond may be transferred upon the Register, or exchanged, by presentation and surrender thereof at the designated office of the Series 2004 B Bond Bank Trustee, as Registrar, together with an assignment duly executed by the Holder of that Series 2004 B Bond or by its duly authorized attorney in any form satisfactory to the Registrar. Upon any such transfer or exchange, the Registrar will authenticate a new registered Series 2004 B Bond under the terms of the Indenture. Each exchange or transfer will be made without charge; provided, that the Bond Bank and the Registrar may charge a fee sufficient to reimburse them for any tax or excise fee required to be paid with respect to the exchange or transfer.

Neither the Bond Bank nor the Registrar shall be required to transfer or exchange any Series 2004 B Bonds selected for redemption, in whole or in part. Series 2004 B Bonds not delivered on or before an optional or mandatory tender date may not be exchanged or transferred.

As described in the Indenture, the Series 2004 B Bonds are being initially issued without registration under the provisions of the Securities Act of 1933, as amended (the "Securities Act") (or under any state securities laws) pursuant to exemption from such registration under Section 3(a)(2) of the Securities Act. The Series 2004 B Bonds may only be sold, transferred, pledged or hypothecated, in whole or in part, if they are registered under the Securities Act and all applicable state securities laws or if an exemption from registration continues to be available.

Weekly Rate

The Series 2004 B Bonds in Weekly Rate Mode will bear interest payable on each Interest Payment Date at the rate per annum established as described below, computed on the basis of a 365- or 366- day year, as applicable, for the actual number of days elapsed. The Weekly Rate on the Series 2004 B Bonds may not exceed the Maximum Rate. The Maximum Rate is defined as (i) the annual interest rate used in determining the available interest component under the Liquidity Facility, if any, or (ii) 21% for any Series 2004 B Bonds that constitute Bank Bonds. Upon the issuance of the Series 2004 B Bonds and the concurrent delivery of the Initial Liquidity Facility, the Maximum Rate applicable to the Series 2004 B Bonds which are not Bank Bonds will be 12% while such Initial Liquidity Facility secures the Bonds.

From the date of the initial authentication and delivery of the Series 2004 B Bonds to the Underwriter thereof to and including the first Interest Adjustment Date thereafter, such Series 2004 B Bonds shall bear interest at the Weekly Rate established by the Remarketing Agent in a certificate delivered by the Remarketing Agent on the date of the

initial authentication and delivery of such Series 2004 B Bonds. Thereafter, the Remarketing Agent shall determine the Weekly Rate on the Series 2004 B Bonds on each Interest Adjustment Date and such rate shall become effective on Thursday of such week or, if an Interest Adjustment Date occurs by reason of the exercise by the Remarketing Agent of its judgment that an adjustment of the interest rate is required in order to permit the Remarketing Agent to remarket the Series 2004 B Bonds at par, either on the next Business Day following such Interest Adjustment Date or the next succeeding Thursday, whichever the Remarketing Agent shall elect; provided, however, in no event shall the Weekly Rate on the Series 2004 B Bonds exceed the Maximum Rate. The Weekly Rate on the Series 2004 B Bonds determined by the Remarketing Agent shall be equal to the minimum interest rate which, when borne by the Series 2004 B Bonds, in the judgment of the Remarketing Agent, having due regard for prevailing market conditions, would enable the Remarketing Agent to sell the Series 2004 B Bonds on such date and at such time at par plus accrued interest. If, for any reason, the Remarketing Agent fails to make or announce such determination on such Interest Adjustment Date, the Weekly Rate to take effect on Thursday of such week or the next Business Day, whichever the case may be, will be a rate equal to the previously determined Weekly Rate.

Notice of the Weekly Rate so determined will be (i) sent by the Series 2004 B Bond Bank Trustee to the Paying Agent and the Bond Bank if so requested; (ii) sent to any Holders requesting such notice; (iii) made available to all owners of book entry interests in the Series 2004 B Bonds who telephone the Remarketing Agent and request it, and (iv) made available to the Liquidity Facility Provider and Bond Insurer. The Weekly Rate on the Series 2004 B Bonds so determined shall be conclusive and binding upon the Holders of the Series 2004 B Bonds.

Redemption Prior to Maturity

The Series 2004 B Bonds are subject to redemption prior to stated maturity as described below.

Redemption at Option of Bond Bank. The Series 2004 B Bonds are subject to redemption in whole on any date, or in part (in any authorized denomination) on any Interest Payment Date, at the option of the Bond Bank, upon 60 days prior written notice to the Series 2004 B Bond Bank Trustee, at a redemption price equal to 100% of the principal amount of the Series 2004 B Bonds so redeemed, plus accrued interest to the redemption date, and without premium.

Notice of Redemption. The notice of the call for redemption of Series 2004 B Bonds will be given by the Series 2004 B Bond Bank Trustee on behalf of the Bond Bank by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 but not more than 45 days prior to the date fixed for redemption to the Holder of each Bond subject to redemption in whole or in part at the address shown on the Record Date. Such notice will identify the Series 2004 B Bonds or portions thereof being redeemed, specify the redemption price, the redemption date and the place or places where the amounts due upon redemption are payable.

Notwithstanding anything herein to the contrary, so long as the Series 2004 B Bonds are in book entry form, any notice of redemption shall be sent to the Depository at least 30 but not more than 45 days prior to the date fixed for redemption by registered or certified mail, return receipt requested, or by overnight courier service. Failure of a Holder, including any DTC Participant of the Depository or of any beneficial interest owner (under the book entry system) of such Participant, to receive notice by mailing or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any Bond.

Partial Redemption. If fewer than all of the Series 2004 B Bonds are to be redeemed, the selection of Series 2004 B Bonds to be redeemed, or portions thereof, shall be made (a) if the Series 2004 B Bonds are in book-entry form, by the Depository, or (b) if not held in book-entry form, by lot by the Series 2004 B Bond Bank Trustee in any manner which the Series 2004 B Bond Bank Trustee may determine; provided that any Series 2004 B Bonds registered in the name of the Liquidity Facility Provider, or its designee, as pledgee, shall be selected for redemption first. In the case of a partial redemption of Series 2004 B Bonds by lot when Series 2004 B Bonds of denominations greater than the minimum authorized denomination are then outstanding, each unit of face value of principal thereof equal to the minimum authorized denomination will be treated as though it were a separate Series 2004 B Bond of the minimum authorized denomination. If it is determined that one or more, but not all of the units of face value represented by a Series 2004 B Bond are to be called for redemption, then upon notice of redemption of such unit or units, the Holder of that Series 2004 B Bond must surrender the Series 2004 B Bond to the Series 2004 B Bond Bank Trustee (a) for payment of the redemption price of the unit or units of face value called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (b) for issuance, without charge to the Holder thereof, of a new Series 2004 B Bonds or Bonds, of any authorized denomination or denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of the Series 2004 B Bond surrendered.

Mandatory Tender

At least thirty (30) days prior to the Fixed Rate Conversion Date, the Series 2004 B Bond Bank Trustee shall give to the Bond Insurer and each affected Bondholder notice by the first class mail stating: (i) the Fixed Rate Conversion Date; and (ii) that on the Fixed Rate Conversion Date, such Series 2004 B Bond is subject to mandatory tender and purchase (or, if such Series 2004 B Bond is held in book entry form, that the beneficial interests in such Series 2004 B Bond is subject to mandatory tender for purchase). In addition, if a book entry system is not in effect, the notice shall further state: (i) that any affected owner who has not tendered its Series 2004 B Bond for purchase on the mandatory tender date will be deemed to have tendered its Series 2004 B Bond for purchase on such date; and (ii) that any Untendered Bond, for which there has been irrevocably deposited in trust with the Series 2004 B Bond Bank Trustee or the Tender Agent on or prior to the mandatory tender date an amount of money sufficient to pay the purchase price of such Untendered Bond on the mandatory tender date, shall be deemed to have been so purchased at the price of par plus accrued interest as of such date, and

such Series 2004 B Bond shall no longer be entitled to the benefits of the Series 2004 B Bond Bank Indenture, except for the payment of the purchase price thereof (and no interest shall accrue thereon on or after the mandatory tender date).

The Series 2004 B Bonds shall be subject to mandatory tender and purchase on (i) the Fixed Rate Conversion Date, and (ii) the fifth Business Day preceding (a) the Expiration of the Term of the Liquidity Facility, (b) the delivery of an Alternate Liquidity Facility or (c) the delivery of a Substitute Bond Insurance Policy as described in the Indenture. The Series 2004 B Bond Bank Trustee shall, not later than thirty (30) days prior to the Expiration of the Term of the Liquidity Facility, the delivery of an Alternate Liquidity Facility or the delivery of a Substitute Bond Insurance Policy give notice to each affected Bondholder that such Bondholder's Series 2004 B Bonds (or beneficial interests therein) are subject to mandatory tender for purchase on the fifth Business Day prior to the Expiration of the Term of the Liquidity Facility, the delivery of an Alternate Liquidity Facility, or the delivery of a Substitute Bond Insurance Policy. The failure by the Series 2004 B Bond Bank Trustee to give any such notice of mandatory tender for purchase, or any defect therein, shall not in any way change the rights of the Bondholders to have their Series 2004 B Bonds purchased on any such mandatory tender date or extend the period during which Series 2004 B Bonds may be mandatory tendered for purchase. Any mandatory tender notice mailed as provide for herein shall be exclusively presumed to have been given, whether or not the Bondholder receives such notice.

IN THE EVENT OF A FAILURE BY AN OWNER OF ANY SERIES 2004 B BONDS TO DELIVER ITS SERIES 2004 B BONDS ON OR PRIOR TO THE FIFTH BUSINESS DAY PRIOR TO EITHER THE EXPIRATION OF THE TERM OF THE LIQUIDITY FACILITY OR THE DELIVERY OF AN ALTERNATE LIQUIDITY FACILITY, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO SUCH DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNTENDERED SERIES 2004 B BONDS, AND ANY UNTENDERED SERIES 2004 B BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFIT AND SECURITY OF THE SERIES 2004 B BOND BANK INDENTURE, EXCEPT FOR THE PURPOSE OF THE PAYMENT OF THE PURCHASE PRICE THEREOF; AND THE SERIES 2004 B BOND BANK TRUSTEE WILL NOT REGISTER ANY FURTHER TRANSFERS OF SUCH UNTENDERED SERIES 2004 B BONDS.

Optional Tender

During a Weekly Rate Period when the Series 2004 B Bonds are held in book entry form by a nominee of DTC or its successor, each beneficial owner of a beneficial interest in a Series 2004 B Bond bearing interest at a Weekly Rate (other than Bank Bonds or Bond Bank Bonds) may demand the purchase of such Beneficial Owner's beneficial interest (or portion thereof, provided that the portion thereof tendered is an Authorized Denomination; and provided, further, that the portion thereof retained is itself an Authorized Denomination) on any Business Day at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon to the date of purchase, upon delivery to the Series 2004 B Bond Bank Trustee and to the Remarketing Agent on any

Business Day, of a written irrevocable notice, which will be effective upon receipt, which states (a) the name and address of the beneficial owner, (b) the principal amount of such beneficial interest (and the portion thereof to be tendered, if less than the full principal amount thereof is to be tendered), and (c) the date on which such beneficial interest shall be so purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Remarketing Agent and the Series 2004 B Bond Bank Trustee. Such beneficial interest will be deemed to have been surrendered on the date specified in such notice.

IN THE EVENT OF A FAILURE BY AN OWNER OF ANY SERIES 2004 B BONDS TO DELIVER ITS SERIES 2004 B BONDS ON OR PRIOR TO THE FIFTH BUSINESS DAY PRIOR TO EITHER THE EXPIRATION OF THE TERM OF THE LIQUIDITY FACILITY OR THE DELIVERY OF AN ALTERNATE LIQUIDITY FACILITY, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO SUCH DATE) OTHER THAN THE PURCHASE PRICE FOR SUCH UNTENDERED SERIES 2004 B BONDS, AND ANY UNTENDERED SERIES 2004 B BONDS SHALL NO LONGER BE ENTITLED TO THE BENEFIT AND SECURITY OF THE SERIES 2004 B BOND BANK INDENTURE, EXCEPT FOR THE PURPOSE OF THE PAYMENT OF THE PURCHASE PRICE THEREOF; AND THE SERIES 2004 B BOND BANK TRUSTEE WILL NOT REGISTER ANY FURTHER TRANSFERS OF SUCH UNTENDERED SERIES 2004 B BONDS.

Remarketing of Series 2004 B Bonds

Upon receipt of a written notice of an optional tender of beneficial interest in Series 2004 B Bonds or an optional tender of Series 2004 B Bonds (or authorized portion thereof) as described in "SERIES 2004 B BONDS – Optional Tender," the Remarketing Agent will use its best efforts to remarket such Series 2004 B Bonds (or beneficial interest therein).

By 4:00 p.m., Cleveland, Ohio time, on the Business Day next preceding each purchase date (whether optional or mandatory) during a Weekly Rate Period, the Remarketing Agent shall give notice to the Series 2004 B Bond Bank Trustee of the principal amount of such Series 2004 B Bonds (or beneficial interests therein) remarketed, and, if the Series 2004 B Bonds are no longer held in book entry form, the names, addresses and taxpayer identification numbers of the purchasers and the denominations in which the Series 2004 B Bonds are to be issued to each purchaser. If less than all of the Series 2004 B Bonds (or beneficial interests therein) to be tendered on such purchase date have been remarketed, the Remarketing Agent shall, in addition, notify the Series 2004 B Bond Bank Trustee by 4:00 p.m., Cleveland, Ohio time, on the Business Day next preceding the purchase date (whether optional or mandatory), of the principal amount of Series 2004 B Bonds (or beneficial interests therein) which have not been remarketed on such purchase date. Upon receipt of such notices from the Remarketing Agent, the Series 2004 B Bond Bank Trustee shall as soon as practicable cause the same information contained in such notices to be delivered to the Tender Agent, the Bond Insurer, the Bond Bank, and the Liquidity Facility Provider. Purchasers of Series 2004 B Bonds (or beneficial interests therein) which have been remarketed shall be required to deliver the

purchase price thereof directly to the Remarketing Agent (if the Series 2004 B Bonds are held in book entry form) or to the Tender Agent (if the Series 2004 B Bonds are no longer held in book entry form), as the case may be, for deposit in the applicable Purchase Fund not later than 9:30 a.m., Cleveland, Ohio time, on each purchase date (whether optional or mandatory) during a Weekly Rate Period. By 9:45 a.m., Cleveland, Ohio time, on each purchase date (whether optional or mandatory) during a Weekly Rate Period, the Remarketing Agent (if the Bonds are held in book entry form) or the Tender Agent (if the Bonds are no longer held in book entry form), as the case may be, shall notify the Series 2004 B Bond Bank Trustee of any Series 2004 B Bonds (or beneficial interests therein) which have been remarketed for which payment has not been received. Upon receipt of such notice from the Remarketing Agent or the Tender Agent, as appropriate, the Series 2004 B Bond Bank Trustee shall as soon as practicable cause the same information contained in such notice to be delivered to the Bond Bank, the Bond Insurer and the Liquidity Facility Provider.

On the date the Series 2004 B Bonds (or beneficial interests therein) are to be purchased pursuant to the provisions of the Series 2004 B Bond Bank Indenture, the Remarketing Agent (if the Series 2004 B Bonds are held in book entry form) or the Tender Agent (if the Series 2004 B Bonds are no longer held in book entry form), as the case may be, shall, to the extent Series 2004 B such funds are available, deliver the purchase price to the tendering Bondholder (or the tendering beneficial owner) only from the following funds, in order of priority indicated: (i) first, from the proceeds of the sale of such Bond to persons other than the Bond Bank, an affiliate thereof or any other person constituting an "insider" under Title 11 of the United States Code with respect to the Bond Bank; (ii) second, from moneys drawn under the Liquidity Facility; and (iii) third, from moneys deposited by the Bond Bank, at its sole discretion, with the Trustee and transferred to the Remarketing Agent (if the Series 2004 B Bonds are held in book entry form) or the Tender Agent (if the Series 2004 B Bonds are no longer held in book entry form), as the case may be.

There will be no obligation of the Remarketing Agent to remarket Series 2004 B Bonds (or beneficial interests therein) (a) if there shall have occurred and be continuing a failure of the Bond Insurer to pay on its Bond Insurance Policy, (b) if there is no Liquidity Facility in effect that secures Series 2004 B Bonds in a Weekly Rate Mode, or if the Liquidity Facility Provider has suspended obligations, rightfully or wrongfully, (c) if the Bond Bank fails to comply with its continuing disclosure obligations, if any, or (d) upon a Fixed Rate Conversion Date.

FINANCING PLAN

The proceeds from the sale of the Series 2004 B Bonds will be used by the Bond Bank to provide funds for the purposes of: (i) purchasing the Series 2004B City Bonds to be issued by the City; (ii) funding a debt service reserve fund for the Series 2004 B Bonds; and (iii) paying costs of issuance of the Series 2004 B Bonds and the Series 2004B City Bonds. The City will use the proceeds of the sale of the Series 2004B City Bonds to the Bond Bank to provide financial incentives and assistance to the Developer for use in

construction of a luxury hotel in the City's downtown (the "Project"), and refinance certain debt applicable to the CAC Parking Facility.

The Bond Bank is also issuing the Series 2004 C Bonds. The proceeds of the Series 2004 C Bonds will be used by the Bond Bank to provide funds for the purposes of (i) purchasing the Series 2004C City Bonds to be issued by the City; (ii) funding a portion of a debt service reserve fund for the Series 2004 C Bonds; and (iii) paying certain costs of issuance of the Series 2004 C Bonds and the Series 2004 City Bonds. The City will use the proceeds from the sale of the Series 2004C City Bonds for costs of the Project.

No portion of the Project or any revenues related thereto (with the exception of the Hotel Parking Revenues hereinafter defined) is pledged to the payment of the Series 2004 B Bonds or the Series 2004B City Bonds.

The Series 2004 B Bonds and the Series 2004 C Bonds are being issued under, and will be secured by, separate indentures (the Series 2004 B Bond Bank Indenture and the Series 2004 C Bond Bank Indenture, respectively). The primary source of payment for Series 2004 B Bonds and the Series 2004 C Bonds are the Series 2004B City Bond Payments and the Series 2004C City Bond Payments, respectively, which are made by the City. However, moneys held in the respective Stabilization Funds, under the Series 2004B City Indenture and the Series 2004C City Indenture, which are not required to pay debt service on that particular series of City Bonds, may be transferred to pay debt service for the other series of the City Bonds. As a result of the above-described transfers, monies may be transferred from Series 2004C City Trustee to the Series 2004B City Trustee, and *vice versa*, in certain circumstances, including to prevent a payment default on the Series 2004B Bonds or the Series 2004C Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS – Series 2004B City Indenture – *Series 2004B Stabilization Fund*" and "– Series 2004C City Bonds – *The Series 2004C Stabilization Fund*").

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Application of Proceeds of the Series 2004 B Bonds

The proceeds of the Series 2004 B Bonds, along with cash to be contributed by CAC ("CAC Cash Contribution"), are to be ultimately deposited in and applied pursuant to the various Funds and Accounts held under the Series 2004 B Bond Bank Indenture and the 2004B City Indenture as follows:

Sources:	
Principal Amount of Bonds	\$9,900,000
CAC Cash Contribution	200,000
Total Sources	\$10,100,000

Uses:	
Project Fund	\$8,636,000
Series 2004B Stabilization Fund ¹	200,000
Series 2004 B Bond Bank Reserve Fund	491,500
Bond Issuance Expense Account ²	772,500
Total Uses	\$10,100,000

¹Includes \$200,000 CAC cash contribution.

²Includes underwriter's discount, interest rate cap, bond insurance premium, estimated legal, accounting, printing, fiduciary and other expenses.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS

The Series 2004 B Bonds are payable solely from the Series 2004 B Bond Bank Trust Estate. The Series 2004 B Bond Bank Indenture creates a continuing pledge of and lien upon the Series 2004 B Bond Bank Trust Estate to secure the full and final payment of the principal of, premium, if any, and interest on all of the Series 2004 B Bonds. **The Series 2004 B Bonds do not constitute a debt, liability or loan of the credit of the State or any political subdivision thereof, including the City, the County, or any other qualified entity, under the constitution of the State or a pledge of the faith, credit or taxing power of the State or any political subdivision thereof, including the City, the County, or any other qualified entity. The Bond Bank has no taxing power.** The sources of payment of, and security for, the Series 2004 B Bonds are more fully described below.

Under the Series 2004 B Bond Bank Indenture, the Series 2004 B Bonds are secured by a pledge to the Series 2004 B Bond Bank Trustee of the Series 2004B City Bonds and all principal and interest payments made or required to be made on the Series 2004B City Bonds and any fees and charges, or other amounts, paid or required to be paid by the City to the Bond Bank under the Series 2004B Qualified Entity Purchase Agreement (the "Series 2004B City Bond Payments"), as described herein. In addition, the Series 2004 B

Bond Bank Indenture pledges to the payment of the Series 2004 B Bonds all proceeds of the Series 2004 B Bond Bank Trust Estate, including without limitation all cash and securities held in the Funds and Accounts created by the Series 2004 B Bond Bank Indenture, together with investment earnings thereon and proceeds thereof, all rights of the Bond Bank in, to and under the Liquidity Facility pursuant to the Standby Bond Purchase Agreement, all Revenues and other funds, accounts and moneys to be pledged by the Bond Bank to the Series 2004 B Bond Bank Trustee as security under the Series 2004 B Bond Bank Indenture, to the extent of any such pledge. Under the Act and Indiana Code 5-1-14-4, such pledge is valid and binding from and after the date of delivery of the Series 2004 B Bonds under the Series 2004 B Bond Bank Indenture and such Series 2004B City Bonds and the Series 2004B City Bond Payments thereon shall be immediately subject to the lien of such pledge without any physical delivery of the payments or further act, and the lien of such pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Bond Bank, irrespective of whether such parties have notice thereof.

Series 2004 B Bond Bank Reserve Fund and the Replenishment Thereof

Pursuant to the Series 2004 B Bond Bank Indenture, the Bond Bank has established the Series 2004 B Bond Bank Reserve Fund, which will be held as security for the Series 2004 B Bonds and is required to be maintained in an amount at least equal to the Series 2004 B Bond Bank Reserve Requirement as hereinafter described. The Series 2004 B Bond Bank Reserve Requirement is \$491,500, or such lesser amount as may be agreed to by the Bond Insurer.

The Act provides that, in order to maintain the Series 2004 B Bond Bank Reserve Fund at the Series 2004 B Bond Bank Reserve Requirement, the Council may annually appropriate to the Bond Bank for deposit in the Series 2004 B Bond Bank Reserve Fund a sum, certified by the Chairman of the Bond Bank to the Council, that is necessary to restore the Series 2004 B Bond Bank Reserve Fund to the Series 2004 B Bond Bank Reserve Requirement. The Chairman of the Bond Bank, before December 1 of each year, is required under the Act and the Series 2004 B Bond Bank Indenture to make and deliver to the Council a certificate stating the sum required to restore the Series 2004 B Bond Bank Reserve Fund to the Series 2004 B Bond Bank Reserve Requirement. Neither the Act nor the Series 2004 B Bond Bank Indenture creates any debt or liability of the City or an obligation of the Council to make any such appropriation. Although the Council is not obligated to make such appropriations to replenish the Series 2004 B Bond Bank Reserve Fund, the Council adopted an ordinance in 1985 indicating its general intention to consider such appropriations, if necessary. Further, the Council has approved the issuance of the Series 2004B City Bonds.

Moneys in the Series 2004 B Bond Bank Reserve Fund up to the amount of the Series 2004 B Bond Bank Reserve Requirement are required under the Series 2004 B Bond Bank Indenture to be held and disbursed solely to the General Account for the payment of the interest on and principal of the Series 2004 B Bonds as provided in the Series 2004 B Bond Bank Indenture. If moneys held in the Series 2004 B Bond Bank Reserve Fund

exceed the Series 2004 B Bond Bank Reserve Requirement, such excess may be transferred in accordance with the Series 2004 B Bond Bank Indenture.

In lieu of the required deposit of moneys in the Series 2004 B Bond Bank Reserve Fund, the Bond Bank may cause to be deposited therein a Reserve Fund Credit Instrument meeting the requirements set forth in the Series 2004 B Bond Bank Indenture, which shall be in an amount equal to the difference between the Series 2004 B Bond Bank Reserve Requirement and the amount of cash or Investment Securities, if any, then on deposit in the Series 2004 B Bond Bank Reserve Fund.

Initial Liquidity Facility

Initially, payment of the purchase price for the Series 2004 B Bonds tendered or required to be tendered for purchase will be supported by the Standby Bond Purchase Agreement for the 2004 B Bonds (an "Initial Liquidity Facility") between the Bond Bank and National City Bank of Indiana (the "Initial Liquidity Facility Provider"). Under the Initial Liquidity Facility, subject to certain terms and conditions and to the extent provided for therein, the Initial Liquidity Facility Provider agrees to purchase the Series 2004 B Bonds that are tendered or required to be tendered for purchase and are not remarketed or for which remarketing proceeds are not available. The obligation of the Initial Liquidity Facility to purchase any Series 2004 B Bonds under the Initial Liquidity Facility, will, unless earlier terminated, expire on July 1, 2007, but may be extended. The Bond Bank may, under certain circumstances, replace the Initial Liquidity Facility with an Alternate Liquidity Facility. Under certain circumstances, the Initial Liquidity Facility Provider may not be required to purchase the Series 2004 B Bonds that are tendered or required to be tendered for purchase and are not remarketed or for which remarketing proceeds or moneys deposited by the Bond Bank with the Series 2004 B Bond Bank Trustee under certain circumstances are not available. See Appendix E, "THE INITIAL LIQUIDITY FACILITY PROVIDER AND SUMMARY OF INITIAL LIQUIDITY FACILITY."

Bond Insurance

Payment of the Series 2004 B Bonds is insured by MBIA Insurance Corporation (the "Bond Insurer"). The Bond Insurer shall be recognized as the Registered owner of all of the Series 2004 B Bonds. See "BOND INSURANCE."

The City and the Series 2004B City Bonds

The Series 2004B Qualified Entity. The City of Indianapolis, Indiana is a duly organized and validly existing municipal corporation located in Marion County, Indiana, and is authorized by Indiana Code 36-7-11.9 and -12 to issue the Series 2004B City Bonds and use the proceeds therefrom to assist in the payment of costs of the Project. For more detailed information regarding the Qualified Entity, see "THE CITY OF INDIANAPOLIS AND MARION COUNTY" herein.

The Series 2004B City Bonds. A portion of the proceeds of the Series 2004 B Bonds will be used by the Bond Bank to purchase the Series 2004B City Bonds from the City. After consideration and approval by the City's Economic Development Commission, the Series 2004B City Bonds were authorized by the Council by its Special Ordinance No. 1, 2004, adopted on February 9, 2004. The Series 2004B City Bonds are limited obligations of the City, secured only by the pledge of Series 2004B Pledged Revenues.

The Series 2004B City Bonds will be issued under and secured by the Series 2004B City Indenture. The Series 2004B City Bonds will be dated as of the date of their delivery and will mature on the same dates as the Series 2004B Bonds. Additionally, the Series 2004B City Bond Payments pledged to the Bond Bank with respect to the Series 2004B City Bonds have been structured to provide sufficient funds to the Bond Bank to pay the principal of and interest on the Series 2004B Bonds when due.

Enforcement, Limitations of the Series 2004B City Bonds. As owner of the Series 2004B City Bonds, the Bond Bank has available to it all remedies available to owners or holders of securities issued by qualified entities. The Act provides that upon the sale and the delivery of any qualified obligation to the Bond Bank, a qualified entity will be deemed to have agreed that all statutory defenses to nonpayment are waived if such qualified entity fails to pay principal of or interest on such qualified obligation when due.

The Bond Bank will be constituted a holder or owner of securities that are in default. The Bond Bank is obligated under the Series 2004 B Bond Bank Indenture to avail itself of all remedies and provisions of law applicable in the circumstances and pursuant to the Act, and the failure to exercise any right or remedy within a time or period provided by law may not be raised as a defense by the defaulting qualified entity.

The Bond Bank will monitor the compliance and consult regularly with the City with respect to its requirements under the Series 2004B City Bonds, including the making of Series 2004B City Bond Payments to the Bond Bank.

The Series 2004B City Bonds are payable solely from the Series 2004B City Trust Estate. Other than potential transfers from the Series 2004C Stabilization Fund (see " – The Series 2004C City Bonds – Series 2004C City Indenture – Series 2004C Stabilization Fund" herein), the City has no source of moneys from which to pay the 2004B City Bonds other than the Series 2004B Pledged Revenues and current or potential moneys and investments (together with interest and other earnings) which are held as part of the Series 2004B City Trust Estate.

THE SERIES 2004B CITY BONDS DO NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTE LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE SERIES 2004B PLEDGED REVENUES AND OTHER FUNDS PLEDGED UNDER THE SERIES 2004B CITY INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS

PLEGGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE SERIES 2004B CITY BONDS.

Series 2004B City Indenture

The Series 2004B City Trust Estate. In the Series 2004B City Indenture, the City grants to the Series 2004B City Trustee, as security for the payment of the principal of and interest on the Series 2004B City Bonds, and for performance of the covenants under the Series 2004B City Indenture and the Series 2004B City Bonds, a security interest in: (i) all right, title and interest of the City in and to the Series 2004B Pledged Revenues; (ii) on a junior and subordinate basis and subject in all respects to the rights of the Series 2004C City Trustee the Series 2004C Pledged Revenues; and (iii) all moneys and securities from time to time held by the Series 2004B City Trustee under the terms of the Series 2004B City Indenture and any and all other real or personal property conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder by the City or by anyone on its behalf to the Series 2004B City Trustee.

The Series 2004B Bond Fund. The Series 2004B City Trustee shall establish and maintain the Series 2004B Bond Fund so long as any of the Series 2004B City Bonds remain outstanding. The Series 2004B City Trustee shall maintain within the Series 2004B Bond Fund two separate accounts, one of which shall be denominated the "Hotel Account" and the other of which shall be denominated the "General Account." Pledged Hotel Revenues shall be deposited only in the Hotel Account, and all other Series 2004B Pledged Revenues shall be deposited in the General Account. See "Series 2004B City Indenture - Series 2004B Pledged Revenues."

There shall be deposited in the Series 2004B Bond Fund as and when received, (a) all Series 2004B Pledged Revenues, and (b) all other moneys received by the Series 2004B City Trustee which are required to be deposited or which are accompanied by directions that such moneys are to be deposited into the Series 2004B Bond Fund. Subject to the various provisions of the Series 2004B City Indenture and the Series 2004B Qualified Entity Purchase Agreement, the City covenants and agrees that so long as any of the Series 2004B City Bonds are outstanding, it will deposit, or cause to be paid to the Series 2004B City Trustee for deposit in the Series 2004B Bond Fund for its account, all Series 2004B Pledged Revenues as received in order to meet and pay the principal of and interest on the Series 2004B City Bonds as the same become due and payable or subject to redemption. The City is not required to deposit or cause to be paid to the Series 2004B City Trustee for deposit in the Series 2004B Bond Fund funds from any source other than receipts derived the Series 2004B Pledged Revenues and the trust estate granted under the Series 2004B City Indenture.

If, on the date that is one day before the date on which principal of or interest on the Series 2004B City Bonds is due and payable, the Series 2004B City Trustee determines that the amounts in the Series 2004B Bond Fund, together with amounts in the Series 2004B Stabilization Fund, will not be sufficient to pay such principal of or interest on the

Series 2004B City Bonds, the Series 2004B City Trustee shall provide written notice to the Series 2004C City Trustee and shall request that the Series 2004C City Trustee transfer to the General Account of the Series 2004B Bond Fund such amounts (up to the amount of such expected deficiency) as the Series 2004C City Trustee is authorized under the terms of the Series 2004C City Indenture to transfer.

All moneys in the Series 2004B Bond Fund (with amounts to be used first from the Hotel Account and then from the General Account) shall be used by the Series 2004B City Trustee solely to pay the principal of, and premium, if any, and interest on the Series 2004B City Bonds as the same becomes due at maturity, redemption or upon acceleration and as provided in the Series 2004B Qualified Entity Purchase Agreement and, thereafter as otherwise set forth in the Series 2004B City Indenture.

Series 2004B Stabilization Fund. Upon the issuance of the Series 2004B City Bonds, the City shall deposit from sources other than proceeds of the Series 2004B City Bonds the amount of \$200,000 in the Series 2004B Stabilization Fund. Moneys shall be transferred to the Series 2004B Stabilization Fund from the General Account of the Series 2004B Bond Fund at such time as there is on deposit in the Series 2004B Bond Fund amounts sufficient to pay the sum of the entire amount of interest due on the Series 2004B City Bonds on the next succeeding Series 2004B City Interest Payment Date and the entire amount of principal of the Series 2004B City Bonds maturing or subject to redemption, on the next succeeding date on which principal or redemption payment is due. Moneys shall be transferred from the Series 2004B Stabilization Fund to the Series 2004B Bond Fund two days prior to each interest payment date (the "Series 2004B City Interest Payment Date") (or prior to the date on which such payments are required to be transferred pursuant to the Series 2004B City Indenture when the Bond Bank holds the Series 2004B City Bonds) if and to the extent that there are not on deposit in the Series 2004B Bond Fund on that date sufficient funds to pay the principal of and interest on the Series 2004B City Bonds on such Series 2004B City Interest Payment Date or such date on which principal or redemption payment is due.

Unless the Series 2004B City Trustee determines that there are not sufficient funds in the Series 2004B Bond Fund and the Series 2004B Stabilization Fund to pay principal of and interest on the Series 2004B City Bonds due on the next succeeding Series 2004B City Interest Payment Date or such date on which principal or redemption payment is due, funds on deposit in the Series 2004B Stabilization Fund also will be transferred from the 2004B Stabilization Fund in an amount requested by the Series 2004C City Trustee for the purpose of paying when due the scheduled principal of (including principal to be paid by reason of a mandatory sinking fund redemption) or interest on the Series 2004C City Bonds. **It is anticipated that there will be transfers of funds from the Series 2004B Stabilization Fund to the Series 2004C Stabilization Fund.** Additionally, on the last business day of each bond year (each such bond year ending March 31) while the Series 2004B City Bonds and the Series 2004C City Bonds are both outstanding, the Series 2004B City Trustee shall determine the aggregate amount of transfers from the Series 2004B Stabilization Fund to the Series 2004C City Trustee for such bond year ("Debt Service Transfers") and to the extent that the Debt Service Transfers are less than (i) \$125,000 (in the first such bond year ending March 31, 2005), then the Series 2004B City

Trustee will transfer the difference between the \$125,000 and the Debt Service Transfers to the Series 2004C City Trustee for deposit in the Series 2004C Stabilization Fund; (ii) \$100,000 (in the second bond year ending March 31, 2006, to such bond year ending March 31, 2008, inclusive), then the Series 2004B City Trustee will transfer the difference between the \$100,000 and the Debt Service Transfers to the Series 200C City Trustee for deposit in the Series 2004C Stabilization Fund; or (iii) \$175,000 (in such bond year ending March 31, 2009, to such bond year ending March 31, 2030, inclusive); then the Series 2004B City Trustee shall transfer the difference between the \$175,000 and the Debt Service Transfers to the Series 2004C City Trustee for deposit in to the Series 2004C Stabilization Fund. At such time as there are no longer outstanding any Series 2004B City Bonds, all amounts remaining in the Series 2004B Stabilization Fund shall be transferred to the Series 2004C City Trustee for deposit in the Series 2004B Stabilization Fund or, if there are no Series 2004C City Bonds then outstanding, to the City.

If there are Series 2004B City Bonds outstanding at a time when no Series 2004C City Bonds are outstanding, then, on each Series 2004B City Interest Payment Date (and after all payments of debt service due on the Series 2004B City Bonds on such date have been paid) the Trustee will transfer to the City, upon request, amounts from the Series 2004B Stabilization Fund, but such transfers are limited to the amount on deposit in the Series 2004B Stabilization Fund, that exceeds the Series 2004B Bond Bank Reserve Requirement.

Series 2004B Pledged Revenues. CAC currently owns and operates the CAC Parking Facility described below. In addition, the Department of Metropolitan Development of the Consolidated City of Indianapolis, the acting for and on behalf of the Metropolitan Development Commission of Marion County, Indiana, in its capacity as the Redevelopment Commission of the City of Indianapolis, Indiana ("DMD"), CAC and the Circle Block Funding, Inc., an Indiana corporation (the "Developer") have entered into the Washington/Illinois Street Project Agreement, dated as of January 21, 2004, pursuant to which CAC will cooperate with DMD in the development of the Project, including granting certain easements relating to the CAC Parking Facility and entering into a Parking Garage Management Agreement with the Developer relating to the Hotel Parking Facilities described below.

In connection with the development of a new corporate headquarters facility for Emmis Broadcasting Corporation, an Indianapolis-based company ("EBC"), CAC, at the direction of DMD, constructed an approximately 385 space parking garage, including related street level retail facilities, located on Square 55 of Center Township in Indianapolis (the "CAC Parking Facility"). The CAC Parking Facility was completed in June, 1998. Upon completion, the street level retail spaces were leased to Buca "Indianapolis", Inc. (the "Retail Tenant") and approximately 250 of the parking spaces were made available to EBC on a long-term basis as part of a project agreement with DMD. The lease to the Retail Tenant runs through October, 2007 (with three 5-year renewal options), and the arrangement with EBC has no specific termination date. The other parking spaces are available to the public on a monthly or daily basis at market rates. CAC has entered into a parking management agreement with a professional

parking garage manager to handle the day-to-day operations and maintenance of the parking portion of the CAC Parking Facility.

Upon issuance of the Series 2004B City Bonds, CAC will grant all of its right, title and interest in the operating revenue from the CAC Parking Facility, generally defined to be gross revenues, less operating expenses, costs of capital improvements and replacements and any other reserve deposits (the "CAC Parking Facility Revenues"), which will be deposited in a special CAC Parking Facility Account (the "CAC Account",) to the City pursuant to the letter of grant and an assignment of the CAC Account from CAC to the City; and the City in turn will pledge all of its right, title and interest in the CAC Parking Facility Revenues and the CAC Account to the Trustee as security for the payment of the Series 2004B City Bonds.

In connection with the development of the Project, the Developer will construct approximately 110 parking spaces on two levels within the Project (the "Hotel Parking Facility"). The Hotel Parking Facilities will connect to the CAC Parking Facility and be accessed through the existing street access to the CAC Parking Facility. Pursuant to a Parking Garage Management Agreement between CAC and the Developer, CAC will be responsible for operation and maintenance of the Hotel Parking Facility and the Developer will pay to CAC \$198,000 per year for providing and servicing such parking spaces (the "Hotel Parking Revenues") which Hotel Parking Revenues will be deposited in a special account (the "Hotel Parking Account"). Although the Developer will have the right to use the Hotel Parking Facility for patrons of the Project, to the extent that all such parking spaces are not used from time to time, CAC will have the right to "oversell" such parking spaces to the public as part of the operation of the CAC Parking Facility, and such revenues will be treated as gross revenues of the CAC Parking Facility. Upon issuance of the Series 2004B City Bonds, CAC will grant all of its right, title and interest in the Hotel Parking Revenues and the Hotel Parking Account to the City pursuant to the letter of grant and an assignment of the Hotel Parking Account from CAC to the City and the City in turn will pledge all of its right, title and interest in the Hotel Parking Revenues and the Hotel Parking Account to the Trustee as security for the payment of the Series 2004B City Bonds.

Series 2004B Pledged Revenues shall consist of all of the City's right, title and interest in (a) the CAC Parking Facility Revenues and the CAC Account, and (b) the Hotel Parking Revenues and the Hotel Parking Account.

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Historical Operating Revenues Of the CAC Parking Facility. The following table summarizes the CAC Parking Facility Revenues received by CAC in each of the last five fiscal years:

Historical Operating Revenues Of the CAC Parking Facility Fiscal Year Ended December 31					
	<u>Actual 1999</u>	<u>Actual 2000</u>	<u>Actual 2001</u>	<u>Actual 2002</u>	<u>Actual 2003</u>
<u>Revenues</u>	\$804,515	\$940,374	\$918,747	\$940,881	\$959,296
<u>Expenses</u>	\$345,894	\$320,155	\$349,975	\$354,899	\$388,522
CAC Parking Facility Revenues	\$458,620	\$620,219	\$568,772	\$585,981	\$570,774

Source: Summary of financial statements received by CAC from parking garage manager for CAC Parking Facility pursuant to parking management agreement.

Many factors affect the amount of CAC Parking Facility Revenues and the Hotel Parking Revenues, including without limitation, (i) demand for parking in the CAC Parking Facility that may be impacted by any change in the economic viability of the Retail Tenant and surrounding business in the City's downtown, and (ii) increased operating expenses occasioned by heightened security, utility costs and potential capital repairs and replacements to the CAC Parking Facility. **There can be no assurance that the Series 2004B Pledged Revenues, along with other revenues and assets pledged under the 2004B City Indenture, will be sufficient to pay the principal of and interest on the 2004B City Bonds nor provide for deposits to the Series 2004B Stabilization Fund in amount sufficient to enable transfers to pay debt service on the Series 2004C City Bonds.**

The Series 2004C City Bonds

The Series 2004C City Indenture. In addition to the Series 2004B City Bonds, the Project will be financed with a portion of the proceeds from the sale of the Series 2004C City Bonds. The Series 2004C City Bonds will be secured by Series 2004C City Indenture. While the Series 2004B Bonds and the Series 2004C Bonds are secured under separate indentures (the Series 2004 B Bond Bank Indenture and the Series 2004 C Bond Bank Indenture, respectively) and the 2004B City Bonds and Series 2004C City Bonds are likewise secured under separate indentures (the 2004B City Indenture and the Series 2004C City Indenture, respectively), monies held in the Series 2004B Stabilization Fund can be transferred to the Series 2004C Stabilization Fund, and *vice versa*. It is anticipated that such transfers from the Series 2004B Stabilization Fund to the Series 2004C Stabilization Fund will occur. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2004 B BONDS."

Series 2004C Bond Fund. The Series 2004C City Trustee shall establish and maintain, so long as any of the Series 2004C City Bonds are outstanding, a separate fund to be known as the "Series 2004C Bond Fund."

There shall be deposited in the Series 2004C Bond Fund as and when received, (a) all Series 2004C Pledged Revenues and (b) all other moneys received by the Series 2004C City Trustee which are required to be deposited or which are accompanied by directions that such moneys are to be deposited into the Series 2004C Bond Fund. Subject to the other provisions of the Series 2004C City Indenture and the Series 2004C Qualified Entity Purchase Agreement, the City covenants and agrees that so long as any of the Series 2004C City Bonds issued hereunder are outstanding it will deposit, or cause to be paid to the Series 2004C City Trustee for deposit in the Series 2004C Bond Fund for its account, all Series 2004C Pledged Revenues as received in order to meet and pay the principal of and interest on the Series 2004C City Bonds as the same become due and payable or subject to redemption. Nothing therein shall be construed as requiring the City to deposit or cause to be paid to the Series 2004C City Trustee for deposit in the Series 2004C Bond Fund funds from any source other than receipts derived from the Series 2004C Pledged Revenues and the Series 2004C City Trust Estate.

If, on the date that is one day prior to the date on which principal of or interest on the Series 2004C City Bonds is due and payable (or, required to be transferred pursuant to the Series 2004C City Indenture when the Bond Bank hold the Series 2004C City Bonds), the Series 2004C City Trustee determines that the amounts in the Series 2004C Bond Fund, together with amounts in the Series 2004C Stabilization Fund, will not be sufficient to pay such principal of and interest on the Series 2004C City Bonds, the Series 2004C City Trustee shall provide written notice to the Series 2004B City Trustee and shall request that the Series 2004B City Trustee transfer to the Series 2004C Bond Fund such amounts (up to the amount of such expected deficiency) that the Series 2004B City Trustee is authorized under the terms of the Series 2004B City Indenture to transfer.

All moneys in the Series 2004C Bond Fund shall be used by the Series 2004C City Trustee solely to pay the principal of and premium, if any, and interest on the Series 2004C City Bonds as the same becomes due at maturity, redemption or upon acceleration and as provided in the Series 2004C Qualified Entity Purchase Agreement and, thereafter, as otherwise set forth in the Series 2004C City Indenture.

Series 2004C Stabilization Fund. Upon the issuance of the Series 2004C City Bonds, the City shall deposit, from sources other than the proceeds of the Series 2004C City Bonds, in the Series 2004C Stabilization Fund the amount of \$400,000. Moneys shall be transferred to the Series 2004C Stabilization Fund from the Series 2004C Bond Fund at such time that there is on deposit in the Series 2004C Bond Fund amounts sufficient to pay the entire amount of interest due on the Series 2004C City Bonds on the next succeeding interest payment date (the "Series 2004C City Interest Payment Date") and the entire amount of principal of the Series 2004C City Bonds maturing or subject to redemption on the next succeeding date on which such principal or redemption payment is due. Moneys shall be transferred from the Series 2004C Stabilization Fund to the Series 2004C Bond Fund two days prior to each City Interest Payment Date or

redemption date (or prior to the date on which such payments are required to be transferred pursuant to the Series 2004B City Indenture when the Bond Bank hold the Series 2004B City Bonds) if and to the extent that there are not on deposit in the Series 2004C Bond Fund on that date sufficient funds to pay the principal of and interest on the Series 2004C City Bonds due on such Series 2004C City Interest Payment Date.

Unless the Series 2004C City Trustee determines that there are not sufficient funds in the Series 2004C Bond Fund and the Series 2004C Stabilization Fund to pay the principal of (or redemption price) and interest due on the Series 2004C City Bonds on the next succeeding Series 2004C City Interest Payment Date, moneys will be transferred from the Series 2004C Stabilization Fund to the Series 2004B City Trustee as requested by the Series 2004B City Trustee for the purpose of paying when due the scheduled principal of (or redemption price) or interest on the Series 2004B City Bonds. Additionally, at the request of the City, on each Series 2004C City Interest Payment Date (and immediately after payment of principal of and interest on the Series 2004C City Bonds then due), there shall be transferred from the Series 2004C Stabilization Fund to the City an amount requested by the City but not in excess of the amount by which the sum of the amounts on deposit in (i) the Series 2004C Stabilization Fund; and (ii) the Series 2004B Stabilization Fund exceeds the sum of the Series 2004C Bond Bank Reserve Requirement and the Series 2004B Bond Bank Reserve Requirement (for so long as the Series 2004B Bonds remain outstanding). At such time as there are no longer outstanding any Series 2004C City Bonds, all amounts remaining in the Series 2004C Stabilization Fund will be transferred to the Series 2004B City Trustee and deposited to the Series 2004B Stabilization Fund or, if there are no Series 2004B City Bonds then outstanding, to the City.

Series 2004C City Rebate Fund. The Series 2004C City Trustee shall establish, designate appropriately and maintain, so long as any Series 2004C City Bonds are outstanding and are subject to a requirement that arbitrage profits be rebated to the United States, a separate fund to be known as the Series 2004C City Rebate Fund. The Series 2004C City Trustee shall make information regarding the Series 2004C City Bonds and investments hereunder available to the City and shall make deposits as of each Bond Year into the Series 2004C City Rebate Fund and disbursements as required by law from the Series 2004C City Rebate Fund solely in accordance with instructions received from the City. The Series 2004C City Trustee shall invest the Series 2004C City Rebate Fund in accordance with investment instructions of the City. Any balance remaining in the Series 2004C City Rebate Fund after the Series 2004C City Indenture and such rebate obligations are discharged shall be distributed to the City.

Series 2004C Pledged Revenues

Circle Area Community Development Corporation ("CAC"). CAC was created in 1997 as a community development corporation organized under the Indiana Nonprofit Corporation Act of 1991. As such, CAC is a public benefit corporation organized and operated exclusively to benefit, perform and carry out the charitable, educational and other public purposes of the City. CAC's specific purposes include, among others, (a) to encourage, support, and assist in activities, projects, and programs that further social,

cultural, and economic redevelopment and rehabilitation in and around certain specified areas of downtown Indianapolis (the "CAC Area"); (b) to encourage, support, and assist in the economic development of the CAC Area through activities and projects that are designed to stimulate capital investment and revitalization in, and improvement of, public and other spaces throughout the CAC Area; (c) to promote the social welfare of the City's residents by enhancing and improving the social, cultural, and economic conditions in and around the CAC Area; and (d) to foster, develop, and maintain conditions that contribute to the growth of business and employment opportunities in and around the CAC Area. CAC is exempt from federal income tax as an organization described in Section 501(c)(3) of the Code.

The Square 74 Garage. In connection with the development of the Circle Centre Mall located in downtown Indianapolis (the "Mall"), the Department of Metropolitan Development of the Consolidated City of Indianapolis, acting for and on behalf of the Metropolitan Development Commission of Marion County, Indiana, in its capacity as the Redevelopment Commission of the City of Indianapolis, Indiana ("DMD") constructed an approximately 1,500 space parking garage located adjacent to the Mall, (on Square 74 of Center Township in Indianapolis) to provide additional public parking downtown, including for patrons of the Mall (the "Square 74 Garage") The costs of acquisition, construction and equipping of the Square 74 Garage were paid from the proceeds of a loan secured by certain incremental taxes to be generated in connection with the development of the Mall. Neither the Square 74 Garage, any revenues from the operation of the Square 74 Garage, or any related property interests are pledged or encumbered to secure that original loan.

In connection with the development of the Square 74 Garage, DMD entered into a Square 74 Garage Parking Management Agreement with Circle Centre Development Company, an entity affiliated with the developer of the Mall (the "Parking Manager"), dated as of September 1, 1995 (the "Square 74 Agreement.") Pursuant to the Square 74 Agreement, DMD was required to construct the Square 74 Garage and the Parking Manager was responsible for all aspects of operation and maintenance of the Square 74 Garage. The Square 74 Garage was completed and became operational in September 1998. The Parking Manager has entered into one or more parking management agreements with professional parking garage operators for the operation and maintenance of the Square 74 Garage, which is operated together with other parking facilities adjacent to the Mall and servicing downtown, including patrons of the Mall.

Pursuant to the Square 74 Agreement, the Parking Manager is required to make certain deposits consisting of Guaranteed Downtown Redevelopment Advance Deposits and Additional Downtown Redevelopment Advance Deposits (together, the "Square 74 Deposits.") The Guaranteed Downtown Redevelopment Advance Deposits equal \$600,000 per year and are payable in quarterly installments of not less than \$150,000, no more than ten days after the end of each calendar quarter. The Additional Downtown Redevelopment Advance Deposits equal 85% of the excess operating revenues from the Square 74 Garage (generally defined to be gross revenues less operating expenses, costs of capital improvements and replacements and any other reserve deposits, but not less Guaranteed Downtown Redevelopment Advance Deposits) over \$705,882.50. The

Additional Downtown Redevelopment Advance Deposits are to be made quarterly based upon quarterly operating revenue of \$176,470.63, with determinations of quarterly operating revenue to be made within 45 days after the end of each calendar quarter and the corresponding Additional Downtown Redevelopment Advance Deposit to be made within ten days thereafter.

Under the Square 74 Agreement, DMD may provide Downtown Redevelopment Advance Account Instructions requiring the Parking Manager to deposit the Square 74 Deposits into a Downtown Redevelopment Advance Account. The Square 74 Agreement requires that amounts in the Downtown Redevelopment Advance Account be used for construction of a new structure or the renovation and refurbishment of an existing structure expected and intended to complement and enhance the Mall and related development and that is expected and intended to have a synergistic impact on the continued economic success of and viability of the Mall and related development. Currently, DMD has provided Downtown Redevelopment Advance Account Instructions requiring the Parking Manager to deposit the Square 74 Deposits to a Downtown Redevelopment Advance Account for the benefit of CAC. Upon issuance of the Series 2004C City Bonds, DMD will amend the Downtown Redevelopment Advance Account Instructions to require the Parking Manager to deposit 100% of the Square 74 Deposits to a Downtown Redevelopment Advance Account that will be pledged to the Series 2004C City Trustee as security for payment of the Series 2004C City Bonds. **The Square 74 Deposits constitute all of the Series 2004C Pledged Revenues.**

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Historical Operating Revenues Of Square 74 Garage

The following table summarizes the Square 74 Deposits received by CAC in each of the last five fiscal years from the Square 74 Garage.

	Historical Operating Revenues Of the Square 74 Garage Fiscal Year Ended December 31				
	1999	2000	2001	2002	2003
Revenues	\$2,302,010	\$2,413,509	\$ 2,332,415	\$2,384,288	\$ 2,441,651
Expenses	\$1,048,380	\$1,041,348	\$ 1,318,663	\$1,374,224	\$ 1,354,109
Net Cash Flow	\$1,253,630	\$1,372,161	\$1,013,752	\$1,010,064	\$1,087,542
Guaranteed Downtown Redevelopment Advance Deposits	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Management Fee to Parking Manager	\$ 105,882	\$ 105,882	\$ 105,882	\$ 105,882	\$ 105,882
Additional Downtown Redevelopment Advance Deposits	\$ 466,336	\$ 567,087	\$ 262,439	\$ 259,304	\$ 325,161
15% of remaining to Parking Manager	\$ 82,295	\$ 100,074	\$ 46,313	\$ 45,760	\$ 57,381
Total Square 74 Deposits	\$1,066,336	\$1,167,087	\$ 862,439	\$ 859,304	\$ 925,161

Source: summary of financial statements received by DMD from Parking Manager pursuant to Square 74 Agreement.

Many factors affect the amount of Square 74 Deposits, including without limitation, (i) demand for parking in the Square 74 Garage that may be impacted by any future increase or decrease in visitation to the Mall, and (ii) increased operating expenses occasioned by heightened security, utility costs and potential capital repairs and replacements to the Square 74 Garage. **There can be no assurance that the Series 2004C Pledged Revenues, along with other revenues and assets pledged under the Series 2004C City Indenture, will be sufficient to pay the principal of and interest on the Series 2004C City Bonds, and thereby provide the Bond Bank sufficient revenues to pay the principal of and interest on the Series 2004 C Bonds.**

BOND INSURANCE

The following information has been furnished by MBI Insurance Corporation (the "Bond Insurer") for use in this Official Statement. Reference is made to APPENDIX F for a specimen of the Bond Insurer's policy.

The MBIA Insurance Corporation Insurance Policy

The Bond Insurer's policy unconditionally and irrevocably guarantees the full and complete payment required to be made by or on behalf of the Bond Bank to the Trustee or its successor of an amount equal to (i) the principal of (either at the stated maturity or by an advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Series 2004 B Bonds as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by the Bond Insurer's policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner of the Series 2004 B Bonds pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law (a "Preference").

The Bond Insurer's policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Series 2004 B Bond. The Bond Insurer's policy does not, under any circumstance, insure against loss relating to: (i) optional or mandatory redemptions (other than mandatory sinking fund redemptions); (ii) any payments to be made on an accelerated basis; (iii) payments of the purchase price of the Series 2004 B Bonds upon tender by an owner thereof; or (iv) any Preference relating to (i) through (iii) above. The Bond Insurer's policy also does not insure against nonpayment of principal of or interest on the Series 2004 B Bonds resulting from the insolvency, negligence or any other act or omission of the Trustee or any paying agent for the Series 2004 B Bonds.

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Bond Insurer from the Trustee or any owner of a Series 2004 B Bond the payment of an insured amount for which is then due, that such required payment has not been made, the Bond Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association in New York, New York, or its successor, sufficient for the payment of any such insured amounts which are then due. Upon presentment and surrender of such Series 2004 B Bonds or presentment of such other proof of ownership of the Series 2004 B Bonds, together with any appropriate instruments of assignment to evidence the assignment of the insured amounts due on the Series 2004 B Bonds as are paid by the Bond Insurer, and appropriate instruments to effect the appointment of the Bond Insurer as agent for such owners of the Insured Bonds in any legal proceeding related to payment of insured amounts on the Series 2004 B Bonds, such instruments being in a form satisfactory to U.S. Bank Trust National Association shall disburse to such owners or the Trustee payment of the insured amounts due on such Series 2004 B Bonds, less any amount held by the Trustee for the payment of such insured amounts and legally available therefor.

The Bond Insurer is the principal operating subsidiary of MBIA Inc., a New York Stock Exchange listed company (the "Company"). The Company is not obligated to pay the debts of or claims against the Bond Insurer. The Bond Insurer is domiciled in the State of New York and licensed to do business in and subject to regulation under the laws of all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States and the Territory of Guam. The Bond Insurer has three branches, one in the Republic of France, one in the Republic of Singapore and one in the Kingdom of Spain. New York has laws prescribing minimum capital requirements, limiting classes and concentrations of investments and requiring the approval of policy rates and forms. State laws also regulate the amount of both the aggregate and individual risks that may be insured, the payment of dividends by the Bond Insurer, changes in control and transactions among affiliates. Additionally, the Bond Insurer is required to maintain contingency reserves on its liabilities in certain amounts and for certain periods of time.

MBIA does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the policy and the Bond Insurer set forth under the heading "Bond Insurance". Additionally, the Bond Insurer makes no representation regarding the Series 2004 B Bonds or the advisability of investing in the Series 2004 B Bonds.

The Financial Guarantee Insurance Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

MBIA Information

The following document filed by the Company with the Securities and Exchange Commission (the "SEC") are incorporated herein by reference:

- (1) The Company's Annual Report on Form 10-K for the year ended December 31, 2003; and
- (2) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2004.

Any documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934, as amended, after the date of this Official Statement and prior to the termination of the offering of the Series 2004 B Bonds offered hereby shall be deemed to be incorporated by reference in this Official Statement and to be a part hereof. Any statement contained in a document incorporated or deemed to be incorporated by reference herein, or contained in this Official Statement, shall be deemed to be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

The Company files annual, quarterly and special reports, information statements and other information with the SEC under File No. 1-9583. Copies of the SEC filings (including (1) the Company's Annual Report on Form 10-K for the year ended December 31, 2003 and (2) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2004) are available (i) over the Internet at the SEC's web site at <http://www.sec.gov>; (ii) at the SEC's public reference room in Washington D.C.; (iii) over the Internet at the Company's web site at <http://www.mbia.com>; and (iv) at no cost, upon request to MBIA Insurance Corporation, 113 King Street, Armonk, New York 10504. The telephone number of MBIA is (914) 273-4545.

As of December 31, 2003, MBIA had admitted assets of \$9.9 billion (unaudited), total liabilities of \$6.2 billion (unaudited), and total capital and surplus of \$3.7 billion (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities. As of March 31, 2004, MBIA had admitted assets of 10.3 billion (unaudited), total liabilities of 6.5 billion (unaudited) and total capital and surplus of 3.8 billion (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities.

Financial Strength Ratings of MBIA

Moody's Investors Service, Inc. rates the financial strength of MBIA "Aaa."

Standard & Poor's Credit Market Services, a division of The McGraw-Hill Companies, Inc. rates the financial strength of MBIA "AAA."

Fitch Ratings rates the financial strength of MBIA "AAA."

Each rating of MBIA should be evaluated independently. The ratings reflect the respective rating agency's current assessment of the creditworthiness of MBIA and its ability to pay claims on its policies of insurance. Any further explanation as to the significance of the above ratings may be obtained only from the applicable rating agency.

The above ratings are not recommendations to buy, sell or hold the Series 2004 B Bonds, and such ratings may be subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of the Series 2004 B Bonds. MBIA does not guaranty the market price of the Series 2004 B Bonds nor does it guaranty that the ratings on the Series 2004 B Bonds will not be revised or withdrawn.

THE DEPOSITORY TRUST COMPANY AND BOOK-ENTRY ONLY SYSTEM

Book-Entry-Only System

DTC will act as securities depository for the Series 2004 B Bonds. The ownership of one fully registered Series 2004 B Bond for each maturity of the Series 2004 B Bonds will be registered in the name of Cede & Co., as nominee for DTC.

DTC has advised the Bond Bank that DTC is a limited-purpose trust company organized under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants (the "Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic book-entry changes in Participants, accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain custodial relations with a DTC Participant, either directly or indirectly (the "Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Purchases of Series 2004 B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2004 B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2004 B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2004 B Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners of Series 2004 B Bonds will not receive certificates representing their beneficial ownership interests in the Series 2004 B Bonds unless use of the book-entry-only system for the Series 2004 B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2004 B Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Series 2004 B Bonds with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2004 B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2004 B Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants and by DTC Participants and Indirect Participants to Beneficial Owners of the Series 2004 B Bonds will be governed by arrangements among DTC, DTC Participants, Indirect Participants and Beneficial

Owners, subject to any statutory and regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Series 2004 B Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. will consent to vote with respect to the Series 2004 B Bonds. Under its usual procedures, DTC will mail an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2004 B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2004 B Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts on a payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on a payable date. Payments by Participants to Beneficial Owners will be governed by standing instruments and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Series 2004 B Bond Bank Trustee, the Paying Agent or the Registrar, or the Bond Bank, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Bond Bank or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2004 B Bonds at any time by giving reasonable notice to the Bond Bank, the Paying Agent, Registrar or the Series 2004 B Bond Bank Trustee. Under these circumstances, in the event that a successor securities depository is not obtained, Series 2004 B Bond certificates are required to be printed and delivered.

The Bond Bank may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2004 B Bond certificates will be printed and delivered.

The information provided immediately under "book-entry-only system" has been provided by DTC. No representation is made by the Bond Bank or the Underwriter as to the accuracy or adequacy of such information provided by DTC or as to the absence of material adverse changes in such information subsequent to the date hereof.

For so long as the Series 2004 B Bonds are registered in the name of DTC or its nominee or any successor securities depository or its nominee, the Bond Bank and the Series 2004 B Bond Bank Trustee will recognize only DTC or its nominee or such successor

securities depository or its nominee as the registered owner of the Series 2004 B Bonds for all purposes, including payments, notices and voting.

Under the Series 2004 B Bond Bank Indenture, payments made by the Paying Agent to DTC or its nominee or any successor securities depository or its nominee shall satisfy the Bond Bank's obligations under the Series 2004 B Bond Bank Indenture to the extent of the payments so made.

Neither the Bond Bank, nor the Series 2004 B Bond Bank Trustee, Paying Agent or Registrar shall have any responsibility or obligation with respect to:

- (i) the accuracy of the records of DTC, its nominee or any DTC Participant or Indirect Participant or any successor securities depository, participants thereof or nominee thereof with respect to any beneficial ownership interest in the Series 2004 B Bonds;
- (ii) the delivery to any DTC Participant or Indirect Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any notice with respect to any Series 2004 B Bond, including, without limitation, any notice of redemption;
- (iii) the payment to any DTC Participant or Indirect Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any amount with respect to the principal of, premium, if any, or interest on, or the purchase price of, any Series 2004 B Bond;
- (iv) any consent given by DTC or any successor securities depository as registered owner; or
- (v) the selection by DTC or any Direct Participant or Indirect Participant by any successor depository or its participants of the beneficial ownership interests in Series 2004 B Bonds for partial redemption.

So long as the Series 2004 B Bonds are held in the book-entry-only system of the securities depository, the Bond Bank, Paying Agent, Registrar and Series 2004 B Bond Bank Trustee may treat DTC and any successor securities depository as, and deem DTC and any successor securities depository to be, the absolute owner of the Series 2004 B Bonds for all purposes whatsoever, including, without limitation:

- (i) the payment of the principal of, premium, if any, and interest on and the purchase price of the Series 2004 B Bonds;
- (ii) giving notices of redemption and other matters with respect to the Series 2004 B Bonds;

- (iii) registering transfers with respect to the Series 2004 B Bonds; and
- (iv) the selection of the beneficial ownership interests in Series 2004 B Bonds for partial redemption.

Revision of Book-Entry-Only System

In the event that either (1) the Bond Bank receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the Series 2004 B Bonds or (2) the Bond Bank elects to discontinue its use of DTC as a clearing agency for the Series 2004 B Bonds, then the Bond Bank and the Series 2004 B Bond Bank Trustee, Paying Agent or Registrar will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Series 2004 B Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the Series 2004 B Bonds and to transfer the ownership of each of the Series 2004 B Bonds to such person or persons, including any other clearing agency, as the holder of such Series 2004 B Bonds may direct in accordance with the Series 2004 B Bond Bank Indenture. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Series 2004 B Bonds will be paid by the Bond Bank.

THE BOND BANK

Powers and Purposes

The Bond Bank is a body corporate and politic separate from the City. The address of the Bond Bank is 200 East Washington Street, City-County Building, Room 2421, Indianapolis, Indiana 46204. The Bond Bank was created by the Act for the purpose of buying and selling securities of certain qualified entities, including the City, the County, all special taxing districts located wholly within the County, all entities whose tax levies are subject to review and modification by the Council, certain specified political subdivisions located wholly within the County, a charter school sponsored by the Mayor of the City and certain authorities under Title 36 of the Indiana Code that lease land or facilities to other qualified entities. The Bond Bank was created pursuant to the Act to help the qualified entities lower their respective borrowing costs by having the Bond Bank purchase their debt obligations at interest rates favorable to the qualified entities. To accomplish its purpose, the Bond Bank may issue bonds or notes. The Bond Bank also has general powers which include the power to enter into, make and perform contracts of every lawful kind to accomplish its purpose.

Board of Directors and Officers of the Bond Bank

The Bond Bank is governed by a five (5) member board of directors appointed by the Mayor of the City. The directors appoint an executive director who serves as secretary-treasurer of the board. The directors each serve for terms of three (3) years and may be reappointed. No director may be an officer of the City, the County or any other qualified

entity. The current members of the board of directors, their positions and their principal occupations are as follows:

Name	Position	Term Expires	Occupation
John J. Dillon, III	Chairman	December 31, 2005	Business Executive
Mary Titsworth Chandler	Vice Chairman	April 30, 2006	Attorney, Private Practice
Jacob E. Hall	Member	April 30, 2006	Engineer
Thomas J. O'Donnell	Member	April 30, 2006	Business Manager of International Brotherhood of Electrical Workers
Arnold Pinkston	Member	April 30, 2006	Deputy General Counsel, Eli Lilly & Company

Robert J. Clifford was appointed the Executive Director of the Bond Bank on March 20, 2000. Mr. Clifford served as Vice President of Finance, Accounting and Marketing of the Indiana Municipal Power Agency (IMPA) from 1992 through March, 2000. He holds a B.S. and M.B.A. from Indiana University and is a Certified Public Accountant.

Jennifer Weflen serves as Deputy Executive Director. Jennifer Weflen was appointed to the staff of the Bond Bank in January 2002 and now serves as Deputy Director. Prior to this appointment, Ms. Weflen served as Assistant Corporation Counsel to the City. She received a B.A. from DePauw University and a J.D. from Indiana University.

Matthew T. Hall has served as Project Manager of the Bond Bank since January 2001. Mr. Hall has served as Project Manager and a member of the finance team for many economic development and real estate development projects in the City's downtown. He is currently serving as project manager for the Project. He holds a B.A. from Indiana University.

Other Programs; Outstanding Indebtedness

Under the Act, the Bond Bank is authorized to issue other series of notes or bonds to finance different programs to accomplish its purposes. Under separate trust indentures and other instruments authorized under the Act, the Bond Bank has previously issued and had outstanding as of June 1, 2004 an aggregate long-term principal amount of approximately \$1,944,654,000 in separate program obligations. Certain of the foregoing obligations of the Bond Bank may mature or otherwise be defeased as of or prior to the issuance of the Series 2004 B Bonds. All such obligations are and will be secured separately and independently and do not and will not constitute Bonds under the Series 2004 B Bond Bank Indenture or for purposes of this Official Statement.

Further, as of the date of this Official Statement, the Bond Bank is considering undertaking other types of financings for qualified entities for purposes authorized by and in accordance with the procedures set forth in the Act. The obligations issued by the Bond Bank in connection with any and all such financings, if any, will be secured separately from the Bonds and will not constitute Bonds under the Series 2004 B Bond Bank Indenture or for purposes of this Official Statement.

THE CITY OF INDIANAPOLIS AND MARION COUNTY

The Qualified Entity's boundaries include property and territory in Marion County, Indiana (the "County"). The City is a municipal corporation located in the County. It is the largest city in the State and the twelfth largest city in the United States. In 1970, the governments of the City and the County, were consolidated to form the State's only consolidated city, which provides services generally throughout the County in which the City is located. By the consolidating act, the boundaries of the City were extended to the County line with the exception of the municipalities of Beech Grove, Lawrence, Speedway and Southport.

The executive of the City is the Mayor who is elected by all the voters of the County. The Mayor, who may serve an unlimited number of four-year terms, has extensive appointive powers and also serves as chief executive officer of the County. The executive authority is administered through six departments: Administration, Metropolitan Development, Parks and Recreation, Capital Asset Management, Public Safety and Public Works.

The legislative body of the City and the County is the City-County Council. The City-County Council approves the annual budget and tax levies for the City, the Qualified Entity and the special taxing districts of the City and the County. It is also empowered to review and modify the budgets and tax levies of certain other entities in the County.

The Indianapolis Metropolitan Statistical Area ("MSA"), which currently includes the counties of Marion, Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Morgan and Shelby, is located at the geographic center of the State. There are more interstate freeways (I-65, I-69, I-70 and I-74) passing through the City than through any other city in the nation. In addition, six other major U.S. highways, all interconnected by an outer beltway (I-465), provide the Indianapolis MSA with routes for transportation and distribution in all directions. In 2000, the United States Census Bureau estimated the population of the Indianapolis MSA at 1,536,665. This represents growth of 16.4% since 1990. The Indianapolis MSA is the 29th largest metropolitan area in the United States, while the City of Indianapolis is the twelfth largest city with a population of 791,926.

REMARKETING AGENT

NatCity Investments, Inc., Cleveland, Ohio, has been appointed by the Bond Bank pursuant to the Remarketing Agreement to act as remarketing agent (the "Remarketing Agent") for the purposes described in the Indenture. The Remarketing Agent's principal office is located at 1965 East Sixth Street, Suite 800, Cleveland, Ohio 44114. The

Remarketing Agent will, under certain circumstances, determine the interest rates on the Series 2004 B Bonds, will use its best efforts to remarket Series 2004 B Bonds, and may from time to time effect purchases of Series 2004 B Bonds. The Remarketing Agent may, at any time, resign by giving at least 60 days' prior written notice by registered or certified mail to the Bond Bank, the Bank, the Tender Agent, the Bond Insurer and the Series 2004 B Bond Bank Trustee. The Remarketing Agent may be removed at any time, by an instrument, signed by the Bond Bank, filed with the Remarketing Agent and with the Series 2004 B Bond Bank Trustee, the Tender Agent, the Bond Insurer and the Liquidity Facility Provider, designating a successor Remarketing Agent. The Series 2004 B Bond Bank Trustee shall notify the Holders of the resignation or removal of the Remarketing Agent and the identity of the successor Remarketing Agent within five Business Days after the Series 2004 B Bond Bank Trustee receives notification thereof.

LITIGATION

There is not now pending or, to the Bond Bank's or the City's respective knowledge, threatened any litigation restraining or enjoining the issuance, sale, execution or delivery of the Series 2004 B Bonds or the Series 2004B City Bonds, or the execution and delivery of, and performance by the respective parties to, the Series 2004 B Bond Bank Indenture, the Series 2004B City Indenture, the Series 2004B Qualified Entity Purchase Agreement or the Purchase Contract; prohibiting the Bond Bank from purchasing the Series 2004B City Bonds with the proceeds of the Series 2004 B Bonds; in any way contesting or affecting the validity of the Series 2004 B Bonds or the Series 2004B City Bonds or any proceedings of the Bond Bank or the City taken with respect to the issuance or sale thereof, or the Pledges (as hereinafter defined under the caption "ENFORCEABILITY OF REMEDIES") or application of any moneys or security provided for payment of the Series 2004 B Bonds or the Series 2004B City Bonds. Neither the creation, organization or existence of the Bond Bank or the City nor the title of any of the present directors or other officers of the Bond Bank or City to their respective offices is being contested.

TAX MATTERS

Interest on the Series 2004 B Bonds is not excludable from gross income for purposes of federal income taxation pursuant to the Internal Revenue Code of 1986, as amended and as in effect on the date of delivery of the Series 2004 B Bonds. In the opinion of Baker & Daniels, Indianapolis, Indiana, Bond Counsel, under law existing and in effect on the date of such opinion, the interest on the Series 2004 B Bonds is exempt from taxation in the State of Indiana for all purposes except the Indiana financial institutions tax and the Indiana inheritance tax.

The foregoing does not purport to be a comprehensive discussion of the tax consequences of owning the Series 2004 B Bonds. Prospective owners of the Series 2004 B Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the Series 2004 B Bonds.

RATINGS

Rating as Insured Bonds

The Series 2004 B Bonds are expect to be rated "VMIG 1" by Moody's Investors Service, Inc. ("Moody's") and "A-1" by Standard & Poor's Credit Market Services ("S&P"), based on the assumptions that MBIA will deliver its financial guaranty insurance policy insuring the timely payment of the principal of, and interest on, the Series 2004 B Bonds upon the issuance of the Series 2004 B Bonds, and (ii) the Initial Liquidity Facility Provider will issue its Initial Liquidity Facility upon the issuance of the Series 2004 B Bonds. Any desired explanation of the significance of such ratings should be obtained from Moody's and S&P, respectively. There is no assurance that such ratings will be maintained for any given period of time or that such ratings will not be lowered or withdrawn entirely if, in the judgment of the issuing agency, circumstances so warrant. The Underwriters have undertaken no responsibility either to bring to the attention of the owners of the Series 2004 B Bonds any proposed revision or withdrawal of the ratings of the Series 2004 B Bonds or to oppose any such proposed revision or withdrawal. Any downward revision or withdrawal of such ratings could have an adverse effect on the market price or marketability of the Series 2004 B Bonds.

ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Series 2004 B Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the Series 2004 B Bond Bank Trustee or the bondholders of the Series 2004 B Bonds upon a default under the Series 2004 B Bond Bank Indenture; to the Series 2004 B Bond Bank Trustee or the Bond Bank under the Series 2004B City Bonds and the Series 2004B City Indenture; or to any party seeking to enforce the pledges securing the Series 2004 B Bonds or the Series 2004B City Bonds described herein (collectively the "Pledges"), are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the United States Bankruptcy Code), the remedies provided in the Series 2004 B Bond Bank Indenture and the Series 2004B City Indenture, or to any party seeking to enforce the Pledges, may not be readily available or may be limited. Under Federal and State environmental laws certain liens may be imposed on property of the Bond Bank or the City from time to time, but the Bond Bank has no reason to believe, under existing law, that any such lien would have priority over the lien on the Series 2004B City Bond Payments pledged to owners of the Series 2004 B Bonds under the Series 2004 B Bond Bank Indenture or over the liens on the Series 2004B Pledged Revenues pledged to the Bond Bank under the Series 2004 B City Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Series 2004 B Bonds will be qualified as to the enforceability of the various legal instruments by the valid exercise of the constitutional powers of the City, the County, the State and the United States of America and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). These exceptions encompass any exercise of the Federal, State or local police powers (including the police powers of the City and the County) in a manner consistent with the public health and welfare. Enforceability of the Series 2004 B Bond Bank Indenture, the Series 2004B City Indenture and the Pledges in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization, issuance, sale and delivery of the Series 2004 B Bonds are subject to the approval of Baker & Daniels, Indianapolis, Indiana, Bond Counsel, whose approving legal opinion will be delivered with the Series 2004 B Bonds, substantially in the form set forth in Appendix B. Certain legal matters will be passed on by the office of the Corporation Counsel of the City of Indianapolis, Indiana, as general counsel to the Bond Bank, by Stewart & Irwin, P.C., Indianapolis, Indiana, as special counsel to the City, by Barnes & Thornburg and Locke Reynolds LLP, of Indianapolis, Indiana, as co-counsel for the Initial Liquidity Facility Provider, by Bingham McHale LLP, Indianapolis, Indiana, as counsel for the Underwriter and by Kutak Rock, LLP, Irvine, California, as counsel to the Bond Insurer.

UNDERWRITING

The Series 2004 B Bonds are being purchased by the Underwriter, set forth on the cover page of this Official Statement. The Underwriter has agreed to purchase the Series 2004 B Bonds at an aggregate purchase price of \$9,840,600 (which represents the par amount of the Series 2004 B Bonds, less an underwriter's discount of \$59,400). The Purchase Contract provides that the Underwriter will purchase all of the Series 2004 B Bonds, if any are purchased. After the initial public offering, the public offering prices may be changed from time to time by the Underwriter.

The Underwriter has agreed to make a bona fide public offering of all of the Series 2004 B Bonds at prices not in excess of the initial public offering prices set forth or reflected on the cover page of this Official Statement. The Underwriter may sell the Series 2004 B Bonds to certain dealers (including dealers depositing Series 2004 B Bonds into investments trusts) and others at prices lower than the offering prices set forth on the cover page hereof.

SERIES 2004 B BONDS AS LEGAL INVESTMENTS

Pursuant to the Act, all Indiana financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees, and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued by the Bond Bank.

AGREEMENT WITH STATE

The Act provides that the State will not limit or restrict the rights vested in the Bond Bank to fulfill the terms of any agreement made with the owners of the Series 2004 B Bonds or in any way impair the rights or remedies of the owners of the Series 2004 B Bonds for so long as the Series 2004 B Bonds are outstanding.

AVAILABILITY OF DOCUMENTS AND FINANCIAL INFORMATION

The City has available a Comprehensive Annual Financial Report of the City (the "City Financial Report") for the year ended December 31, 2002, portions of which are contained in Appendix D. Audited financial statements of the Bond Bank are prepared annually and are presently available for the year ended December 31, 2002 and prior years. No financial reports related to the City are prepared on an interim basis and there can be no assurance that there have not been material changes in the financial position of the City since the date of the most recent available City Financial Report. Upon request and receipt of payment for reasonable copying, mailing and handling charges, the Bond Bank will make available copies of the most recent City Financial Report, any authorizing or governing instruments defining the rights of owners of the Series 2004 B Bonds or the owners of the Series 2004B City Bonds and available financial and statistical information regarding the Bond Bank and the City. Requests for documents and payments therefor should be directed and payable to The Indianapolis Local Public Improvement Bond Bank, 200 East Washington Street, City-County Building, Room 2421, Indianapolis, Indiana 46204. The Bond Bank's telephone number is (317) 327-4200.

CERTAIN RELATIONSHIPS

NatCity Investments, Inc., which is serving as Underwriter and as Remarketing Agent, and National City Bank of Indiana, which is serving as Series 2004 B Bond Bank Trustee, Registrar, Paying Agent, Authenticating Agent and Tender Agent, and is also issuing the Initial Liquidity Facility, are both direct or indirect wholly owned subsidiaries of National City Corporation. The Series 2004 B Bond Bank Trustee's affiliation with the Initial Liquidity Facility Provider, the Underwriter and the Remarketing Agent, on the one hand, and the Series 2004 B Bond Bank Trustee's duties to Bondholders, on the other hand, subject the Series 2004 B Bond Bank Trustee to potential conflicts of interest, which may adversely affect the Series 2004 B Bond Bank Trustee's discharge of its duties to Bondholders.

EXEMPTION FROM CONTINUING DISCLOSURE

While and so long as the Series 2004 B Bonds bear interest at a Weekly Rate, the Series 2004 B Bonds will be exempt from the continuing disclosure requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission. Neither the Bond Bank, the Initial Liquidity Facility Provider nor any other person has undertaken, in any agreement or contract for the benefit of holders of the Series 2004 B Bonds, to provide to the Series 2004 B Bond Bank Trustee, the Underwriter, any holder of any Series 2004 B Bonds, any information repository or depository, the Municipal Securities Rulemaking Board or any other person, on a periodic basis or otherwise, any financial information, financial statements, operating data or other information or any notice of any event with respect to the Series 2004 B Bonds. However, the Bond Bank currently files with the nationally recognized municipal securities information repositories (the "NRMSIRs") the annual financial information required by the Rule for other financings undertaken for or on behalf of the Bond Bank that are not exempt from the Rule. Therefore, purchasers of the Series 2004 B Bonds may be able to access annually updated versions of the City Financial Report by contacting the NRMSIRs. The Bond Bank has been in compliance with all of its continuing disclosure contracts for at least the last five years.

MISCELLANEOUS

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Series 2004 B Bonds, the security for the payment of the Series 2004 B Bonds and the rights of the owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the offices of the Underwriter; following delivery of the Series 2004 B Bonds, copies of such documents may be examined at the offices of the Bond Bank.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statements made in this Official Statement involving matters of opinions or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is submitted in connection with the issuance and sale of the Series 2004 B Bonds and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract or agreement between the Bond Bank, the City, the Series 2004 B Bond Bank Trustee, the Registrar and Paying Agent or the Underwriter and the purchasers or owners of any Series 2004 B Bonds.

AUTHORIZATION

The delivery of this Official Statement has been duly authorized by the Board of Directors of the Bond Bank.

**THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK**

By: _____
John J. Dillon, III, Chairman

APPENDIX A

DEFINITIONS

In addition to capitalized terms defined elsewhere in this Official Statement, the following are definitions of certain terms used in this Official Statement and the appendices hereto:

“Accounts” means the accounts created under the Series 2004 B Bond Bank Indenture.

“Act” means the provisions of Indiana Code 5-1.4, as amended from time to time and any successor law.

“Additional Downtown Redevelopment Advance Deposits” means quarterly deposits, as defined in the Square 74 Agreement, that are based on the excess operating revenues from the Square 74 Garage.

“Adjusted Debt Service Requirements” means, for any period, as of any date of calculation, the aggregate Debt Service Requirements on Outstanding Series 2004 B Bonds for such period taking into account the following adjustments:

(a) With respect to Series 2004 B Bonds that bear interest at a Weekly Rate, the aggregate Debt Service Requirements thereon shall be determined as if each such Series 2004 B Bond bore interest at the Maximum Rate.

(b) Except to the extent described in (c) below, the aggregate Debt Service Requirements on the Series 2004 B Bonds shall be deemed to include all periodic Bond Related Costs.

(c) With respect to Series 2004 B Bonds bearing interest at a Weekly Rate, the aggregate Debt Service Requirements thereon shall not include any amounts payable to the Liquidity Facility Provider pursuant to any reimbursement obligation arising as the result of the payment of any purchase price with respect to such Series 2004 B Bonds on a purchase date except to the extent that, and for any period during which, the Bond Bank is obligated to reimburse the Liquidity Facility Provider for payments made by such Liquidity Facility Provider directly or indirectly in satisfaction of any obligation to purchase such Series 2004 B Bonds on any purchase date following the application of any proceeds of any remarketing of such Series 2004 B Bonds.

(d) The aggregate Debt Service Requirements for any period on any Series 2004 B Bonds shall not include the amount of Debt Service Requirements on Series 2004 B Bonds to be paid from amounts in the Series 2004 B Bond Bank Reserve Fund at the time of such computation for the period in question, but only if any such amount is available and is to be applied to make interest payments on such Series 2004 B Bonds when due.

“Alternate Liquidity Facility” means any bank bond purchase agreement, revolving credit agreement, surety bond, bond insurance policy or other agreement or instrument under which

any person or entity acceptable to the Bond Insurer (other than the Bond Bank) undertakes to make or provide funds to make payment of the purchase price of Bonds supported by a Liquidity Facility, delivered to and received by the Series 2004 B Bond Bank Trustee (a) replacing a then existing Liquidity Facility, (b) dated as of a date prior to the expiration of the Liquidity Facility being replaced, (c) issued on similar terms and conditions as the then existing Liquidity Facility, except that the Alternate Liquidity Facility may expire on a date which is later than the expiration date of the Liquidity Facility being replaced, but such Alternate Liquidity Facility must have a term of at least 364 days unless such Series 2004 B Bonds mature within 364 days and except that the stated amount of the Alternate Liquidity Facility shall equal the sum of (i) the aggregate principal amount of Series 2004 B Bonds at the time Outstanding supported by the Liquidity Facility, plus (ii) an amount equal to 50 days' interest computed at the Maximum Rate per annum on all Outstanding Series 2004 B Bonds that are bearing interest at a Weekly Rate, (d) if such Series 2004 B Bonds will be rated, accompanied by evidence from each Rating Agency of the rating applicable to the Series 2004 B Bonds after the delivery of the Alternate Liquidity Facility or, if the Series 2004 B Bonds will not be rated after the delivery of the Alternate Liquidity Facility, a statement to that effect, (e) accompanied by an opinion of Counsel to the effect that the delivery thereof is authorized or permitted by the terms of the Series 2004 B Bond Bank Indenture and the Act, and (f) acceptable to the Bond Insurer, as evidenced by its prior written consent. Whenever reference is made in this Official Statement to actions occurring or to be taken under the Liquidity Facility, such reference shall be deemed to include any Alternate Liquidity Facility, as appropriate. As used in this Official Statement, an Alternate Liquidity Facility does not include an extension of the maturity or the maximum amount of the then existing Liquidity Facility.

“Authorized Denomination” means: (a) for any Series 2004 B Bond in the Weekly Rate Mode, the denomination of One Hundred Thousand Dollars (\$100,000) or higher in additional multiples of Twenty-Five Thousand Dollars (\$25,000), (b) for any Series 2004 B Bond in the Fixed Rate Mode, the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof.

“Authorized Officer” means the Chairman, Vice Chairman or Executive Director of the Bond Bank or such other person or persons who are duly authorized to act on behalf of the Bond Bank.

“Authorized Representative” means the Mayor or Clerk of the City or such other person or persons who are duly authorized to act on behalf of the City.

“Bank Bonds” means Series 2004 B Bonds purchased with moneys provided to the Tender Agent, or beneficial interests in Series 2004 B Bonds purchased with moneys provided to the Remarketing Agent pursuant to the Series 2004 B Bond Bank Indenture.

“Beneficial Owners” means purchasers of beneficial interests in the Series 2004 B Bonds.

“Bond Bank” means The Indianapolis Local Public Improvement Bond Bank, an entity created pursuant to the Act by, but separate from, the City in its corporate capacity, or any successor to its functions.

"Bond Bank Bonds" means Bond purchased with moneys provided to the Tender Agent, or beneficial interests in Bonds purchased with moneys provided to the Remarketing Agent, by the Bond Bank, the Series 2004 B Bond Bank Trustee, or an agent of the Series 2004 B Bond Bank Trustee for the account of the Bond Bank.

"Bondholder" or **"Holder"** or **"holder of Bonds"** or **"Owner"** or **"registered owner"** or any similar term means the registered owner of any Series 2004 B Bond, including the Bond Bank, and any purchaser of Series 2004 B Bonds being held for resale, including the Bond Bank (excluding, however, the Bond Bank for purposes of receiving payments under the Bond Insurance Policy).

"Bond Insurance Policy" means the financial guaranty insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Series 2004 B Bonds as provided therein.

"Bond Insurer" means MBIA Insurance Company, a New York stock insurance company.

"Bond Issuance Expense Account" means the Account by that name created under the Series 2004 B Bond Bank Indenture.

"Bond Related Costs" means (a) all costs, fees, and expenses of the Bond Bank or the City incurred or reasonably related to the Standby Bond Purchase Agreement and the Remarketing Agreement, (b) initial and acceptance fees of any fiduciary together with any fees of attorneys, feasibility consultants, engineers, financial advisors, remarketing agents, rebate consultants, accountants and other advisors retained by the Bond Bank or the City in connection with the Series 2004 B Bonds, and (c) any other fees, charges and expenses that may be lawfully incurred by the Bond Bank or the City relating to the Series 2004 B Bonds.

"Bond Service Charges" means, for any applicable time period or date, the scheduled principal of and premium, if any, and interest and the fees, expenses and costs of the Series 2004 B Bond Bank Trustee and any Tender Agent, on any of the Series 2004 B Bonds accruing for that period or due and payable on that date, whether due at maturity or upon acceleration or redemption. In determining Bond Service Charges accruing for any period or due and payable on any date, mandatory sinking fund requirements accruing for that period or due on that date shall be included together with any amount required to be paid for the replenishment of any reserve.

"Book Entry Form" or **"book entry form"** or **"book entry system"** means a form or system under which the physical bond certificates in fully registered form are issued only to a Depository or its nominee as registered owner, with the certificated Series 2004 B Bonds held by and **"immobilized"** in the custody of the Depository, and the book entry system, maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Bond Bank or the Series 2004 B Bond Bank Trustee, is the record that identifies, and records the transfer of the interests of, the owners of beneficial (book entry) interests in the Series 2004 B Bonds.

"Business Day" means any day other than a Saturday, Sunday or holiday or a day on which (a) banks located in the city or cities in which the designated corporate trust office of the Series 2004 B Bond Bank Trustee, the designated office of the Tender Agent, the designated office of the Remarketing Agent or the designated office of the Liquidity Facility Provider are located are required or authorized to close for general banking business or (b) the New York Stock Exchange is closed.

"CAC" means the Circle Area Community Development Corporation, a Marion County community development corporation and an Indiana nonprofit corporation.

"CAC Account" means the account that will receive deposits of the CAC Parking Facility Revenues.

"CAC Parking Facility" means the approximately 384 space parking garage, including related street level retail facilities, located on Square 55 of Center Township in the City and owned by CAC.

"CAC Parking Facility Revenues" means the operating revenue from the CAC Parking Facility, generally defined to be gross revenues, less operating expenses, costs of capital improvements and replacements and any other reserve deposits.

"Cash Flow Certificate" means a certificate prepared by an accountant or a firm of accountants in accordance with the provisions of the Series 2004 B Bond Bank Indenture concerning anticipated Revenues and payments.

"City" means the City of Indianapolis, Indiana, and its successors and assigns, which is a "qualified entity" under Indiana Code 5-1.4-1-10, as amended from time to time.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the Bond Bank and related to costs to be paid pursuant to the Series 2004B Qualified Entity Purchase Agreement or the authorization, sale and issuance of the Series 2004 B Bonds, which items of expense shall include, but not be limited to, bond insurance and surety bond premiums, credit enhancement or liquidity facility fees, printing costs, costs of reproducing documents, filing and recording fees, initial fees and charges of the Series 2004 B Bond Bank Trustee, Registrar, Paying Agent, Remarketing Agent, Tender Agent, Liquidity Facility Provider and Bond Insurer, underwriter's discounts, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of the Series 2004 B Bonds, costs and expenses of refunding, and other costs, charges and fees in connection with the foregoing and any other costs of a similar nature authorized by the Act.

"Council" means the City-County Council of the City of Indianapolis and of Marion County, Indiana.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and approved by the Bond Bank.

"County" means Marion County, Indiana.

“DMD” means the Department of Metropolitan Development of the City, acting for and on behalf of the Metropolitan Development Commission of the County, in its capacity as the Redevelopment Commission of the City.

“DTC” or “Depository Company” or “Depository” means the Depository Trust Company, New York, New York, and its successors and assigns, including any surviving, resulting or transferee corporation, or any successor corporation that may be appointed in a manner consistent with this Indenture and shall include any direct or indirect participants of The Depository Trust Company.

“DTC Participants” means participants of DTC.

“Debt Service” means principal, premium, if any, and interest on the Series 2004 B Bonds.

“Debt Service Requirements” means during the applicable period and as of any date of calculation with respect to Outstanding Series 2004 B Bonds, the aggregate of the Bond Service Charges on the Series 2004 B Bonds.

“Default” means an event or condition the occurrence of which, with the lapse of time or the giving of notice or both, would become an Event of Default hereunder.

“Defeasance Obligations” means (a) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - “SLGS”); (b) direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury itself, CATS, TIGRS and similar securities; (c) the interest component of Resolution Funding Corp. strips, in book entry form, which have been stripped by request to the Federal Reserve Bank of New York; (d) pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by S&P or, if rated only by S&P, then only such municipal bonds as have been refunded with cash, direct U.S. or U.S. guaranteed obligations, or other “AAA” rated pre-refunded municipal bonds; or (e) obligations issued by the following agencies which are backed by the full faith and credit of the United States of America; U.S. Export-Import Bank (direct obligations or fully guaranteed certificates of beneficial ownership), Farmers Home Administration (certificates of beneficial ownership), Federal Financing Bank, General Services Administration (participation certificates), U.S. Maritime Administration (guaranteed Title XI financing), or U.S. Department of Housing and Urban Development (project notes, local authority bonds, new communities debentures – U.S. government guaranteed debentures, and U.S. public housing notes and bonds – U.S. government guaranteed public housing notes and bonds).

“Developer” means, collectively, Circle Block Partners, LLC, an Indiana limited liability company, and KM Circle Block, Inc., an Indiana corporation, or any successors thereto.

“Downtown Redevelopment Advance Account” means the account that may be specified pursuant to the Downtown Redevelopment Advance Account Instructions, established in the name of the DMD or its nominee, and amounts deposited herein are to be used for the construction of a new structure or the renovation and refurbishment of an existing structure in a previously designated redevelopment area and adjacent areas that is expected and intended to

complement and enhance and have a synergistic impact on the continued economic success and viability of the Mall and related development.

“Downtown Redevelopment Advance Account Instructions” means the written instructions delivered by the DMD to the Parking Manager, requiring the Parking Manager to deposit the Square 74 Deposits into a Downtown Redevelopment Advance Account.

“Economic Development Commission” means the Indianapolis Economic Development Commission.

“Event of Default” means any occurrence or event of default as specified under the Series 2004 B Bond Bank Indenture.

“Expiration of the Term of the Liquidity Facility” means the expiration of a then existing Liquidity Facility in effect with respect to any Series 2004 B Bonds, including extensions thereof, and including the termination upon notice of the Liquidity Facility by the Liquidity Facility Provider as provided in the Standby Bond Purchase Agreement; provided that this term shall not include a termination or suspension of the Liquidity Facility without notice by the Liquidity Facility Provider.

“Fees and Charges” means fees and charges established by the Bond Bank from time to time pursuant to the Act which are payable by the City.

“Fiscal Year” means the twelve (12)-month period from January 1 through the following December 31.

“Fixed Rate” means the interest rate per annum on a Series 2004 B Bond established in accordance with the Series 2004 B Bond Bank Indenture.

“Fixed Rate Conversion Date” means the Interest Payment Date on which a Series 2004 B Bond begins to bear interest at the Fixed Rate in accordance with the terms of the Series 2004 B Bond Bank Indenture, which conversion shall be subject to the prior written approval of the Bond Insurer.

“Fixed Rate Mode” means the Mode in which a Series 2004 B Bond bears interest at the Fixed Rate.

“Fixed Rate Period” means the period from the Fixed Rate Conversion Date to the maturity date of a Series 2004 B Bond.

“Funds” means the funds created under the Series 2004 B Bond Bank Indenture.

“General Account” means the Account by that name created under the Series 2004 B Bond Bank Indenture.

“General Fund” means the Fund by that name created under the Series 2004 B Bond Bank Indenture.

"Guaranteed Downtown Redevelopment Advance Deposits" means the quarterly deposits, as defined in the Square 74 Agreement, of not less than \$150,000 and totaling \$600,000 per year, that the Parking Manager is required to make into the Downtown Redevelopment Advance Account pursuant to the Square 74 Agreement.

"Hotel Account" means the account by that name, maintained within the Series 2004B Bond Fund, established by the Series 2004B City Trustee pursuant to the Series 2004B City Indenture.

"Hotel Parking Account" means the special account which will receive the deposits of the Hotel Parking Revenues.

"Hotel Parking Facilities" means the approximately 110 parking spaces on two levels to be constructed by the Developer within the Project.

"Hotel Parking Revenues" means the annual payments of \$198,000 by the Developer to CAC for the operation and maintenance of the Hotel Parking Facilities.

"Indirect Participants" means parties that have access to the DTC system, such as securities brokers and dealers, banks, and trust companies that clear through or maintain custodial relations with a DTC Participant, either directly or indirectly.

"Initial Liquidity Facility" means the Standby Bond Purchase Agreement issued by National City Bank of Indiana, Indianapolis, Indiana, and delivered by the Bond Bank to the Series 2004 B Bond Bank Trustee on the date of issuance of the Series 2004 B Bonds, including extensions thereto and endorsements thereof, against which the Series 2004 B Bond Bank Trustee shall be entitled to draw, in accordance with the terms thereof, up to (a) an amount sufficient to pay, with respect to such Series 2004 B Bond Bank Bonds supported by such Liquidity Facility, the purchase price or a portion of the purchase price equal to the aggregate principal amount of such Series 2004 B Bonds delivered for purchase pursuant to the Series 2004 B Bond Bank Indenture, plus (b) an amount equal to 35 days' accrued interest on such Series 2004 B Bonds, calculated at the Maximum Rate.

"Insurance Agreement" means the Reimbursement and Indemnity Agreement dated as of June 1, 2004, between the Bond Bank and the Bond Insurer.

"Interest Adjustment Date" means for Series 2004 B Bonds in the Weekly Rate Mode, (a) Wednesday of each calendar week, and (b) any other date on which an adjustment of the interest rate on the Series 2004 B Bonds is required in the judgment of the Remarketing Agent in order to permit the Remarketing Agent to remarket the Series 2004 B Bonds at par.

"Interest Payment Date" means (i) the first Business Day of each calendar month, while a Weekly Rate Period is in effect, commencing July 1, 2004, and the first Business Day after such Weekly Rate Period is no longer in effect, and (ii) April 1 and October 1 of each year while a Fixed Rate Period is in effect, commencing with the first April 1 or October 1 occurring after the Fixed Rate Conversion Date.

“Investment Earnings” means earnings and profits (after consideration of any accrued interest paid and amortization of premium or discount on the investment) on the moneys in the Funds and Accounts established under the Series 2004 B Bond Bank Indenture.

“Investment Securities” means any of the following:

- A. Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.
- B. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):
 - 1. U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership
 - 2. Farmers Home Administration (FmHA)
Certificates of beneficial ownership
 - 3. Federal Financing Bank
 - 4. Federal Housing Administration Debentures (FHA)
 - 5. General Services Administration
Participation certificates
 - 6. Government National Mortgage Association (GNMA or "Ginnie Mae")
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations
 - 7. U.S. Maritime Administration
Guaranteed Title XI financing
 - 8. U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures - U.S. government guaranteed debentures
U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds
- C. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

1. Federal Home Loan Bank System
Senior debt obligations
 2. Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")
Participation Certificates
Senior debt obligations
 3. Federal National Mortgage Association (FNMA or "Fannie Mae")
Mortgage-backed securities and senior debt obligations
 4. Student Loan Marketing Association (SLMA or "Sallie Mae")
Senior debt obligations
 5. Resolution Funding Corp. (REFCORP) obligations
 6. Farm Credit System
Consolidated systemwide bonds and notes
- D. Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAM-G, AAA-m, or AA-m and if rated by Moody's rated Aaa, Aa1, or Aa2, which funds may be funds of the Series 2004 B Bond Bank Trustee.
- E. Certificates of deposit secured at all times by collateral described in (A) and/or (B) above. Such certificates must be issued by commercial banks, savings and loan associations, or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.
- F. Certificates of deposit, savings accounts, deposit accounts, or money market deposits which are fully insured by Federal Deposit Insurance Corporation, including BIF and SAIF.
- G. Investment Agreements, including Guaranteed Investment Contracts, Forward Purchase Agreements, and Reserve Fund Put Agreements acceptable to the Bond Insurer.
- H. Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P.
- I. Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies.
- J. Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured, and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

K. Repurchase Agreements for 30 days or less must follow the following criteria. Repurchase Agreements which exceed 30 days must be acceptable to the Bond Insurer.

(1) Repurchase agreements must be between the municipal entity and a dealer bank or securities firm

(a) Primary dealers on the Federal Reserve reporting dealer list which are rated "A" or better by S&P and Moody's, or

(b) Banks rated "A" or above by S&P and Moody's.

(2) The written repurchase agreement must include the following:

(a) Securities which are acceptable for transfer are:

(i) Direct U.S. government obligations, or

(ii) Federal agencies' obligations backed by the full faith and credit of the U.S. government (and FNMA & FHLMC)

(b) The term of the repurchase agreement may be up to 30 days.

(c) The collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral), or third party acting as agent for the trustee (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(d) Valuation of collateral

The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repurchase agreement plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

(3) Legal opinion which must be delivered to the municipal entity:

(a) Repurchase Agreement meets guidelines under state law for legal investment of public funds.

"Liquidity Facility" means the Initial Liquidity Facility or any Alternate Liquidity Facility then in effect. All references to Liquidity Facility in this Official Statement shall be of no effect if (a) no Liquidity Facility is outstanding, and (b) no obligations of the Bond Bank to a Liquidity Facility Provider remain outstanding under a Standby Bond Purchase Agreement.

“Liquidity Facility Provider” means with respect to the Initial Liquidity Facility, National City Bank of Indiana, Indianapolis, Indiana, issuer of the Initial Liquidity Facility, and its successors in such capacity and its assigns; or, if an Alternate Liquidity Facility is issued, the issuer or issuers thereof, and their successors in such capacity and their assigns. All references to Liquidity Facility Provider in this Official Statement shall be of no effect if (a) no Liquidity Facility is outstanding, and (b) no obligations of the Bond Bank to a Liquidity Facility Provider remain outstanding under a Standby Bond Purchase Agreement.

“Mall” means the Circle Centre Mall located in the City's downtown.

“Maximum Rate” means (i) the annual interest rate used in determining the available interest component under the Liquidity Facility, if any, or (ii) 21% for any Series 2004 B Bonds that constitute Bank Bonds. Upon the issuance of the Series 2004 B Bonds and the concurrent delivery of the Initial Liquidity Facility, the Maximum Rate applicable to Series 2004 B Bonds which are not Bank Bonds will be 12% while such Initial Liquidity Facility secures the Series 2004 B Bonds.

“Mode” means the Weekly Rate Mode or the Fixed Rate Mode, as appropriate. The period that any Series 2004 B Bond is in any Mode shall not be less than 30 days.

“Moody's” means Moody's Investors Service, or any successor thereof which qualifies as a Rating Service.

“Net Proceeds” means the proceeds received from the Underwriter pursuant to the Purchase Contract.

“Outstanding Series 2004 B Bonds,” “Series 2004 B Bonds outstanding” or “outstanding” as applied to Series 2004 B Bonds mean, as of the applicable date, all Series 2004 B Bonds which have been authenticated and delivered, or which are being delivered by the Series 2004 B Bond Bank Trustee under the Series 2004 B Bond Bank Indenture except:

- (a) Series 2004 B Bonds canceled upon surrender, exchange or transfer, or canceled because of payment or redemption on or prior to that date;
- (b) Series 2004 B Bonds, or the portion thereof, for the payment, redemption or purchase for cancellation of which sufficient money has been deposited and credited with the Series 2004 B Bond Bank Trustee or any Paying Agent on or prior to that date for that purpose (whether upon or prior to the maturity or redemption date of those Series 2004 B Bonds; provided that if any of those Series 2004 B Bonds are to be redeemed prior to their maturity, notice of that redemption shall have been given or arrangements satisfactory to the Series 2004 B Bond Bank Trustee shall have been made for giving notice of that redemption);
- (c) Series 2004 B Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of the Series 2004 B Bond Bank Indenture; provided, however, that

Series 2004 B Bonds paid with a claim on the Bond Insurance Policy shall be considered to remain Outstanding;

- (d) Series 2004 B Bonds in lieu of which others have been authenticated under the Series 2004 B Bond Bank Indenture; and
- (e) Untendered Bonds.

“Parking Manager” means the Circle Centre Development Company, an entity affiliated with Simon Property Group (the developer of the Mall).

“Paying Agent” means initially National City Bank of Indiana, or any other successor thereto under the Series 2004 B Bond Bank Indenture.

“Pledged Hotel Revenues” means those Pledged Revenues that are attributable to the Washington/Illinois Street Master Parking Agreement dated as of June 1, 2004, by and among CAC, the City’s Department of Metropolitan Development and Circle Block Partners, LLC.

“Pledges” means pledges securing the Series 2004 B Bonds or the Series 2004B City Bonds as described in this Official Statement.

“Program” means the program for the purchase of Series 2004B City Bonds by the Bond Bank pursuant to the Act and the Series 2004 B Bond Bank Indenture.

“Program Expenses” means all of the Bond Bank’s expenses in carrying out and administering the Program pursuant to the Series 2004 B Bond Bank Indenture and shall include, without limiting the generality of the foregoing, salaries, supplies, utilities, mailing, labor, materials, office rent, maintenance, furnishings, equipment, machinery and apparatus, telephone, insurance premiums, credit enhancement fees, liquidity facility fees, legal, accounting, management, consulting and banking services and expenses, fees and expenses of the Series 2004 B Bond Bank Trustee, the Registrar, the Paying Agent, Remarketing Agent, Liquidity Facility Provider and Tender Agent, costs of verifications required under the Series 2004 B Bond Bank Indenture, Costs of Issuance not paid from the proceeds of Series 2004B Bonds, travel, payments for pension, retirement, health and hospitalization, life and disability insurance benefits, any other costs permitted under the Act, all to the extent properly allocable to the Program.

“Project” means the providing of financial incentives and assistance to the Developer for use in the construction of a proposed luxury hotel located in the City’s downtown.

“Purchase Contract” means the Contract of Purchase for the Series 2004 B Bonds between the Bond Bank and the Underwriter.

“Purchase Fund” means the Fund of that name authorized pursuant to the Series 2004 B Bond Bank Indenture.

“Qualified Investments” shall have the meaning assigned to such term in the Series 2004B City Indenture.

"Qualified Surety Bond" means a surety bond issued by an insurance company rated in the highest Rating Category by the Rating Services and acceptable to the Bond Insurer.

"Rating Category" means one of the generic Rating Categories of the applicable Rating Service, without regard to any refinements or gradation of such generic Rating Category by numerical or other modifier.

"Rating Service" means any nationally recognized rating agency maintaining a rating on the Series 2004 B Bonds at the request of the Bond Bank.

"Record Date" means the Series 2004 B Bond Bank Trustee's close of business on (i) the fifteenth day of the calendar month next preceding an Interest Payment Date with respect to Series 2004 B Bonds in Fixed Rate Mode or (ii) the Business Day prior to the Interest Payment Date with respect to Series 2004 B Bonds in a Weekly Rate Mode.

"Redemption Account" means the Account by that name created by the Series 2004 B Bond Bank Indenture.

"Register" means the books kept and maintained by the Registrar for registration and transfer of Series 2004 B Bonds pursuant to the Series 2004 B Bond Bank Indenture.

"Registrar" means initially National City Bank of Indiana, or any successor thereto under the Series 2004 B Bond Bank Indenture.

"Remarketing Agent" means initially NatCity Investments, Inc., and any entity meeting the qualifications of, and designated from time to time to act as Remarketing Agent under the Series 2004 B Bond Bank Indenture.

"Remarketing Agreement" means initially the Remarketing Agreement dated as of June 1, 2004, between the Bond Bank and the Remarketing Agent, as amended or supplemented from time to time, and includes any comparable agreement entered into between the Bond Bank and any successor Remarketing Agent appointed pursuant to the Series 2004 B Bond Bank Indenture.

"Reserve Fund Credit Agreement" means any reimbursement agreement or similar instrument between the Bond Bank (and, if so drafted, the Series 2004 B Bond Bank Trustee) and a Reserve Fund Credit Provider with respect to a Reserve Fund Credit Instrument.

"Reserve Fund Credit Instrument" means a letter of credit, surety bond (including a Qualified Surety Bond), liquidity facility, insurance policy or comparable instrument furnished by a Reserve Fund Credit Provider acceptable to the Bond Insurer with respect to the Series 2004 B Bonds to satisfy, in whole or in part, the Bond Bank's obligation to maintain the Series 2004 B Bond Bank Reserve Requirement, but only if the debt obligations of such Reserve Fund Credit Provider are rated in one of the two highest Rating Categories by the Rating Agencies.

"Reserve Fund Credit Provider" means the bank, financial institution, trust company, insurance company, association or other entity providing a Reserve Fund Credit Instrument pursuant to a Reserve Fund Credit Agreement.

“Reserve Fund Reimbursement Obligation” shall mean any obligation to reimburse the Reserve Fund Credit Provider of any Qualified Surety Bond for any payment made under such Qualified Surety Bond or any other obligation to repay any amounts (including, but not limited to, fees or additional interest) to the Reserve Fund Credit Provider.

“Revenues” means the income, revenues and profits of the Funds and Accounts referred to in the granting clauses of the Series 2004 B Bond Bank Indenture including, without limitation, all Series 2004B City Bond Payments, and Investment Earnings.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies, Inc., or any successor thereof which qualifies as a Rating Service.

“Series 2004 B Bonds” means The Indianapolis Local Public Improvement Bond Bank Taxable Special Program Variable Rate Demand Bonds, Series 2004 B (Circle Block Project).

“Series 2004 B Bond Bank Indenture” means the Trust Indenture dated as of June 1, 2004, between the Bond Bank and the 2004 B Bond Bank Trustee, as supplemented or amended pursuant to the provisions thereof, securing the Series 2004 B Bonds.

“Series 2004 B Bond Bank Reserve Fund” means the fund by that name created by the Series 2004 B Bond Bank Indenture.

“Series 2004 B Bond Bank Reserve Requirement” means an amount equal to \$491,500.

“Series 2004 B Bond Bank Trustee” means initially National City Bank of Indiana, or any successor thereto.

“Series 2004B Bond Fund” means the fund by that name created under the Series 2004B City Indenture.

“Series 2004B City Bond Payments” means the amounts paid or required to be paid, from time to time, for principal and interest by the City to the Bond Bank on the Series 2004B City Bonds.

“Series 2004B City Bonds” means the City’s Taxable Variable Rate Demand Economic Development Revenue Bonds, Series 2004B (Circle Block Project).

“Series 2004B City Indenture” means the Trust Indenture dated as of June 1, 2004, between the City and the 2004B Trustee, securing the Series 2004B City Bonds.

“Series 2004B City Interest Payment Date” means the dates, as designated in the Series 2004B City Indenture, for the payment of interest on the unpaid principal amount of the Series 2004B City Bonds.

“Series 2004B City Trustee” means initially National City Bank of Indiana, or any successor thereto.

“Series 2004B General Account” means the account by that name, maintained within the Series 2004B Bond Fund, established by the Series 2004B City Trustee pursuant to the Series 2004B City Indenture.

“Series 2004B Pledged Revenues” consists of the City's right, title and interest in (a) the CAC Parking Facility Revenues and the CAC Account, and (b) the Hotel Parking Revenues and the Hotel Parking Account.

“Series 2004B Project Fund” means the fund by that name created by the Series 2004B City Indenture.

“Series 2004B Qualified Entity Purchase Agreement” means the Qualified Entity Purchase Agreement, between the City and the Bond Bank, as initial purchaser of the Series 2004B Bonds.

“Series 2004B Stabilization Fund” means the fund by that name created by the Series 2004B City Indenture.

“Series 2004 C Bond Bank Indenture” means the Trust Indenture dated as of June 1, 2004, between the Bond Bank and the Series 2004 C Bond Bank Trustee, as supplemented or amended pursuant to the provisions thereof, securing the Series 2004 C Bonds.

“Series 2004 C Bond Bank Reserve Fund” means the Fund by that name created by the Series 2004 C Bond Bank Indenture.

“Series 2004 C Bond Bank Reserve Requirement” means the amount required to be on deposit in the Series 2004 C Bond Bank Reserve Fund, which amount is the maximum annual debt service on the Series 2004 C Bonds (exclusive of the final bond year).

“Series 2004 C Bond Bank Trustee” means initially National City Bank of Indiana, or any successor thereto.

“Series 2004 C Bonds” means The Indianapolis Local Public Improvement Bond Bank Special Program Bonds, Series 2004 C (Circle Block Project).

“Series 2004C Bond Fund” means the fund by that name created by the Series 2004C City Indenture.

“Series 2004C City Bond Payments” means the amounts paid or required to be paid, from time to time, for principal and interest by the City to the Bond Bank on the Series 2004C City Bonds.

“Series 2004C City Bonds” means the City's Economic Development Revenue Bonds, Series 2004C (Circle Block Project).

“Series 2004C City Indenture” means the Trust Indenture dated as of June 1, 2004, between the City and the 2004A City Trustee, securing the Series 2004C City Bonds.

“Series 2004C City Interest Payment Date” means each April 1 and October 1, commencing October 1, 2004, the dates on which interest is payable on the Series 2004C City Bonds.

“Series 2004C City Rebate Fund” means the rebate fund created by the Series 2004C City Indenture.

“Series 2004C City Trustee” means initially National City Bank of Indiana, or any successor thereto.

“Series 2004C Pledged Revenues” means the Square 74 Deposits that are pledged to the Series 2004C City Trustee as security for payment of the Series 2004C City Bonds.

“Series 2004C Project Fund” means the fund by that name created by the Series 2004C City Indenture.

“Series 2004C Qualified Entity Purchase Agreement” means the Qualified Entity Purchase Agreement, between the City and the Bond Bank, as initial purchaser of the Series 2004C City Bonds.

“Series 2004C Stabilization Fund” means the fund by that name created by the Series 2004C City Indenture.

“Square 74 Agreement” means the Square 74 Garage Parking Management Agreement between DMD and the Circle Centre Development Company, dated as of September 1, 1995.

“Square 74 Deposits” means the Guaranteed Downtown Redevelopment Advance Deposits and the Additional Downtown Redevelopment Advance Deposits.

“Square 74 Garage” means the approximately 1,500 space parking garage located adjacent to the Mall on Square 74 of Center Township in the City.

“Stabilization Funds” means, collectively, the Series 2004B Stabilization Fund and the Series 2004C Stabilization Fund.

“Standby Bond Purchase Agreement” means with respect to the Liquidity Facility, the Standby Bond Purchase Agreement pursuant to which the Liquidity Facility commits to purchase Series 2004 B Bonds in accordance with the terms of such agreement, including all amendments thereof and supplements thereto. All references to a Standby Bond Purchase Agreement in this Official Statement shall be of no effect, with respect to any Series 2004 B Bond, at any time that such Series 2004 B Bond is not secured by a Liquidity Facility, except with respect to vested rights.

“State” means the State of Indiana.

“Substitute Bond Insurance Policy” means a substitute bond insurance policy meeting the requirements of the Series 2004 B Bond Bank Indenture.

“Supplemental Indenture” means an indenture supplemental to or amendatory of the Series 2004 B Bond Bank Indenture, executed by the Bond Bank and the Series 2004 B Bond Bank Trustee in accordance with the Series 2004 B Bond Bank Indenture.

“Tender Agent” means initially National City Bank of Indiana, and any successor Tender Agent as determined or designated under or pursuant to the Series 2004 B Bond Bank Indenture.

“Underwriter” means NatCity Investments, Inc.

“Untendered Bond” means a Series 2004 B Bond that has failed to be tendered by its registered owner as required herein.

“Weekly Rate” means the interest rate per annum on a Series 2004 B Bond established in accordance with the Series 2004 B Bond Bank Indenture.

“Weekly Rate Mode” means the Mode in which a Series 2004 B Bond bears interest at a Weekly Rate.

“Weekly Rate Period” means the period from the date of delivery of the Series 2004 B Bonds until the earlier of the Fixed Rate Conversion Date or the maturity date of a Series 2004 B Bond in the Weekly Rate Mode.

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APPENDIX B

FORM OF APPROVING BOND COUNSEL OPINION

Upon delivery of the Series 2004 B Bonds, Baker & Daniels, Indianapolis, Indiana, Bond Counsel, proposes to deliver an opinion in substantially the following form:

_____, 2004

The Indianapolis Local Public
Improvement Bond Bank
Indianapolis, Indiana

National City Bank of Indiana
Indianapolis, Indiana

Re: The Indianapolis Local Public Improvement Bond Bank Taxable Special
Program Variable Rate Demand Bonds, Series 2004 B (Circle Block Project)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The Indianapolis Local Public Improvement Bond Bank (the "Issuer") of _____ Dollars (\$_____) aggregate principal amount of The Indianapolis Local Public Improvement Bond Bank Taxable Special Program Variable Rate Demand Bonds, Series 2004 B (Circle Block Project), dated the date hereof (the "Bonds"). The Bonds are being issued pursuant to Indiana Code 5-1.4, as amended (the "Act"), and a Trust Indenture dated as of June 1, 2004, between the Issuer and National City Bank of Indiana, as trustee (the "Indenture").

We have examined the law and such certified proceedings and other certificates, instruments and documents as we have deemed necessary or appropriate for purposes of rendering this opinion.

As to questions of fact material to our opinion, we have relied, without undertaking to verify the same by independent investigation, upon representations and certifications of the Issuer, public officials and others contained in the certified proceedings and other certificates, instruments and documents furnished to us.

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

1. The Issuer is a body corporate and politic validly existing under the Act, with the corporate power to execute and deliver the Indenture and to issue, execute and deliver the Bonds.

2. The Indenture has been duly authorized, executed, and delivered by the Issuer and constitutes a legal, valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms. The Indenture creates the valid pledge and assignment which it purports to create of the Trust Estate (defined in the Indenture).

3. The Bonds have been duly authorized, executed, issued and delivered by the Issuer in accordance with the Act and the Indenture, and constitute legal, valid and binding special obligations of the Issuer enforceable in accordance with their terms. The principal of and interest on the Bonds are payable solely from (and secured exclusively by) a pledge of the Trust Estate.

4. The interest on the Bonds is exempt from taxation in the State of Indiana for all purposes except the Indiana financial institutions tax and the Indiana inheritance tax.

It is to be understood that the rights of the holders of the Bonds and the Trustee and the enforceability thereof and of the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

BAKER & DANIELS

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF SERIES 2004 B BOND BANK INDENTURE

The following is a summary of certain provisions of the Series 2004 B Bond Bank Indenture. This summary does not purport to be comprehensive and is subject in all respects to the provisions of, and is qualified in its entirety by reference to, the Series 2004 B Bond Bank Indenture. Certain capitalized terms used in this summary are defined in the Official Statement and in Appendix A, "DEFINITIONS."

Revenues, Funds And Accounts

A. Creation of Funds and Accounts.

The Bond Bank creates and establishes the following Funds and Accounts to be held by the 2004 B Bond Bank Trustee under the Series 2004 B Bond Bank Indenture: (a) the General Fund; and (b) the Series 2004 B Bond Bank Reserve Fund. The General Fund contains the "General Account," the "Redemption Account" and the "Bond Issuance Expense Account."

B. Deposit of Net Proceeds of Series 2004 B Bonds, Revenues and Other Receipts.

The Series 2004 B Bond Bank Trustee will deposit the Net Proceeds from the sale of the Series 2004 B Bonds, as follows:

(a) Into the General Account an amount, if any, equal to the Program Expenses of the Bond Bank to be paid in connection with the Series 2004 B Bonds;

(b) Into the Bond Issuance Expense Account an amount sufficient to pay the Costs of Issuance in connection with the Series 2004 B Bonds (other than the Underwriter's discount and the premiums for the Bond Insurance Policy and any Qualified Surety Bond);

(c) Into the Series 2004 B Bond Bank Reserve Fund (or, by means of the Qualified Surety Bond) an amount sufficient to equal, together with other amounts available for deposit to the Series 2004 B Bond Bank Reserve Fund, the Series 2004 B Bond Bank Reserve Requirement;

(d) Into the General Account the remainder of the Net Proceeds of the Series 2004 B Bonds.

Upon receipt of any Revenues or other receipts (except the proceeds of the Series 2004 B Bonds and moneys received upon sale or redemption prior to maturity of Series 2004B City Bonds), the 2004 B Bond Bank Trustee will deposit into the General Account or such other Funds or Accounts as provided in the Series 2004 B Bond Bank Indenture. Any moneys received pursuant to Indiana Code 5-1.4-5-4 to replenish the Series 2004 B Bond Bank Reserve

Fund will be deposited in the Series 2004 B Bond Bank Reserve Fund and applied in accordance with the Act and the Series 2004 B Bond Bank Indenture.

Operation Of Funds And Accounts

A. General Fund.

1. General Account. The Series 2004 B Bond Bank Trustee will deposit in the General Account of the General Fund all moneys required to be deposited therein pursuant to the Series 2004 B Bond Bank Indenture. The Series 2004 B Bond Bank Trustee will invest such funds in accordance with the Series 2004 B Bond Bank Indenture and will make the following payments from the General Account on the specified dates and, if there are insufficient funds to make all the payments required, with the following order of priority:

(a) On the date of initial delivery of the Series 2004 B Bonds, to purchase the Series 2004B City Bonds in accordance with the procedures established by the Bond Bank, upon submission of requisitions and certifications of the Bond Bank signed by an Authorized Officer stating that all requirements with respect to such financing set forth in the Series 2004 B Bond Bank Indenture have been or will be complied with;

(b) On or before 10:00 a.m. in the city in which the Series 2004 B Bond Bank Trustee is located, on the second business day next preceding each Interest Payment Date, to the Series 2004 B Bond Bank Trustee such amount as will be necessary to pay the principal and interest coming due on the Series 2004 B Bonds;

(c) At such times as will be necessary, to the Bond Insurer all sums of money due to it in accordance with the terms of the Insurance Agreement;

(d) As soon as funds become available and only to the extent necessary, to the Series 2004 B Bond Bank Reserve Fund sufficient amounts to assure that the Series 2004 B Bond Bank Reserve Requirement is met from time to time;

(e) As necessary, to the Reserve Fund Credit Provider, to pay any Reserve Fund Reimbursement Obligation in the manner provided in the Series 2004 B Bond Bank Indenture; and

(f) At such times as will be necessary, the reasonable Program Expenses, if any but only to the extent contemplated in the most recent Cash Flow Certificate, unless any Program Expenses in excess of such amount are assessed under the Series 2004B Qualified Entity Purchase Agreement.

To the extent debt service on the Series 2004 B Bonds is paid from Investment Earnings, the City will be credited with making such payments and any obligations under the Series 2004B City Bonds so paid will be deemed satisfied.

2. Redemption Account. The Series 2004 B Bond Bank Trustee will deposit in the Redemption Account all moneys received from the sale or redemption prior to maturity of Series

2004B City Bonds by the Bond Bank and all other moneys required to be deposited therein pursuant to the provisions of the Series 2004 B Bond Bank Indenture and will disburse the funds in the Redemption Account as follows:

(a) On the fifteenth day of each month, to the General Account an amount equal to the principal which would have been payable during the following month if such Series 2004 B City Bonds had not been sold or redeemed prior to maturity;

(b) On the second business day next preceding each Interest Payment Date if moneys in the General Account are not sufficient to make the payments of principal and interest required to be made on such date, the Series 2004 B Bond Bank Trustee will transfer to the General Account moneys in the Redemption Account not already committed to the redemption of Series 2004 B Bonds for which notice of redemption has been given;

(c) After providing for the payments required under paragraphs (a) and (b) above, moneys in the Redemption Account may be used (i) to redeem Series 2004 B Bonds of such maturity or maturities as directed by the Authorized Officer if such Series 2004 B Bonds are then subject to redemption, (ii) to purchase Series 2004B City Bonds permitted by the Series 2004 B Bond Bank Indenture, (iii) to the extent there are any excess moneys in the Redemption Account, to transfer to the General Account, (iv) to purchase Series 2004 B Bonds of such maturity or maturities as directed by an Authorized Officer at the most advantageous price obtainable with reasonable diligence, whether or not such Series 2004 B Bonds will then be subject to redemption, or (v) to invest such moneys until the maturity or maturities of Series 2004 B Bonds as directed by an Authorized Officer in accordance with the Series 2004 B Bond Bank Indenture. Such purchase price may not, however, exceed the redemption price which would be payable on the next ensuing date on which the Series 2004 B Bonds so purchased are redeemable according to their terms unless the Bond Bank provides the Series 2004 B Bond Bank Trustee with a Cash Flow Certificate to the effect that the purchase at a price in excess of the redemption price will not result in Revenues, together with moneys expected to be held in the Funds and Accounts, being less than an amount equal to Debt Service on all outstanding Series 2004 B Bonds. The Series 2004 B Bond Bank Trustee will pay the interest accrued on the Series 2004 B Bonds so purchased to the date of delivery of the Series 2004 B Bonds to the Series 2004 B Bond Bank Trustee from the General Account and the balance of the purchase price from the Redemption Account, but no such purchase will be made by the Series 2004 B Bond Bank Trustee within the period of sixty (60) days next preceding an Interest Payment Date or a date on which such Series 2004 B Bonds are subject to redemption under the provisions of the Series 2004 B Bond Bank Indenture; and the Series 2004 B Bond Bank Trustee will deliver the Bonds so purchased to the Registrar within five (5) days from the date of delivery to the Series 2004 B Bond Bank Trustee; and

(d) If the Series 2004 B Bond Bank Trustee is unable to purchase Series 2004 B Bonds in accordance with and under the preceding paragraph (c), then, subject to any restrictions on redemption set forth in the Series 2004 B Bond Bank Indenture, and subject to clause (c)(i) in the immediately preceding paragraph, the Series 2004 B Bond Bank Trustee will call for redemption on the next redemption date such amount of Series 2004 B Bonds of such maturity or maturities directed by an Authorized Officer as, at the redemption price thereof, will exhaust the Redemption Account as nearly as possible.

The Series 2004 B Bond Bank Trustee will pay the interest accrued on the Series 2004 B Bonds so redeemed to the date of redemption from the General Account and will pay the redemption price from the Redemption Account.

The Series 2004 B Bond Bank Trustee may, upon written direction from the Bond Bank, transfer moneys in the Redemption Account to the General Account if the Bond Bank provides the Series 2004 B Bond Bank Trustee with a Cash Flow Certificate to the effect that after such transfer and after any transfer from the General Account to the Bond Bank, Revenues, together with moneys expected to be held in the Funds and Accounts, would at least equal Debt Service on all Outstanding Series 2004 B Bonds along with Program Expenses, if any.

3. Bond Issuance Expense Account. The Series 2004 B Bond Bank Trustee will deposit in the Bond Issuance Expense Account the moneys required to be deposited by the Series 2004 B Bond Bank Indenture, will invest such funds pursuant to the Series 2004 B Bond Bank Indenture and will disburse the funds held in the Bond Issuance Expense Account upon receipt of invoices or requisitions certified by an Authorized Officer of the Bond Bank or his designee to pay the Costs of Issuance of the Series 2004 B Bonds or to reimburse the Bond Bank for amounts previously advanced for such Costs of Issuance and to transfer moneys therefrom to the General Account. In making disbursements from the Bond Issuance Expense Account, the Series 2004 B Bond Bank Trustee may rely upon such certification and invoices without further investigation. Any amounts remaining in the Bond Issuance Expense Account ninety (90) days after the issuance of the Series 2004 B Bonds will be transferred by the Series 2004 B Bond Bank Trustee to the General Account, at which time the Bond Issuance Expense Account may, at the direction of the Bond Bank, be closed.

B. Draws on Liquidity Facility.

On or before 10:00 a.m., Cleveland, Ohio time, on the date upon which any Series 2004 B Bonds secured by the Liquidity Facility are to be purchased, the Series 2004 B Bond Bank Trustee will draw on the Liquidity Facility an amount which, when added to the remarketing proceeds (if any), will be sufficient for the purpose of paying the purchase price coming due and payable on such Series 2004 B Bonds (or beneficial interests therein) on such purchase date; provided, however, that the Series 2004 B Bond Bank Trustee will not draw on the Liquidity Facility with respect to the payment of any Bank Bond or Bond Bank Bond. The Liquidity Facility Provider, in accordance with the terms of the Liquidity Facility, will cause funds so drawn to be wired to the Tender Agent (if the Series 2004 B Bonds are not held in book-entry form) or the applicable Remarketing Agent (if the Series 2004 B Bonds are held in book-entry form) not later than 2:30 p.m., Cleveland, Ohio time, on the purchase date. All amounts paid to the Tender Agent or the Remarketing Agent with respect to the Liquidity Facility will be deposited in the Purchase Fund held by the Tender Agent or the account maintained by the Remarketing Agent.

C. Series 2004 B Bond Bank Reserve Fund.

The Series 2004 B Bond Bank Trustee will deposit in the Series 2004 B Bond Bank Reserve Fund all moneys required to be deposited therein pursuant to the Series 2004 B Bond Bank Indenture or the Series 2004B Qualified Entity Purchase Agreement to cause the Series 2004 B Bond Bank Reserve Fund to be equal to the Series 2004 B Bond Bank Reserve Requirement, will invest such funds in accordance with the Series 2004 B Bond Bank Indenture, and, except as provided below, will disburse the funds held in the Series 2004 B Bond Bank Reserve Fund solely to the General Account for the payment of interest on and principal of Series 2004 B Bonds, and only if moneys in the General Account are insufficient to pay principal of and interest on the Series 2004 B Bonds outstanding under the Series 2004 B Bond Bank Indenture after making all the transfers thereto required to be made from the Redemption Account.

Notwithstanding the foregoing, the Bond Bank may satisfy all or any part of its obligation to maintain an amount in the Series 2004 B Bond Bank Reserve Fund at least equal to the Series 2004 B Bond Bank Reserve Requirement by depositing a Reserve Fund Credit Instrument in the Series 2004 B Bond Bank Reserve Fund. To the extent a Reserve Fund Credit Instrument is on deposit in the Series 2004 B Bond Bank Reserve Fund, any cash on deposit in the Series 2004 B Bond Bank Reserve Fund will be disbursed first and prior to drawing upon the Reserve Fund Credit Instrument.

If the moneys in the Series 2004 B Bond Bank Reserve Fund exceed the Series 2004 B Bond Bank Reserve Requirement, such excess will be transferred at least semiannually in the following order: (1) moneys deposited in the Series 2004 B Bond Bank Reserve Fund pursuant to Indiana Code 5-1.4-5-4 and the Series 2004 B Bond Bank Indenture upon the direction of and Authorized Officer of the Bond Bank, to the City to repay such appropriation; and (2) any other moneys in excess of the Series 2004 B Bond Bank Reserve Requirement to the General Account.

D. Investment of Moneys.

Subject to the restrictions set forth in the Series 2004 B Bond Bank Indenture, moneys held in each Fund and Account (except the Redemption Account) will be invested and reinvested by the Series 2004 B Bond Bank Trustee upon oral directions (immediately confirmed in writing) of the Bond Bank in Investment Securities, maturing no later than the date on which it is estimated that such moneys will be required to be paid out under the Series 2004 B Bond Bank Indenture. Moneys in the Redemption Account will be invested only in Defeasance Obligations. The Series 2004 B Bond Bank Trustee may rely on any written investment instructions it receives from an Authorized Officer of the Bond Bank as to the suitability of such investments. Moneys held by the Remarketing Agent for the purpose of paying the purchase price of beneficial interests in Series 2004 B Bonds tendered or required to be tendered for purchase and moneys held by the Tender Agent in any Purchase Fund will not be invested by the Remarketing Agent or the Tender Agent. All investment instructions under the Series 2004 B Bond Bank Indenture will be provided orally (confirmed in writing) to the Series 2004 B Bond Bank Trustee

no later than one Business Day prior to the making of the investment directed therein. The Series 2004 B Bond Bank Trustee will be entitled to rely on all investment instructions provided by the Bond Bank under the Series 2004 B Bond Bank Indenture, and will have no duty to monitor the compliance thereof with the restrictions set forth in the Series 2004 B Bond Bank Indenture, but will be responsible for determining that such investments constitute Investment Securities. The Series 2004 B Bond Bank Trustee will not be responsible or liable for the performance of any such investments or for keeping the moneys held by it pursuant to the Series 2004 B Bond Bank Indenture fully invested at all times. Any obligations acquired by the Series 2004 B Bond Bank Trustee as a result of investment or reinvestment will be held by or under the control of the Series 2004 B Bond Bank Trustee (except for such investments held in book entry form) and will be deemed to constitute a part of the Fund or Account from which the moneys used for its purchase were taken. All investment income derived from any Fund or Account held pursuant to the Series 2004 B Bond Bank Indenture will be deposited as received in the General Account, except for Investment Earnings on investment of funds in the Series 2004 B Bond Bank Reserve Fund which will remain in the Series 2004 B Bond Bank Reserve Fund until the balance in such Fund equals the Series 2004 B Bond Bank Reserve Requirement from time to time and thereafter be retained or disbursed as provided in the Series 2004 B Bond Bank Indenture. The Series 2004 B Bond Bank Trustee may make any and all such investments through its bond department or through the bond department of any financial institution which is an affiliate of the Series 2004 B Bond Bank Trustee and may trade with itself or any of its affiliates in doing so. Moneys in separate Funds and Accounts may be commingled for the purpose of investment or deposit. Instructions of the Bond Bank to the Series 2004 B Bond Bank Trustee with respect thereto, will be made in accordance with prudent investment standards reasonably expected to produce the greatest investment yields. Any investment losses will be charged to the Fund or Account in which moneys used to purchase such investment had been deposited. For so long as the Series 2004 B Bond Bank Trustee is in compliance with the provisions of the Series 2004 B Bond Bank Indenture, the Series 2004 B Bond Bank Trustee will not be liable for any investment losses. Moneys in any Fund or Account will be invested in Investment Securities with a maturity date, or a redemption date determined by the owner of the Investment Securities at that owner's option, which will coincide as nearly as practicable with times at which moneys in such Funds or Accounts will be required for the purposes thereof. The Series 2004 B Bond Bank Trustee will sell and reduce to cash a sufficient amount of such investments in the respective Fund or Account whenever the cash balance therein is insufficient to pay the amounts contemplated to be paid therefrom at the time those amounts are to be paid.

In computing the amount in any Fund or Account held under the provisions of the Series 2004 B Bond Bank Indenture, except the Series 2004 B Bond Bank Reserve Fund, obligations purchased as an investment of moneys therein having a stated maturity of less than two (2) years will be valued at the cost thereof (including in such cost accrued interest paid and unamortized debt discount) and all other obligations purchased as an investment of moneys will be valued at the cost (including in such cost accrued interest paid and unamortized debt discount) or market price thereof, whichever is lower, exclusive of accrued interest earned, except that securities covered by repurchase agreement will be valued at the market value of the collateral securing the repurchase agreement. When market prices for obligations held under the Series 2004 B bond Bank Indenture are not readily available, the market price for such obligations may be determined in such manner as the Series 2004 B Bond Bank Trustee deems reasonable. In

computing the amount in the Series 2004 B Bond Bank Reserve Fund and compliance with the Series 2004 B Bond Bank Reserve Requirement, Investment Securities purchased as an investment of moneys held in such Fund will be valued at fair market value.

Covenants Concerning the Series 2004 B Bonds

The Bond Bank has covenanted and agreed that it will pay, or cause to be paid, the principal of, premium, if any, interest on the Series 2004 B Bonds on the dates, at the places and in the manner provided in the Series 2004 B Bond Bank Indenture and in such Series 2004 B Bonds according to the true intent and meaning thereof, any amounts due to the Liquidity Facility Provider in accordance with the Standby Bond Purchase Agreement and any amounts due to the Bond Insurer in accordance with the Insurance Agreement, provided that such payments are payable by the Bond Bank solely from the Series 2004 B Bond Bank Trust Estate and any other funds or assets of the Bond Bank hereinafter pledged to the Series 2004 B Bond Bank Trustee as security to the Bond Bank to the extent of that pledge. In order to provide for the payment of the principal of, premium, if any, interest on the Series 2004 B Bonds, any amounts due to the Liquidity Facility Provider in accordance with the Standby Bond Purchase Agreement and any amounts due to the Bond Insurer in accordance with the Insurance Agreement and Program Expenses, the Bond Bank will from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, the provisions of the Series 2004 B Bond Bank Indenture and sound banking practices and principles, to the extent necessary to provide for the payment of the Series 2004 B Bonds (i) do all such acts and things as will be necessary to receive and collect Revenues (including enforcement of the prompt collection of all arrears on Series 2004B City Bond Payments), and (ii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Bond Bank to protect its rights with respect to or to maintain any insurance on Series 2004B City Bonds and to enforce all terms, covenants and conditions of Series 2004B City Bonds including the collection, custody and prompt application of all escrow payments required by the terms of a Series 2004B City Bond for the purposes for which they were made. Whenever necessary in order to provide for the payment of debt service on the Series 2004 B Bonds, the Bond Bank will commence appropriate remedies with respect to any Series 2004B City Bond which is in default.

The Bond Bank will not assign the Series 2004 B Bond Bank Trust Estate or create or authorize to be created any debt, lien or charge thereon, other than the assignment thereof and the granting of a security interest therein except as expressly permitted by the Series 2004 B Bond Bank Indenture.

The Bond Bank covenants and agrees that the Series 2004 B Bond Bank Trustee may defend its rights to the payment of the Revenues for the benefit of the owners of the Series 2004 B Bonds against the claims and demands of all persons whomsoever. The Bond Bank covenants and agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental to the Series 2004 B Bond Bank Indenture and such further acts, instruments and transfers as the Series 2004 B Bond Bank Trustee may reasonably require for the better assuring, transferring, pledging, assigning and confirming unto the Series 2004 B Bond Bank Trustee all and singular the rights assigned by the

Series 2004 B Bond Bank Indenture and the amounts and other property pledged by the Series 2004 B Bond Bank Indenture to the payment of the principal of and interest on the Series 2004 B Bonds.

The Series 2004 B Bond Bank Trustee covenants and agrees to retain or cause its agent to retain possession of each Series 2004B City Bond and a copy of the transcript or documents related thereto and release them only in accordance with the provisions of the Series 2004 B Bond Bank Indenture. The Bond Bank and the Series 2004 B Bond Bank Trustee covenant and agree that all books and documents in their possession relating to the Series 2004B City Bonds will at all times be open to inspection by the Bond Insurer, so long as the Bond Insurance Policy remains in full force and effect, such accountants or other agencies or persons as the Bond Bank or the Series 2004 B Bond Bank Trustee may from time to time designate.

The Series 2004 B Bond Bank Trustee further covenants and agrees to cause to be kept and filed all financing statements related to the Series 2004 B Bond Bank Indenture and all supplements thereto, and such other documents as may be necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the owners of the Series 2004 B Bonds and the rights of the Series 2004 B Bond Bank Trustee under the Series 2004 B Bond Bank Indenture. In carrying out its duties pursuant to this paragraph, the Series 2004 B Bond Bank Trustee will be entitled to rely on an Opinion of Counsel specifying what actions are required to comply with this paragraph.

Covenants with Respect to Series 2004B City Bonds

With respect to the Series 2004B City Bonds purchased by the Bond Bank, the Bond Bank has covenanted as follows:

(a) The Bond Bank covenants and agrees that it will not permit or agree to any material change in any Series 2004B City Bonds (other than one for which consent by the Bond Bank is not required) unless the Bond Bank supplies the Series 2004 B Bond Bank Trustee with a Cash Flow Certificate to the effect that after such change, Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts, will at least equal the Adjusted Debt Service Requirements on all Outstanding Series 2004 B Bonds in each such Fiscal Year along with Program Expenses, if any.

(b) Only to the extent that such action would not adversely affect the validity of the Series 2004B City Bonds or other obligations of the City, or cause such Series 2004B City Bonds to be considered debt of the City, the Bond Bank will pursue the remedies set forth in the Act, particularly Indiana Code 5-1.4-8-4.

(c) The Bond Bank covenants and agrees that it will enforce or authorize the enforcement of all remedies available to owners or holders of Series 2004B City Bonds, unless (i) the Bond Bank provides the Series 2004 B Bond Bank Trustee with a Cash Flow Certificate to the effect that, if such remedies are not enforced, Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts, will at least equal the Adjusted Debt Service Requirements on all Outstanding Series 2004 B Bonds in each such Fiscal Year along with Program

Expenses, if any, and (ii) the Series 2004 B Bond Bank Trustee determines that failure to enforce such remedies will not adversely affect the interest of the Bondholders in any material way.

(d) The Bond Bank covenants and agrees that it will not sell or dispose of any Series 2004B City Bonds unless the Bond Bank provides to the Series 2004 B Bond Bank Trustee a Cash Flow Certificate to the effect that after such sale, Revenues expected to be received in each Fiscal Year, together with moneys expected to be held in the Funds and Accounts minus any proceeds of such sale to be transferred from any Fund or Account, will at least equal the Adjusted Debt Service Requirements on all Outstanding Series 2004 B Bonds along with Program Expenses, if any, in each such Fiscal Year. Proceeds of such sales will be invested only in Defeasance Obligations or in Series 2004B City Bonds which the Bond Bank is permitted to purchase under the Series 2004 B Bond Bank Indenture or disbursed as provided herein.

Accounts and Reports

The Bond Bank covenants and agrees to keep proper books of record and accounts (separate from all other records and accounts) in which complete and correct entries will be made of its transactions relating to the Program and the Funds and Accounts established by the Series 2004 B Bond Bank Indenture. Such books, and all other books and papers of the Bond Bank and such Funds and Accounts will at all reasonable times be subject to the inspection of the Series 2004 B Bond Bank Trustee, the Bond Insurer, so long as the Bond Insurance Policy remains in full force and effect, and the owners of an aggregate of not less than five percent (5%) in principal amount of the Series 2004 B Bonds then Outstanding or their representatives duly authorized in writing.

The Series 2004 B Bond Bank Trustee covenants and agrees to provide to the Bond Bank prior to the twentieth day of each month a statement of the amount on deposit in each Fund and Account as of the last day of the preceding month and of the total deposits to and withdrawals from each Fund and Account during the preceding month. The Bond Bank may provide for less frequent statements so long as such statements are supplied no less frequently than quarterly.

The reports, statements and other documents required to be furnished to the Series 2004 B Bond Bank Trustee pursuant to any provision of the Series 2004 B Bond Bank Indenture will be provided by the Series 2004 B Bond Bank Trustee at the expense of the Bond Bank to any owner (or designated representative) of five percent (5%) or more in aggregate principal amount of Series 2004 B Bonds then Outstanding who files or has filed a written request therefor with the Series 2004 B Bond Bank Trustee.

Within two hundred ten (210) days after the close of each Fiscal Year, the Bond Bank covenants and agrees to file with the Series 2004 B Bond Bank Trustee a copy of an annual report as to the operations of the Bond Bank during such Fiscal Year and audited financial statements prepared in conformity with generally accepted accounting principles by an accounting firm appointed by the Bond Bank. Such financial statements should set forth in reasonable detail a balance sheet showing the assets and liabilities of the Program, a statement of revenues and expenses of the Program, and a statement of changes in financial position of the

Program which may be presented on a consolidated or combined basis with other reports of the Bond Bank (including reports on other programs) but only to the extent that the transactions conducted with respect to the Series 2004 B Bond Bank Indenture and the Program are accurately reflected. The 2004 B Bond Bank Trustee will have no duty to review or analyze such financial statements and will hold such financial statements solely as a repository for the benefit of the Bondholders.

The Bond Bank covenants and agrees to provide to the Series 2004 B Bond Bank Trustee copies of all reports filed with the Bond Bank by the City pursuant to the Series 2004B Qualified Entity Purchase Agreement and the Series 2004 B Bond Bank Trustee agrees to provide copies of such reports to the Bond Insurer, so long as the Bond Insurance Policy remains in full force and effect.

Annual Budget

The Bond Bank will, at least sixty (60) days prior to the beginning of each Fiscal Year (commencing January 1, 2005), prepare and file in the office of the Series 2004 B Bond Bank Trustee a preliminary budget covering its operations for the succeeding Fiscal Year which will be open to inspection by any holder of at least five percent (5%) of the Outstanding Series 2004 B Bonds. The Series 2004 B Bond Bank Trustee will have no duty to review or inspect such budget and will hold such budget solely as a repository for the Bondholders.

Certification Covenants

The Bond Bank covenants that if a deficiency in or depletion of the Series 2004 B Bond Bank Reserve Fund (including any projected draw on any Qualified Surety Bond) below the Series 2004 B Bond Bank Reserve Requirement is projected in the Bond Bank's annual budget, the Chairman of the Bond Bank will certify such projected deficiency or depletion (or draw on any Qualified Surety Bond) to the City-County Council on or before December 1 of the year prior to the Fiscal Year in which the deficit or depletion (or draw on any Qualified Surety Bond) is projected to occur, or within 90 days of such projection, whichever is earlier, and deliver a copy of the same to the Bond Insurer, so long as the Bond Insurance Policy is in full force and effect.

The Bond Bank will take all actions required or permitted by Indiana Code 5-1.4-5-4, as amended from time to time, to certify to the City-County Council any deficiency in or depletion of the Series 2004 B Bond Bank Reserve Fund (including any projected draw on any Qualified Surety Bond) within 90 days of such deficiency or depletion (or draw on any Qualified Surety Bond) regardless of whether such deficiency or depletion (or draw on any Qualified Surety Bond) was projected in the annual budget and deliver a copy of the same to the Bond Insurer, so long as the Bond Insurance Policy is in full force and effect.

Cash Flow Certificates and Verifications

At any time that the provisions of the Series 2004 B Bond Bank Indenture require that a Cash Flow Certificate be prepared, such certificate will set forth:

(a) the Revenues expected to be received on all Series 2004B City Bonds financed or expected to be financed with proceeds of the Series 2004 B Bonds;

(b) all other Revenues, including the interest to be earned and other income to be derived from the investment of the Funds and Accounts and the rate or yields used in estimating such amounts;

(c) all moneys expected to be in the Funds and Accounts (with respect to the Series 2004 B Bond Bank Reserve Fund, only to the extent provided in subparagraph (d) immediately below);

(d) the amount, if any, expected to be withdrawn from the Series 2004 B Bond Bank Reserve Fund, but only if the amount on deposit in the Series 2004 B Bond Bank Reserve Fund is expected to at least equal the Series 2004 B Bond Bank Reserve Requirement immediately after such withdrawal and such withdrawal is permitted by the Series 2004 B Bond Bank Indenture;

(e) the Adjusted Debt Service Requirements on all Series 2004 B Bonds expected to be Outstanding during such Fiscal Year; and

(f) the amount, if any, of Program Expenses expected to be paid from the Revenues.

In making any Cash Flow Certificate, the accountant or firm of accountants may contemplate the payment or redemption of Series 2004 B Bonds for the payment or redemption of which amounts have been set aside in the Redemption Account. The issuance of Series 2004 B Bonds, the making of transfers from one Fund to another, and the deposit of amounts in any Fund from any other source may be contemplated in a Cash Flow Certificate only to the extent that such issuance, deposit or transfer has occurred prior to or will occur substantially simultaneously with the delivery of such Cash Flow Certificate. The accountant or firm of accountants will also supply supporting schedules appropriate to show the sources and applications of funds used, identifying particular amounts to be transferred between Funds, amounts to be applied to the redemption or payment of Series 2004 B Bonds and amounts to be used to provide for Costs of Issuance, the debt service reserve and capitalized interest, if any, for the Series 2004 B Bonds. In the case of each annual Cash Flow Certificate, the amounts of existing Series 2004B City Bonds, existing Investment Securities and existing cash will be the amounts as of the last day of the preceding Fiscal Year. In the case of any other Cash Flow Certificate, such amounts will be the amounts as of the last day of the month preceding the month in which the Cash Flow Certificate is delivered but will be adjusted to give effect to scheduled payments of principal and interest on Series 2004B City Bonds, actual payments or proceeds with respect to Investment Securities and actual expenditures of cash expected by the Bond Bank through the end of the then current month.

Covenant to Monitor Investments

The Bond Bank has covenanted and agreed to regularly review the investments held by the Series 2004 B Bond Bank Trustee in the Funds and Accounts for the purpose of assuring that

the Revenues derived from such investments are sufficient to provide, together with other anticipated Revenues, the Debt Service on Outstanding Series 2004 B Bonds.

Discharge of Indenture

If the Bond Bank will pay or cause to be paid (other than through proceeds of the Bond Insurance Policy), or there will be otherwise paid, or provision will be made for the payment of, the principal of, premium, if any, and interest due or to become due on the Series 2004 B Bonds at the times and in the manner stipulated therein, and if the Bond Bank will not then be in default under any of the other covenants and promises in the Series 2004 B Bonds and the Series 2004 B Bond Bank Indenture to be kept, performed and observed by it or on its part, and if the Bond Bank will pay or cause to be paid: (i) to the Series 2004 B Bond Bank Trustee all sums of money due or to become due according to the provisions hereof or of the Series 2004 B Bonds, (ii) to the Liquidity Facility Provider any amounts due or to become due according to the provisions of the Standby Bond Purchase Agreement, (iii) to the Bond Insurer any amounts which may become due under the Insurance Agreement, and (iv) to the Reserve Fund Credit Provider of any Qualified Surety Bond any unpaid Reserve Fund Reimbursement Obligation, then, except for the rights of the Series 2004 B Bond Bank Trustee under the Series 2004 B Bond Bank Indenture, these presents and the interests in the Series 2004 B Bond Bank Trust Estate and rights granted by the Series 2004 B Bond Bank Indenture will cease, determine and be void, and the Series 2004 B Bond Bank Trustee will take such actions, at the request of the Bond Bank, as may be necessary to evidence the cancellation and discharge of the lien of the Series 2004 B Bond Bank Indenture.

While in a Weekly Rate Mode, the Series 2004 B Bonds will be deemed to be paid for all purposes of the Series 2004 B Bond Bank Indenture when (a) payment of (i) the principal of and the applicable redemption premium, if any, on such Series 2004 B Bonds, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Series 2004 B Bond Bank Indenture, or otherwise) and (ii) the purchase price for such Series 2004 B Bonds if tendered for purchase prior to its due date (whether such due date be by reason of maturity or upon redemption as provided in the Series 2004 B Bond Bank Indenture, or otherwise) will have been provided to the Series 2004 B Bond Bank Trustee by irrevocably depositing with the Series 2004 B Bond Bank Trustee, in trust, and the Series 2004 B Bond Bank Trustee will have irrevocably set aside exclusively such payments, funds in any amount sufficient to make such payment; (b) the Series 2004 B Bond Bank Trustee will have been given irrevocable written instructions to call such Series 2004 B Bonds for redemption on a date certain, if such Series 2004 B Bonds are to be called for redemption prior to maturity; (c) the Series 2004 B Bond Bank Trustee receives notice from each Rating Service, promptly confirmed in writing to the Series 2004 B Bond Bank Trustee, with a copy to the Bond Insurer, of the rating that the Series 2004 B Bonds will bear after payment is provided therefor in accordance with this paragraph and such rating is neither lower than the rating borne by the Series 2004 B Bonds immediately prior to any such provision for payment, nor withdrawn; (d) all necessary and proper fees, compensation and expenses of the Series 2004 B Bond Bank Trustee and the Tender Agent pertaining to such Series 2004 B Bonds will have been paid or the payment thereof provided for to the satisfaction of the Series 2004 B Bond Bank Trustee; and (e) so long as the Bond Insurance Policy remains in full force and effect, the Bond Insurer will

be provided with an opinion of Counsel acceptable to the Bond Insurer that the Series 2004 B Bond has been legally defeased and that any escrow agreement establishing such defeasance operates to legally defease the Series 2004 B Bond within the meaning of the Series 2004 B Bond Bank Indenture.

Defaults and Remedies

A. Events of Default.

Any of the following events constitutes an Event of Default under the Series 2004 B Bond Bank Indenture:

(a) The Bond Bank defaults in the due and punctual payment of any interest on any Series 2004 B Bonds;

(b) The Bond Bank defaults in the due and punctual payment of the principal of any Series 2004 B Bonds whether at the stated maturity thereof or on any date fixed for mandatory sinking fund redemption;

(c) The Bond Bank fails to make required remittances to the Series 2004 B Bond Bank Trustee within the time limits prescribed in the Series 2004 B Bond Bank Indenture;

(d) The Bond Bank defaults in the performance or observance of any of its other covenants, agreements or conditions contained in the Series 2004 B Bond Bank Indenture or in the Series 2004 B Bonds and fails to remedy such Event of Default within the time provided in, and after notice thereof pursuant to the Series 2004 B Bond Bank Indenture;

(e) Any warranty, representation or other statement by or on behalf of the Bond Bank contained in the Series 2004 B Bond Bank Indenture or in any instrument furnished in compliance with or in reference to the Series 2004 B Bond Bank Indenture is found to be false or misleading in any material respect when made and there has been a failure to remedy such Event of Default within the Series 2004 B Bond Bank Indenture;

(f) A petition is filed against the Bond Bank to the extent such petition may be filed under applicable law, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days after such filing;

(g) The Bond Bank files a petition, to the extent such petition may be filed under applicable law, in voluntary bankruptcy or seeking relief under any provisions of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(h) The Bond Bank is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or liquidator or trustee of the Bond Bank or any of its property is appointed by

court order or takes possession and such order remains in effect or such possession continues for more than 60 days;

(i) The Bond Bank fails to restore the Series 2004 B Bond Bank Reserve Fund to the Series 2004 B Bond Bank Reserve Requirement within 60 days after the end of the Fiscal Year in which a deficiency occurs;

(j) The Bond Bank is rendered incapable of fulfilling its obligations under the Series 2004 B Bond Bank Indenture for any reason; or

(k) The Series 2004 B Bond Bank Trustee has received notice from the Bond Insurer that an event of default has occurred under the Insurance Agreement.

No default under subparagraphs (d) or (e) above will constitute an Event of Default until actual notice of the default by registered or certified mail has been given to the Bond Bank by the Series 2004 B Bond Bank Trustee or, the Bond Insurer, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of all Series 2004 B Bonds then Outstanding and the Bond Bank has had thirty (30) days after receipt of the notice to correct such default within the applicable period. If such default is correctable but cannot be corrected within the applicable period, it will not constitute an Event of Default if corrective action is instituted by the Bond Bank within the applicable period and diligently pursued until the default is corrected.

B. Rights and Remedies of Bondholders.

Upon the occurrence of an Event of Default, the Series 2004 B Bond Bank Trustee will notify the owners of all Series 2004 B Bonds then Outstanding of such Event of Default by registered or certified mail:

(a) The Series 2004 B Bond Bank Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on Outstanding Series 2004 B Bonds, including enforcement of any rights of the Bond Bank or the Series 2004 B Bond Bank Trustee under the Series 2004B City Bonds;

(b) The Series 2004 B Bond Bank Trustee may by action or suit in equity require the Bond Bank to account as if it were the Series 2004 B Bond Bank Trustee of an express trust for the holders of the Series 2004 B Bonds and may take such action with respect to the Series 2004B City Bonds as the Series 2004 B Bond Bank Trustee deems necessary or appropriate and in the best interest of the holders of Series 2004 B Bonds, subject to the terms of those Series 2004B City Bonds;

(c) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Series 2004 B Bond Bank Trustee and of the holders of Series 2004 B Bonds under the Series 2004 B Bond Bank Indenture, the Series 2004 B Bond Bank Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Revenues, issues, earnings, income, products and

profits thereof, pending such proceedings, with such powers as the court making such appointment will confer; and

(d) If the Series 2004 B Bond Bank Trustée certifies that there are sufficient moneys on deposit in the Funds and Accounts to pay principal of and accrued interest on all the Outstanding Series 2004 B Bonds, the Series 2004 B Bond Bank Trustee may declare the principal of and accrued interest on all Series 2004 B Bonds to be due and payable immediately in accordance with the provisions of the Series 2004 B Bond Bank Indenture and the Act, by notice to the Bond Bank and the Corporation Counsel of the City.

Subject to the Series 2004 B Bond Bank Indenture, an Event of Default has occurred, if requested to do so by the owners of twenty-five percent (25%) or more in aggregate principal amount of all Series 2004 B Bonds then Outstanding and if indemnified pursuant to the Series 2004 B Bond Bank Indenture, the Series 2004 B Bond Bank Trustee will be obligated to exercise such one or more of the rights, remedies and powers conferred by the Series 2004 B Bond Bank Indenture as the Series 2004 B Bond Bank Trustee, being advised by Counsel, deems most expedient in the interests of the Bondholders.

No right or remedy by the terms of the Series 2004 B Bond Bank Indenture conferred upon or reserved to the Series 2004 B Bond Bank Trustee or to the Bondholders is intended to be exclusive of any other right or remedy, but each and every such right or remedy will be cumulative and will be in addition to any other right or remedy given to 2004 B Bond Bank Trustee or to the Bondholders under the Series 2004 B Bond Bank Indenture or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy will not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission to exercise any right or remedy accruing upon any Event of Default will impair any such right or remedy or will be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default under the Series 2004 B Bond Bank Indenture, whether by the Series 2004 B Bond Bank Trustee or by the Bondholders, will extend to or will affect any subsequent Event of Default or will impair any rights or remedies consequent thereon.

Anything in the Series 2004 B Bond Bank Indenture to the contrary notwithstanding (except as described below), the owners of a majority in aggregate principal amount of Series 2004 B Bonds then Outstanding will have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Series 2004 B Bond Bank Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Series 2004 B Bond Bank Indenture, or for the appointment of a receiver or any other proceedings thereunder; provided that such direction will not be otherwise than in accordance with the provisions of law and of the Series 2004 B Bond Bank Indenture.

Upon the occurrence and continuance of an Event of Default and for so long as the Bond Insurance Policy remains in full force and effect, the Bond Insurer, acting alone, shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Series 2004 B Bonds or the Series 2004 B Bond Bank Trustee for the benefit of the holders of the Series 2004 B Bonds under the Series 2004 B Bond Bank Indenture.

C. Waivers of Events of Default.

At its discretion, with the consent of the Bond Insurer, so long as the Bond Insurance Policy remains in full force and effect, the Series 2004 B Bond Bank Trustee may waive any Event of Default and its consequences, and must do so upon the written request of the owners of (i) more than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of all the Series 2004 B Bonds then Outstanding in respect of which an Event of Default in the payment of principal or interest exists or (ii) more than fifty percent (50%) in aggregate principal amount of all Series 2004 B Bonds then Outstanding in the case of any other Event of Default. However, there may not be waived (A) any Event of Default in the payment of the principal of any Outstanding Series 2004 B Bonds at the specified date of maturity or (B) any Event of Default in the payment when due of the interest on any Outstanding Series 2004 B Bonds unless, prior to the waiver, all arrears of interest or principal due, as the case may be, with interest on overdue principal at the rate borne by such Series 2004 B Bonds, and all expenses of the Series 2004 B Bond Bank Trustee in connection with the Event of Default have been paid or provided for. In case of any such waiver, or in case any proceeding taken by the Series 2004 B Bond Bank Trustee on account of any such Event of Default has been discontinued or abandoned or determined adversely, then the Bond Bank, the Bond Insurer, the Series 2004 B Bond Bank Trustee and the owners of Series 2004 B Bonds will be restored to their former respective positions and rights under the Series 2004 B Bond Bank Indenture. No waiver will extend to any subsequent or other Event of Default or impair any rights consequent thereon. Notwithstanding the foregoing, for so long as the Bond Insurance Policy remains in full force and effect, the Bond Insurer will have the sole right to grant or direct any waiver of any Event of Default with respect to the Series 2004 B Bonds.

D. Rights and Remedies of Owners of Series 2004 B Bonds.

No owner of any Series 2004 B Bond will have any right to institute any proceeding at law or in equity for the enforcement of the Series 2004 B Bond Bank Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Series 2004 B Bond Bank Indenture, unless (i) a Default in payment has occurred and the Bond Insurer has failed to make payment with respect thereto in accordance with the terms of the Bond Insurance Policy after a proper claim thereunder, (ii) the owners of not less than twenty-five percent (25%) in aggregate principal amount of Series 2004 B Bonds then Outstanding have made written request to the Series 2004 B Bond Bank Trustee and have offered the Series 2004 B Bond Bank Trustee reasonable opportunity either to proceed to exercise the remedies granted in the Series 2004 B Bond Bank Indenture or to institute such action, suit or proceeding in its own name, (iii) such owners of Series 2004 B Bonds have offered to indemnify the Series 2004 B Bond Bank Trustee, as provided in the Series 2004 B Bond Bank Indenture, and (iv) the Series 2004 B Bond Bank Trustee has refused, or for sixty (60) days after receipt of such request

and offer of indemnification has failed, to exercise the remedies granted in the Series 2004 B Bond Bank Indenture or to institute such action, suit or proceeding in its own name. Such request and offer of indemnity are in every case at the option of Series 2004 B Bond Bank Trustee to be conditions precedent to the execution of the powers and trusts of the Series 2004 B Bond Bank Indenture, and to any action or cause of action for the enforcement of the Series 2004 B Bond Bank Indenture, or for the appointment of a receiver or for any other remedy thereunder, it being understood and intended that no one or more owners of the Series 2004 B Bonds will have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Series 2004 B Bond Bank Indenture by its, his, her or their action or to enforce any right thereunder except in the manner therein provided, and that all proceedings at law or in equity will be instituted, had and maintained in the manner therein provided and for the equal and ratable benefit of the owners of all Series 2004 B Bonds then Outstanding. However, nothing contained in the Series 2004 B Bond Bank Indenture will affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Series 2004 B Bonds at and after the maturity thereof, or the limited obligation of the Bond Bank to pay the principal of and interest on each of the Series 2004 B Bonds issued thereunder to the respective owners thereof at the time and place, from the source and in the manner expressed in the Series 2004 B Bonds. Notwithstanding the foregoing, for so long as the Bond Insurance Policy remains in full force and effect, the Bond Insurer will control all proceedings and the exercise of all rights or remedies.

Supplemental Indentures

The Bond Bank and the Series 2004 B Bond Bank Trustee may, without the consent of, or notice to, any of the owners of Series 2004 B Bonds, but with notice to the Bond Insurer so long as the Bond Insurance Policy is in full force and effect, enter into an indenture or indentures supplemental to the Series 2004 B Bond Bank Indenture for any one or more of the following purposes:

- (a) To cure any ambiguity, formal defect or omission in the Series 2004 B Bond Bank Indenture;
- (b) To grant to or confer upon the Series 2004 B Bond Bank Trustee for the benefit of the Bondholders any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Series 2004 B Bond Bank Trustee;
- (c) To subject to the Series 2004 B Bond Bank Indenture additional revenues, properties or collateral;
- (d) To modify, amend or supplement the Indenture, or any Supplemental Indenture thereto, in order to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Series 2004 B Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if the Bond Bank and the Series 2004 B Bond Bank Trustee so determine, to add to the Series 2004 B Bond Bank Indenture or any indenture supplemental thereto such other terms, conditions and provisions as may be permitted by the Trust Indenture Act of 1939 or similar federal

statute which the Series 2004 B Bond Bank Trustee in its sole discretion determines will not have a material adverse effect on the interests of the owners of the Series 2004 B Bonds;

(e) To add to the covenants and agreements of the Bond Bank contained in the Series 2004 B Bond Bank Indenture other covenants and agreements thereafter to be observed for the protection of the Bondholders or to surrender or limit any right, power or authority therein reserved to or conferred upon the Bond Bank;

(f) To achieve compliance of the Series 2004 B Bond Bank Indenture with any applicable federal securities law;

(g) To make necessary or advisable amendments that do not adversely affect the interests of the Holders in connection with the delivery to the Series 2004 B Bond Bank Trustee of an alternate liquidity facility;

(h) To evidence the appointment of a separate or co-trustee or the succession of a new trustee or the succession of a new Registrar, Paying Agent, Remarketing Agent or Tender Agent;

(i) To modify, amend or supplement the Series 2004 B Bond Bank Indenture in any manner that does not, in the opinion of the Trustee, have a material adverse effect upon the interest of the Bondholders.

Exclusive of Supplemental Indentures provided for by the Series 2004 B Bond Bank Indenture and subject to the terms and provisions contained in the Series 2004 B Bond Bank Indenture, and not otherwise, the owners of not less than a majority of the aggregate principal amount of the Series 2004 B Bonds then Outstanding which are affected (exclusive of Series 2004 B Bonds held by the Bond Bank) will have the right, from time to time, notwithstanding anything contained in the Series 2004 B Bond Bank Indenture to the contrary, to consent to and approve the execution by the Bond Bank and the Series 2004 B Bond Bank Trustee of such other Series 2004 B Bond Bank Indenture or indentures supplemental to the Series 2004 B Bond Bank Indenture as will be deemed necessary and desirable by the Series 2004 B Bond Bank Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Series 2004 B Bond Bank Indenture or in any Supplemental Indenture, but only with the express written consent of the Bond Insurer, so long as the Bond Insurance Policy is in full force and effect; provided, however, that nothing in this Section contained will permit, or be construed as permitting, without the consent of the owners of all then Outstanding Series 2004 B Bonds (regardless of any other provisions hereof related to the Bond Insurer being deemed to be the sole Bondholder), (a) an extension of the maturity dates of the principal or of the interest or redemption premium on any Series 2004 B Bond issued pursuant to the Series 2004 B Bond Bank Indenture, or (b) a reduction in the principal amount of any Series 2004 B Bond or change in the rate of interest or redemption premium, or (c) a privilege or priority of any Series 2004 B Bond or Series 2004 B Bonds over any other Bond or Series 2004 B Bonds, or (d) a reduction in the aggregate principal amount of the Series 2004 B Bonds required for consent to such Supplemental Indenture, or (e) the creation of any lien securing any Series 2004 B Bonds other than a lien ratably securing all of the Series 2004 B Bonds at any time Outstanding pursuant to the Series 2004 B Bond Bank Indenture, or (f) any

modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Series 2004 B Bond Bank Trustee without the written consent of the Series 2004 B Bond Bank Trustee.

Bond Insurance

As long as the Bond Insurance Policy is in effect and the Bond Insurer is not in default of its payment obligation under the Bond Insurance Policy, the Bond Insurer will be deemed the exclusive owner of the Series 2004 B Bonds for the purpose of (i) execution and delivery of any amendment, modification, supplement or change of the Series 2004 B Bond Bank Indenture requiring Bondholder consent, or (ii) the direction or right to consent to any action or remedy to be undertaken by the Series 2004 B Bond Bank Trustee at the request of the owners of the Series 2004 B Bonds.

As long as the Bond Insurance Policy is in effect and the Bond Insurer is not in default of its payment obligation under the Bond Insurance Policy, the Bond Insurer, as the deemed owner of the Series 2004 B Bonds, will have the right to direct all remedies if an Event of Default will have occurred with respect to the Series 2004 B Bonds. The Bond Insurer will have the right to institute any suit, action, or proceeding at law or in equity as holders of the Series 2004 B Bonds in accordance with the Series 2004 B Bond Bank Indenture. Any acceleration of principal payments on the Series 2004 B Bonds is subject to the prior consent of the Bond Insurer.

On the date of closing, the Bond Bank will enter into the Insurance Agreement which contains additional covenants and obligations of the Bond Bank with respect to the Series 2004 B Bonds.

Substitution of Bond Insurance Policy

If the financial strength rating of the Bond Insurer will be lowered by both Moody's and S&P below the two top rating categories assigned by such Rating Services (without giving effect to numeric or other qualifiers), then the Bond Bank will, within ninety (90) days following the occurrence of such event either (i) cause the Bond Insurer to be replaced by a bond insurance company the financial strength of which is rated in the top rating category by a Rating Service, or (ii) cause the Series 2004 B Bonds to be additionally insured by another bond insurer whose financial strength is rated in the top rating category by a Rating Service, resulting in Series 2004 B Bonds bearing the same rating as such additional bond insurer; provided, however, if the Bond Bank is unable to comply with the preceding clauses, the Bond Bank will use reasonable efforts to cause the Bond Insurer to be replaced by a bond insurance company with a financial strength rating of less than in the top rating category by a Rating Service, respectively, if (i) the Liquidity Facility Provider consents to such substitution and (ii) the financial strength of the substitute bond insurance company is higher than the financial strength of the Bond Insurer. On or prior to the date of the delivery of the Substitute Bond Insurance Policy, the Bond Bank will furnish to the Series 2004 B Bond Bank Trustee (i) an opinion of Counsel to the effect that the furnishing of such Substitute Bond Insurance Policy is authorized under the Series 2004 B bond Bank Indenture and complies with the terms hereof, and (ii) written evidence from S&P and Moody's, if the Series 2004 B Bonds are then rated by such Rating Services, to the effect that such Rating

Service has reviewed the proposed Substitute Bond Insurance Policy, and that, taking into account the substitution of the proposed Substitute Bond Insurance Policy for the Bond Insurance Policy, one of the requirements set forth in the Series 2004 B Bond Bank Indenture is satisfied and the rating on the Series 2004 B Bonds following such substitution will not be reduced or withdrawn from the rating on the Series 2004 B Bonds prior to such substitution.

Each Substitute Bond Insurance Policy will provide for the submission of claims thereunder, and the payment of properly submitted claims, on the same timing as that of the Bond Insurance Policy being substituted for, unless each Rating Service then maintaining a rating on the Series 2004 B Bonds will agree to some other timing.

APPENDIX D
FINANCIAL REPORT OF THE CITY OF INDIANAPOLIS

The Comprehensive Annual Financial Report of the City of Indianapolis (Component Unit of the Consolidated City of Indianapolis-Marion County) for the year ended December 31, 2002, is on file and may be obtained at the following nationally recognized municipal securities information repositories and is hereby incorporated by reference thereto:

1. **Bloomberg Municipal Repository**
100 Business Park Drive
Skillman, New Jersey 08558
Telephone: (609) 279-3225
Telecopy: (609) 279-5962
Website: http://www.bloomberg.com/markets/muni_contactinfo.html
E-mail: Munis@Bloomberg.com

2. **DPC Data Inc.**
One Executive Drive
Fort Lee, New Jersey
Telephone: (201) 346-0701
Telecopy: (201) 947-0107
Website: <http://www.dpcdata.com>
E-mail: nrmsir@dpcdata.com

3. **FT Interactive Data**
Attn: NRMSIR
100 William Street
New York, New York 1038
Telephone: (212) 771-6999
Telecopy: (212) 771-7390 (Secondary Market Information)
Telecopy: (212) 771-7391 (Primary Market Information)
Website: <http://www.interactivedata.com>
E-mail: NRMSIR@ftid.com

4. **Standard & Poor's J. J. Kenny Repository**
55 Water Street, 45th Floor
New York, New York 10041
Telephone: (212) 438-4595
Telecopy: (212) 438-3975
Website: jjkenney.com/jjkenny/pser_descrip_data_rep.html
E-mail: nrmsir_repository@sandp.com

The Comprehensive Annual Financial Report may also be obtained from the City Controller's office at the following address:

Ms. Barbara A Lawrence
City Controller
City of Indianapolis
200 East Washington Street
Indianapolis, Indiana 46204-3307
Telephone: (317) 327-4305
Telecopy: (317) 327-3953
E-mail: balawren@indygov.org

The following statistical tables are unaudited and excerpted from Section III of the Comprehensive Annual Financial Report.

CITY OF INDIANAPOLIS
General Governmental Expenditures By Function and Other Uses (A)
Last Ten Years
(In Thousands)

TABLE I

	Departmental and Modified Accrual Basis									
	2002	2001	2000	1999	1998	1997	1996 (B)	1995	1994	1993
General Government	\$ 38,546	\$ 24,118	\$ 21,001	\$ 16,286	\$ 15,560	\$ 16,252	\$ 18,742	\$ -	\$ -	\$ -
Public Safety	210,571	231,259	193,292	184,641	139,278	134,902	133,843	-	-	-
Public Works	108,604	115,513	109,306	116,492	111,792	111,311	108,540	-	-	-
Health and Welfare	4,689	4,560	4,973	5,550	5,596	5,284	5,007	-	-	-
Cultural and Recreation	26,211	23,387	21,185	21,216	19,532	19,041	18,071	-	-	-
Urban Redevelopment and Housing	29,396	28,461	22,554	23,799	27,506	34,666	36,180	-	-	-
Economic Development and Assistance	6,626	6,292	2,923	4,951	3,656	4,537	6,136	-	-	-
Protection of People and Property	-	-	-	-	-	-	-	120,349	118,290	114,374
Community Cultural and Recreation	-	-	-	-	-	-	-	16,730	16,215	17,201
Community Development and Welfare	-	-	-	-	-	-	-	50,293	40,687	37,458
Transportation and Related Services	-	-	-	-	-	-	-	32,748	41,808	36,869
Environmental Services	-	-	-	-	-	-	-	85,684	65,951	89,991
Executive/Legislative Affairs of Government	-	-	-	-	-	-	-	1,183	934	2,708
Administrative Services	-	-	-	-	-	-	-	25,826	23,229	16,563
Debt Service	86,626	141,856	104,974	198,368	172,886	75,978	80,919	114,246	78,438	128,515
Capital Outlays	115,949	81,629	97,434	116,943	101,465	136,675	139,223	168,732	208,699	138,445
Other Uses	186,433	38,453	58,221	47,288	54,230	17,290	14,893	64,092	62,490	10,967
TOTAL	\$ 813,651	\$ 695,528	\$ 635,663	\$ 735,534	\$ 651,501	\$ 555,936	\$ 561,554	\$ 679,883	\$ 656,741	\$ 593,091

(A) Includes General, Special Revenue, Debt Service, Capital Projects and Expendable Trust Funds.

(B) In 1996 certain changes were made to the financial statements to more appropriately reflect financial activity. These changes included modifying the functional name.

TABLE II

CITY OF INDIANAPOLIS
 General Revenues By Source and Other Financing Sources (A)
 Last Ten Years
 (In Thousands)

Year	Taxes	Licenses and Permits	Charges For Services	Other Intergovernmental Revenues		Traffic Violations and Court Fees	Interest and Other Operating Revenues	Other Financing Sources	Total Revenues
				Federal	State and Other				
2002	\$ 7,997	\$ 1,816	\$ 46,212	\$ 83,188	\$	\$	\$	\$ 260,408	\$ 845,927
2001	9,180	1,717	28,127	111,275				128,840	704,679
2000	7,872	1,616	29,588	86,084				94,769	626,383
1999	9,531	1,717	27,259	81,172				205,639	747,601
1998	9,305	1,616	29,747	60,113				160,063	664,296
1997	8,956	1,510	33,553	64,745				32,349	521,191
1996	8,107	1,417	38,241	58,106				42,905	514,172
1995	8,433	1,313	34,140	48,455				119,635	596,063
1994	8,114	1,216	48,246	29,515				100,942	532,181
1993	6,810	1,110	29,203	37,153				270,797	698,845

(A) Includes General, Special Revenue, Debt Service, Capital Projects and Pension Trust Funds.

TABLE III

CITY OF INDIANAPOLIS
Tax Revenues by Source (A)
Last Ten Years
(In Thousands)

Year	Total Taxes	Property Taxes	Wheel Taxes	Local Option Income Tax	Other Taxes (B)
2002	\$ 58,227	\$ 58,227			
2001	56,585	56,585			
2000	52,557	52,557 (E)			
1999	50,610	50,610			
1998 (D)	50,674	50,674			
1997	36,853 (C)	36,853 (C)			
1996	35,582 (C)	35,582 (C)			
1995	59,257	59,257			
1994	42,365	42,365			
1993	42,020	42,020			

(A) Includes General, Special Revenue, Debt Service and Capital Projects Funds.
 (B) Includes financial institution and other local taxes.
 (C) In 1996 and 1997, the Local Option Income Tax for pension funds is recorded directly in the Trust and Agency Funds.
 (D) Beginning in 1998, all taxes for pension funds are recorded in the General Fund.
 (E) Beginning in 2000, property taxes includes tax incremental finance (TIF) taxes which were previously included in other taxes.

CITY OF INDIANAPOLIS
Property Taxes Levied and Collected (A) (B) (D)
Last Ten Years
(In Thousands)

TABLE IV

Year	Taxes Levied	Marion County Auditors Credits (C)	Adjusted Levy	Current Taxes Collected	Percent of Adjusted Levy Collected	Delinquent Taxes Collected	Total Taxes Collected	Total Collections as Percent of Adjusted Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent of Adjusted Levy
2002	\$ 5,495	\$ 5,495	\$ 166,351	\$ 161,582	97.1 %	\$ 8,049	\$ 169,631	102.0 %	\$ 7,488	4.5 %
2001	4,272	4,272	168,777	163,786	97.0	7,093	170,879	101.2	7,545	4.5
2000	3,703	3,703	168,653	163,830 (E)	97.1	7,538	171,368	101.6	7,477	4.4
1999	1,760	1,760	172,166	162,624	94.5	7,496	170,120	98.8	12,498	7.3
1998	4,046	4,046	168,951	160,792	95.2	7,922	168,714	99.9	13,002	7.7
1997	5,870	5,870	158,090	151,944	96.1	7,361	159,305	100.8	12,642	8.0
1996	5,966	5,966	153,195	153,260	100.0	6,270	159,530	104.1	14,555	9.5
1995	2,292	2,292	152,744	144,396	94.5	9,221	153,617	100.6	13,848	9.1
1994	1,283	1,283	151,968	144,922	95.7	6,278	151,200	99.9	13,765	9.1
1993	2,063	2,063	151,940	147,100	96.8	7,878	154,978	102.0	11,675	7.7

(A) Includes General, Special Revenue, Debt Service and City Cumulative Capital Development Capital Projects Funds.
 (B) Data presented on the cash basis.
 (C) Data has been adjusted to reflect credits issued by the County Auditor's Office as a result of appeals or other adjustment.
 (D) Data presented is per the Marion County Auditor's Office.
 (E) Beginning in 2000, taxes collected does not include tax incremental finance (TIF) taxes.

TABLE V

CITY OF INDIANAPOLIS
Assessed and True Tax Actual Value of Taxable Property - County-Wide (A)
Last Ten Years
(In Thousands)

YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL	
	Assessed Value (B) (C)	True Tax Value	Assessed Value (B) (C)	True Tax Value	Assessed Value (B) (C)	True Tax Value
1993	\$ 1,046	\$ 8,162,071			\$ 28,982,117	\$ 28,982,117
1994	1,489	7,959,945			9,493,145	28,479,434
1995	1,808	7,723,644			9,211,484	27,634,452
1996	1,071	7,652,400			9,104,157	27,312,471
1997	1,729	7,291,940			8,855,890	26,567,669
1998	2,910	6,873,698			8,715,533	26,146,608
1999	2,501	6,470,887			8,384,462	25,153,388
2000	1,191	6,031,228	(D)		7,460,584	22,389,419
2001	1,162	5,836,136			7,269,766	21,809,298
2002	1,801	5,577,066			7,146,622	21,439,867

(A) Taxable Property is assessed at 33-1/3% of the True Tax Value for the years 1993 through 2001. It is assessed at 100% for 2002.
 (B) Represents the assessment (Marion County D32 "certified abstract") on March 1 of the prior year for taxes due and payable in the year indicate.
 (C) Data presented is per the Marion County Auditor's Office.
 (D) Includes \$19,965 in assessed value that was used to fund replacement credit in the mall districts.

TABLE VI

CITY OF INDIANAPOLIS
 Property Tax Rates - Direct and Overlapping Governments (B) (C)
 Last Ten Years

Year	City	County	Municipal Corporations	Total City County Council Approved	School	State	Other	Grand Total (A)
2002	\$ 1,2254	\$	\$ 1,1319	\$	\$ 1,9594	0.0033	\$	4,2343
2001	3,7670		3,77		5,9811	0.0100		12,6720
2000	3,7825		3,11		5,9552	0.0100		12,6762
1999	3,7948		3,36		5,8477	0.0100		12,6334
1998	3,7968		3,19		5,3888	0.0100		12,1918
1997	3,8033		3,12		5,5778	0.0100		12,5512
1996	3,8054		3,16		5,5294	0.0100		12,6861
1995	3,9140		3,17		5,7743	0.0100		13,1539
1994	3,9140		3,17		5,5658	0.0100		12,8528
1993	3,9140		3,17		5,2240	0.0100		12,9047

(A) Rate of District 101 (Indianapolis-Center Township), which is the only rate that includes all major services.
 Rate decreased because the assessed valuation increased by 3 times to True Tax Value.
 (B) Data presented is per the Marion County Auditor's Office.
 (C) Rate per \$100 of assessed valuation.

CITY OF INDIANAPOLIS
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita (A) (E)
Last Ten Years
(In Thousands)

TABLE VII
 Page 1

	Year	Assessed Value (B)	Gross Bonded Debt	Debt Service Fund Balance	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Percentage of Net Bonded Debt to Limit	Net Bonded Debt per Capita
Civil City (.67% Limit) (2000 Population: 860) (1990 Population: 742)	2002	\$ 146	\$	\$ 28	\$ 2,137	0.0 %	1 %	\$ 2.48
	2001	141		43	2,412	0.0	1	2.80
	2000	334		55	3,420	0.0	2	3.98
	1999	131		25	4,420	0.1	3	5.96
	1998	155		53	5,642	0.1	3	7.60
	1997	891		139	6,736	0.1	4	9.08
	1996	28		143	7,877	0.1	5	10.62
	1995	55		125	8,970	0.1	6	0.01
	1994	97		34	9,891	0.1	7	13.33
	1993	68		30	11,081	0.2	8	14.94
Redevelopment District (C) (D) (2000 Population: 860) (1990 Population: 742)	2002	\$ 16	\$	\$ 7,594	\$ 71	0.1 %	(C) %	\$ 35.55
	2001	11		5,009	113	0.4	(C)	36.27
	2000	14		6,469	2	0.3	(C)	32.35
	1999	11		2,994	35	0.3	(C)	39.79
	1998	15		1,027	19	0.4	(C)	40.72
	1997	11		1	45	0.4	(C)	40.41
	1996	18		(2)	6	0.4	(C)	38.84
	1995	15		31	2	0.4	(C)	0.04
	1994	17		17	8	0.3	(C)	31.81
	1993	18		12	3	0.8	(C)	70.33
Sanitary District (4% Limit) (2000 Population: 860) (1990 Population: 744)	2002	\$ 2	\$	\$ 1	\$	0.3 %	7 %	\$ 92.00
	2001					1.1	9	109.64
	2000					1.2	10	118.76
	1999					1.3	11	150.94
	1998					1.5	12	162.21
	1997					1.6	14	176.04
	1996					1.7	14	179.43
	1995					2.2	18	201.06
	1994					2.2	18	195.44
	1993					2.4	20	210.79
Public Safety Communications & Computer Facilities District (.33% Limit) (2000 Population: 860) (1990 Population: 744)	2002	\$ 28,982,117	\$ 15,000	\$ 1,204	\$ 13,796	0.0 %	14 %	\$ 16.04
	2001	9,493,145	15,000	735	14,265	0.2	15	16.59
	2000	9,211,484	15,000	756	14,244	0.2	15	16.56
	1999	9,104,157	15,000	712	14,288	0.2	16	19.21

(Continued)

TABLE VII
Page 2

CITY OF INDIANAPOLIS
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita (A) (E)
Last Ten Years
(In Thousands)

	Year	Assessed Value (B)	Gross Bonded Debt	Debt Service Fund Balance	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Percentage of Net Bonded Debt to Limit	Net Bonded Debt per Capita
Flood Control District (.67% limit) (2000 Population: 860) (1990 Population: 797)	2002	\$ 7	\$ 10	\$ 937	\$ 10	0.1 %	18 %	\$ 39.45
	2001	15	15	1,575	15	0.4	18	40.50
	2000	14	15	1,575	15	0.4	19	44.93
	1999	17	15	1,575	15	0.4	21	48.59
	1998	10	15	1,575	15	0.4	22	48.62
	1997	13	15	1,575	15	0.4	22	49.04
	1996	13	15	1,575	15	0.5	23	49.21
	1995	14	11	1,575	11	0.5	27	50.75
	1994	16	16	1,575	16	0.5	27	49.18
	1993	22	11	1,575	11	0.6	29	52.51
Metropolitan Thoroughfare District: (1.33% Limit) (2000 Population: 860) (1990 Population: 797)	2002	\$ 567	\$ 76,993	\$ 567	\$ 76,993	0.3 %	20 %	\$ 88.11
	2001	615	81,415	615	81,415	0.9	21	94.17
	2000	1,540	83,705	1,540	83,705	0.9	23	96.11
	1999	1,091	86,104	1,091	86,104	0.9	24	107.11
	1998	1,193	88,337	1,193	88,337	1.0	25	101.11
	1997	1,145	90,220	1,145	90,220	1.0	26	104.11
	1996	587	92,968	587	92,968	1.1	28	107.11
	1995	325	94,730	325	94,730	1.3	32	109.11
	1994	1,288	97,117	1,288	97,117	1.3	33	111.11
	1993	4,408	98,997	4,408	98,997	1.4	35	113.11
Park District (C) (D) (2000 Population: 860) (1990 Population: 797)	2002	\$ 120	\$ 120	\$ 120	\$ 120	0.1 %	(C)	\$ 13.91
	2001	320	320	320	320	0.3	(C)	36.37
	2000	294	294	294	294	0.3	(C)	33.94
	1999	271	271	271	271	0.3	(C)	30.94
	1998	351	351	351	351	0.3	(C)	40.11
	1997	382	382	382	382	0.3	(C)	43.91
	1996	261	261	261	261	0.4	(C)	29.91
	1995	131	131	131	131	0.4	(C)	15.11
	1994	301	301	301	301	0.4	(C)	34.91
	1993	1,658	1,658	1,658	1,658	0.5	(C)	189.11
1992	286	286	286	286	0.1	(C)	32.91	

(A) Data is presented on the modified accrual basis.
 (B) Taxable Property is assessed at 33-1/3% of the True Tax Value for the years 1993 through 2001. It is assessed at 100% for 2002.
 (C) Represents the assessment (Marion County Auditor's "certified abstract") on March 1 of the prior year for taxes due and payable in the year indicate.
 (D) Excluding \$431,601 of Redevelopment and Park District Tax Increment Bonds.
 (E) Per capita is not expressed in thousands.

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (A)
December 31, 2002
(In Thousands)

Direct Debt:	Map Reference [See Introduction (H)]	Assessed Value (G)	Bonding Limit		Bonds Outstanding
			%	Dollar Amount	
City of Indianapolis:					
Civil City	2	1,946	0.67 %	\$ 179,833	2,165
Consolidated County	1	1,117	(C)	-	-
Park District	1	1,117	(B)	-	29,535
Redevelopment District	2	1,946	(B)	-	38,105
Flood Control District	1	1,117	0.67 %	193,214	33,930
Metropolitan Thoroughfare District	1	1,117	1.33 %	386,428	77,560
Sanitary District	8	745	4.00 %	1,059,950	89,380
Police Special Service District	5	708	(B)	-	-
Police Pension		708			
Fire Special Service District	6	1,075	(B)	-	-
Fire Pension		1,075			
Solid Waste Collect Special Service District	7	485	(B)	-	-
Solid Waste Disposal District	1	1,117	2.00 %	579,642	-
Pub Safety Comm and Comp Facilities District	1	1,117	0.33 %	96,607	15,000
Total City Debt				\$ 2,495,675	\$ 285,675 (D)
Overlapping:					
Marion County	1	28,982,117	0.67 %	\$ 193,214	\$ 10,000
Municipal Corporations					
Airport Authority	1	28,982,117	0.67 %	193,214	-
Health & Hospital Corporation	1	28,982,117	0.67 %	193,214	50,935
Capital Improvement Board	1	28,982,117	0.67 %	193,214	-
Indpls-Marion Co. Building Authority	1	28,982,117	(E)	-	38,810
Indianapolis-Marion County Library	4	27,981,289	0.67 %	186,542	85,750
Indianapolis Public Transportation Corp.	2	27,342,593	0.67 %	182,284	17,530
Total Municipal Corporations				\$ 948,468	\$ 193,025
School Districts:					
Beech Grove	9	1,995	(J)	\$ 42,999	\$ 36,179
Decatur	9	5,775	(J)	43,081	27,365
Franklin	9	761	(J)	127,106	107,451
Indianapolis Public Schools	9	1,255	(J)	218,715	61,190
Lawrence	9	1,412	(J)	163,487	96,599
Perry	9	1,445	(J)	147,480	101,811
Pike	9	1,351	(J)	176,557	98,310
Speedway	9	1,833	(J)	13,197	-

TABLE VIII
Page 2

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (A)
(In Thousands)

	Map Reference [See Introduction (H)]	Assessed Value (G)	Bonding Limit		Bonds Outstanding
			%	Dollar Amount	
School Districts: (continued)					
Warren	9	\$ 2,587,140	(J)	\$ 201,305	\$ 149,562
Washington	9	3,526,463	(J)	87,884	17,355
Wayne	9	2,682,687	(J)	171,487	117,833
Total School Districts		\$ 28,982,117		\$ 1,393,297	\$ 813,655
Other Cities and Towns					
Beech Grove	2	\$ 367,647	0.67 %	\$ 2,451	\$ 1,887
Lawrence	2	940,152	0.67 %	6,268	279
Southport	2	39,538	0.67 %	264	-
Speedway	2	659,833	0.67 %	4,399	2,325
Total Towns and Other Cities		\$ 2,007,170		\$ 13,381	\$ 4,491
Townships					
Center	3	\$ 4,568,468	0.67 %	\$ 30,456	\$ -
Decatur	3	787,149	0.67 %	5,248	3,000
Franklin	3	1,105,016	0.67 %	7,367	3,423
Lawrence	3	3,667,419	0.67 %	24,449	743
Perry	3	2,524,270	0.67 %	16,828	1,156
Pike	3	3,981,941	0.67 %	26,546	-
Warren	3	3,487,476	0.67 %	23,250	14,598
Washington	3	4,503,420	0.67 %	30,036	-
Wayne	3	4,354,958	0.67 %	29,033	571
Total Townships		\$ 28,982,117		\$ 193,214	\$ 23,491
Excluded Library Districts					
Beech Grove	4	\$ 340,995	0.67 %	\$ 2,273	\$ 3,440
Speedway	4	659,833	0.67 %	4,399	590
Total Excluded Cities Library Districts		\$ 1,000,828		\$ 6,672	\$ 4,030
Ben Davis Conservancy District		\$ 196,165	(F)		\$ -
Total Overlapping Debt					\$ 1,048,692
Total Direct and Overlapping Debt					\$ 1,334,367

(Continued)

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (A)
December 31, 2002
(In Thousands)

- (A) Excludes Revenue Bonds not payable from ad valorem taxes.
- (B) No bonding authority.
- (C) No bonding authority from ad valorem taxes.
- (D) Excludes \$140 of matured bonds not presented for payment and \$14,610 of deferred interest on the Redevelopment Capital Appreciation bond.
- (E) There is no debt limit for the Building Authority. Its debt service requirements are funded by rentals paid by the City of Indianapolis and Marion County from ad valorem taxes mandated by the Authority's enabling legislation.
- (F) Ben Davis Conservancy District has no bonding limit. Bonds are payable from either collection of special benefit taxes or revenues produced from the project per Indiana Code 13-3-3-81.
- (G) Represents the March 1, 2001 (Marion County Auditor's "certified abstract") assessment for taxes due and payable in 2002.
- (H) See pages XXI and XXII.
- (I) There is no statutory constitutional debt limitation to the Park and Redevelopment districts.
- (J) A statutory 2% limit on school district debt does not apply to any debt that is incurred by a school district building corporation for the purpose of constructing facilities to be leased to the school district at rentals sufficient to fund the corporation's annual debt service requirements. The bonding limit shown is the sum of the statutory limit plus the outstanding building corporation debt.

TABLE IX

CITY OF INDIANAPOLIS
Computation of Legal Debt Margin (A)
December 31, 2002
(In Thousands)

	Assessed Value (B)	Debt Limit Percentage	Debt Limit	Bonds Outstanding (E)	Subtotal	Plus Amount Available In Debt Service Fund	Legal Debt Margin
Civil City	\$ 26,974,946	0.67 %	\$ 179,833	\$ 2,165	\$ 177,668	\$ 28	\$ 177,696
Consolidated County	28,982,117	(C)	-	-	-	-	-
Park District	28,982,117	(D)	-	29,535 (G)	-	120	-
Redevelopment District	26,974,946	(D)	-	38,105 (G)	-	7,534	-
Flood Control District	28,982,117	0.67 %	193,214	33,930	159,284	-	159,284
Metropolitan Thoroughfare District	28,982,117	1.33 %	386,428	77,560	308,868	567	309,435
Sanitary District	26,498,745	4.00 %	1,059,950	89,380	970,570	10,262	980,832
Police Special Service District	9,391,708	(E)	-	-	-	-	-
Fire Special Service District	8,260,075	(E)	-	-	-	-	-
Solid Waste Collection Special Service District	27,014,485	(E)	-	-	-	-	-
Solid Waste Disposal District	28,982,117	2.00 %	579,642	-	579,642	-	579,642
Public Safety Communications and Computer Facilities District	28,982,117	0.33 %	96,607	15,000	79,931	1,204	81,135

- (A) Excludes Revenue Bonds not payable from ad valorem taxes.
- (B) Represents the March 1, 2001 (Marion County Auditor's "certified abstract" assessment for taxes due and payable in 2002).
- (C) No bonding authority payable from ad valorem taxes.
- (D) There is no statutory constitutional debt limitation applicable to the Park and Redevelopment Districts.
- (E) No bonding authority.
- (F) Including \$140 of matured bonds not presented for payment.
- (G) Excluding \$431,601 of Redevelopment and Park District Tax Increment Bonds.

TABLE X

CITY OF INDIANAPOLIS
 Ratio of Annual Debt Service Expenditures
 For General Bonded Debt To Total General Expenditures (A)
 Last Ten Years
 (In Thousands)

Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio of Debt Service To General Expenditures
2002	\$ 24,286	\$ 1,111	\$ 25,397	\$ 345,811	7.7 %
2001	88,995	1,111	90,106	448,118	20.1
2000	34,069	1,111	35,180	263,113	13.5
1999	24,781	1,111	25,892	274,114	9.9
1998	115,391	1,111	116,502	448,111	26.1
1997	23,619	1,111	24,730	189,116	13.0
1996	29,708	1,111	30,819	224,114	13.8
1995	20,360	1,111	21,471	205,113	10.9
1994	21,110	1,111	22,221	212,111	10.5
1993	59,210	1,111	60,321	302,111	20.1

(A) Data is presented on the modified accrual basis of accounting.

CITY OF INDIANAPOLIS
Schedule of Housing Agency Revenue Bond Retirements
Last Ten Years (A)
(In Thousands)

TABLE XI

Year	Net Revenue Available for Debt Services (B)	Debt Service Requirements (A)			Coverage
		Principal	Interest	Total	
2002	\$ 1,605	\$ 1,122	\$ 483	\$ 1,605	100 %
2001	1,919	1,225	2	1,227	100
2000	2,254	1,394	860	2,254	100
1999	2,237	1,321	916	2,237	100
1998	2,237	1,258	980	2,238	100
1997	2,239	1,198	1,041	2,239	100
1996	2,235	1,136	1,099	2,235	100
1995	2,238	1,083	1,155	2,238	100
1994	2,245	1,037	1,208	2,245	100
1993	2,237	979	1,258	2,237	100

(A) Data is presented on the accrual basis of accounting.

(B) Data represents HUD debt service subsidiaries of 100% of the debt service requirements on an accrual basis.

TABLE XII

CITY OF INDIANAPOLIS
Property Value, Construction and Deposits in Banks and Savings and Loans
Last Ten Years
(In Thousands)

Year	Estimated Actual Property Value (D)	Construction (A)			Bank Deposits (B)	Savings and Loan Deposits (C)
		Number of Permits Issued	Value of Buildings			
	\$ 17	36	\$	\$		
	34	41		0		
	52	37		0		
	171	40		0		
	169	38		0		
	108	39		0		
	88	38		3		
	19	39		23		
	98	43		1		
	67	40		6		
				4		

(A) Source: City of Indianapolis Department of Metropolitan Development.
 (B) Source: Sheshunoff Information Services for 1992 through 1996; FDIC Homepage for 1997 through 2002. Numbers taken from FDIC are as of June 30.
 (C) Source: Sheshunoff Information Services for 1992 through 1996; FDIC Homepage for 1997 through 2002. Numbers taken from FDIC are as of June 30.
 (D) Source: Marion County Auditor's Office.

TABLE XIII

CITY OF INDIANAPOLIS
Principal Taxpayers and Employers
December 31, 2002

Principal Taxpayers	Type of Business	2002 Net Assessed Valuation (A)	Employees (B)
Allison Transmission Division of General Motors	Manufacturing - Automotive	\$ 386,846	4,119
American United Life Insurance Co.	Insurance	90,649	813
Anthem, Inc.	Insurance	37,081	3,509
Bank One Corporation	Banking	62,359	2,189
Citizens Gas & Coke Utility	Utility	30,430	1,161
Clarian Health Partners (C)	Hospitals	120,333	(D)
Daimler - Chrysler Corp.	Manufacturing	50,081	997
Eli Lilly and Company	Manufacturing - Pharmaceuticals	508,054	15,051
Federal Home Loan Bank	Banking	149,981	163
General Motors Corporation	Manufacturing - Automotive	39,810	2,248
Guidant Corp	Manufacturing - Medical Equipment	3,143	(D)
H.H. Gregg	Retail - Furniture	31,552	678
Indianapolis Power and Light	Utility	372,395	939
Indianapolis Star	Newspaper	21,398	1,247
Intermation Truck and Engine Corp	Manufacturing - Automotive	160,340	1,838
Kroger Co.	Retail - Grocery	2,047	3,224
Marsh	Retail - Grocery	47,605	3,680
National Starch and Chemical	Manufacturing - Chemical	93,244	575
Reilly Industries, Inc.	Manufacturing - Chemical	37,325	337
Rexnord Corporation	Manufacturing - Power transmissions and conveying components	28,682	376
Roche Diagnostics Corp	Manufacturing - Pharmaceuticals	108,512	2,300
Rolls-Royce	Manufacturing - Automotive	177,775	4,335
Simon Property Group, Inc.	Real Estate - Shopping Malls	229,385	890
Visteon Corporation (formerly Ford Motor Co.)	Manufacturing - Automotive	204,732	2,616
Other Principal Employers			
United States Government		N/A (E)	15,076 (F)
Indiana State Government		N/A (E)	12,500 (G)
Indianapolis-Marion County Government		N/A (E)	8,515 (H)
IUPUI	University	N/A (E)	6,763
Community Hospitals of Indianapolis, Inc.	Hospital/Health Care	N/A (E)	5,293

(A) Represents the March 1, 2001 valuations for taxes due and payable in 2002 as represented by the taxpayer. The principal taxpayers are located in different taxing districts, therefore percentage of total assessed valuation is not applicable. Amounts in thousands.

(B) As of December 31, 2002.

(C) Includes Methodist, I. U., and Riley hospitals.

(D) Data not available.

(E) Not-for-profit entity.

(F) Data is from the Office of Workforce Information located in the U.S. Office of Personnel Management.

(G) Data is per State of Indiana Personnel Department.

(H) Includes the following entities reporting to the City-County Council: Airport Authority, Building Authority, Capital Improvement Board, City of Indianapolis, Marion County, Health and Hospital Corporation, Library Board and Indianapolis Public Transportation Corporation.

Marion County - Effective Buying Income of Households (G) (H)

Income Levels (I)	2001		2000		1999		1998		1997	
	%	Households								
Under \$20,000	19.6	70	23.2	83	23.9	80	25.3	85	25.7	86
\$20,000-\$34,999	23.7	84	22.4	80	22.7	76	23.5	78	23.8	80
\$35,000-\$49,000	19.7	70	18.0	64	18.8	63	19.0	63	19.0	64
Over \$50,000	37.0	131	36.4	130.0	34.6	116	32.2	108	31.5	105
Total Households	100.0	355	100.0	357	100.0	335	100.0	334	100.0	335
Income Levels (I)	1996		1995		1994		1993		1992	
	%	Households								
Under \$20,000	26.5	89	28.0	93	24.0	79	25.7	81	27.7	85
\$20,000-\$34,999	24.5	82	25.1	84	22.8	75	24.0	75	25.9	80
\$35,000-\$49,000	19.1	64	19.4	65	20.0	66	20.4	64	20.3	63
Over \$50,000	29.9	100	27.5	92	33.2	110	29.9	94	26.1	80
Total Households	100.0	335	100.0	334	100.0	330	100.0	314	100.0	308

Comparison of Households by Percent Groupings (I):

	MSA (C)	Marion County	Indiana
Under \$20,000	17.8	16.2	21.7
\$20,000 to \$34,999	22.6	23.7	25.5
\$35,000 to \$49,999	19.2	19.7	20.1
\$50,000 and over	40.4	40.4	32.7

CITY OF INDIANAPOLIS
Demographic Statistics
December 31, 2002
(In Thousands)

TABLE XIV
 Page 2

Population Trend (A)	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Marion County	864	860	811	813	814	815	815	815	813	813
Consolidated City (B)	795	792	749	751	753	747	759	756	761	747
MSA (C)	1,635	1,607	1,537	1,519	1,439 (F)	1,505	1,492	1,473	1,452	1,293

Population by Age (D)	Percent of Total									
	2000	1990	1980	1970	1960	2000	1990	1980	1970	1960 (E)
0-19	28 %	28 %	32 %	39 %	36 %	241	211	229	292	174
20-44	41	42	38	32	33	352	315	269	239	155
45-64	20	18	20	20	21	172	131	140	149	100
65 and Over	11	12	10	9	10	95	85	74	65	47
	100 %	100 %	100 %	100 %	100 %	860	742	712	745	476

(A) Source: U.S. Bureau of the Census 1995-2002 Population Estimates - <http://www.census.gov/population/estimates>.
 (B) Marion County less Beech Grove, Lawrence, South Port and Speedway.
 (C) Metropolitan Statistical Area includes the following counties: Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Shelby.
 (D) Source: 1997 Survey of Buying Power, Sales and Marketing magazine; 2000 and 2001 data from www.census.gov.
 (E) Before Univgov reorganization.
 (F) Source: <http://www.iedc.com/demograp.htm>.
 (G) Source: Survey of Buying Power, Sales and Marketing magazine. For years 1996-2001.
 (H) Source: www.iedc.com/demograp.htm. For years 1992-1995.
 (I) Income levels not expressed in thousands.

CITY OF INDIANAPOLIS -- MARION COUNTY
 Miscellaneous Statistical Data
 December 31, 2002

Date of Original Incorporation	1832
Date of Re-incorporation	1838
Date of First Charter Adopted	1891
Present Charter Adopted	1969
Form of Government	Council - Mayor
Area - Square Miles (Marion County)	402
Estimated Miles of Streets (Marion County)	
December 31,	
2002	2,930
2001	2,822
2000	2,714
1999	2,669
1998	2,400
1997	2,400
1996	2,400
1995	2,400
1994	2,568
1993	2,568
Approximate Miles of Sewers	
December 31,	
2002	2,930
2001	2,822
2000	2,714
1999	2,669
1998	2,400
1997	2,400
1996	2,400
1995	2,400
1994	2,568
1993	2,568

(continued)

CITY OF INDIANAPOLIS - MARION COUNTY
Miscellaneous Statistical Data
December 31, 2002

Per Capita Income (A)

Year	National	State	MSA (B)	Marion County
2002	\$ 21,112 (C)	\$ 18,111 (C)	18,111 (B)	18,111 (D)
2001	20,911	17,911	17,911	17,911
2000	20,919	17,911	17,911	17,911
1999 (E)	20,912	17,911	17,911	17,911
1998	20,912	17,911	17,911	17,911
1997	20,918	17,911	17,911	17,911
1996	20,914	17,911	17,911	17,911
1995	20,919	17,911	17,911	17,911
1994	20,910	17,911	17,911	17,911
1993	20,915	17,911	17,911	17,911

(A) U.S. Department of Commerce, Bureau of Economic Analysis - <http://www.bea.doe.gov/bea/regional/data.htm>.
 (B) Metropolitan Statistical Area.
 (C) Preliminary per capita income data.
 (D) Data not available.
 (E) Updated to show revised per capita income data.

CITY OF INDIANAPOLIS - MARION COUNTY
Miscellaneous Statistical Data
December 31, 2002

TABLE XV
Page 3

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
Fire Protection (Consolidated City of Indianapolis):										
Fire Station - in Special Service District	26	26	26	26	26	26	26	29	29	29
Fire Station - All Others	36	34	34	42	31	(D)	39	21	48	48
Total Number of Stations	62	60	60	68	57	57	65	50	77	77
Employees - in Special Service District	819	804	775	747	744	744	744	722	717	719
Employees - All Others	871	830	773	655	(E)	467	641	571	673	682
Total Number of Employees	1,690	1,634	1,548	1,402	1,211	(D)	1,385	1,293	1,390	1,401
Police Protection:										
City of Indianapolis (A)	1,420	1,420	1,342	1,322	1,295	1,288	1,326	1,327	1,344	1,337
Marion County	1,335	1,151	1,211	1,210	(A)	818	952	820	793	801
Total Number of Employees	2,755	2,571	2,553	2,532	2,126	2,106	2,278	2,147	2,137	2,138
Recreation (Marion County)										
Parks - Number	163	159	159	152	149	149	143	135	134	134
Parks - Acreage	10,324	10,305	10,037	9,866	9,866	9,414	9,414	9,414	9,375	9,375
Playgrounds	123	123	121	116	100	110	109	129	125	120
Golf Course	13	13	13	13	13	13	12	12	12	12
Recreational Centers	18	18	18	18	18	17	17	17	16	16
Swimming Pools - Outdoors	16	16	16	16	16	15	14	14	14	14
Swimming Pools - Indoors	4	4	4	4	4	4	3	4	3	3
Education (Public Schools)										
Number of Students (Grades K-12) (B)	129,067	127,213	127,569	124,822	125,189	125,508	123,179	122,466	121,629	121,519
Number of Street Lights (Marion County)	29,629	29,638	29,477	29,458	29,415	29,481	29,964	28,358	28,832	28,832
Employees:										
City of Indianapolis (C)	3,892	3,885	3,834	3,850	3,670	3,614	3,735	4,044	4,178	4,501
Marion County	3,072	3,003	2,879	2,819	2,796	2,673	2,627	2,640	2,838	2,949
Total Number of Actual Employees	6,964	6,888	6,713	6,669	6,466	6,287	6,362	6,684	7,016	7,450

- (A) Includes civilians.
- (B) Data presented is per the Indiana Department of Public Instruction for Marion County, all districts.
- (C) Includes full-time, part-time and seasonal.
- (D) Excludes Franklin Township.
- (E) Excludes Warren Township.

APPENDIX E
SUMMARY OF THE INITIAL LIQUIDITY FACILITY

Certain terms used in this Appendix E are set forth in "Appendix A - Definitions." Reference is made to the Indenture and such Appendix C -- Summary of Certain Provisions of the Indenture" for a more complete description of the Series 2004 B Bonds. The discussion herein is qualified by such reference.

General

On the date of issuance of the Series 2004 B Bonds, the Bond Bank will enter into a Standby Bond Purchase Agreement with the Initial Liquidity Facility Provider and the Trustee in its capacity as Tender Agent. Upon compliance with the provisions of the Standby Bond Purchase Agreement, the Initial Liquidity Facility Provider is obligated, under certain conditions and assuming timely and proper notice is given to the Initial Liquidity Facility Provider, to provide funds for the purchase of any Series 2004 B Bonds bearing interest at the Transaction Rate, other than Series 2004 B Bonds owned by, for the account of, or on behalf of, the Bond Bank ("Eligible Bonds") that are tendered or deemed tendered for purchase, whether at the option of the holder or upon mandatory tender for purchase, and that are not remarketed. The Initial Liquidity Facility covers Series 2004 B Bonds bearing interest at the Transaction Rate only. The Initial Liquidity Facility Provider is obligated to make available an amount (the "Aggregate Commitment Amount") equal to the principal amount of the Series 2004 B Bonds (\$9,900,000), plus up to 35 days' interest at a maximum interest rate of 12% and an accrual basis of a 365 day year (\$113,918). To the extent that the Initial Liquidity Facility Provider advances funds under the Initial Liquidity Facility to purchase Series 2004 B Bonds, the Aggregate Commitment Amount will be reduced by the principal amount of and accrued interest on the Series 2004 B Bonds so purchased. When any Series 2004 B Bonds so purchased are remarketed, the Aggregate Commitment Amount will be restored. Unless terminated earlier or extended, the Initial Liquidity Facility will expire on July 1, 2007.

THE INITIAL LIQUIDITY FACILITY SECURES ONLY THE PAYMENT OF THE PURCHASE PRICE OF THE SERIES 2004 B BONDS TENDERED FOR PURCHASE AS DESCRIBED ABOVE, AND DOES NOT OTHERWISE SECURE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2004 B BONDS. TO THE EXTENT THE INTEREST RATE APPLICABLE TO THE SERIES 2004 B BONDS EXCEEDS 12.0% PER ANNUM, THE INITIAL LIQUIDITY FACILITY MAY NOT BE SUFFICIENT TO PAY A PURCHASE PRICE WHICH INCLUDES INTEREST AT AN ACCRUED RATE GREATER THAN 12.0% PER ANNUM. THE INITIAL LIQUIDITY FACILITY DOES NOT PROVIDE SECURITY FOR THE PAYMENT OF PRINCIPAL OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2004 B BONDS, AND THE FUNDS DRAWN THEREUNDER MAY NOT BE USED FOR SUCH PURPOSES.

UNDER CERTAIN CIRCUMSTANCES DESCRIBED BELOW, THE OBLIGATIONS OF THE INITIAL LIQUIDITY FACILITY PROVIDER TO PURCHASE SERIES 2004 B BONDS TENDERED BY THE OWNERS THEREOF OR SUBJECT TO TENDER AND PURCHASE MAY BE TERMINATED OR SUSPENDED. IN SUCH EVENT, SUFFICIENT FUNDS MAY NOT BE AVAILABLE TO PURCHASE SERIES 2004 B BONDS TENDERED BY THE OWNERS THEREOF OR SUBJECT TO MANDATORY PURCHASE. THE SERIES 2004 B BOND INSURANCE POLICY ISSUED FOR THE SERIES 2004 B BONDS ISSUED BY THE SERIES 2004 B BOND INSURER DOES NOT INSURE PAYMENT OF THE PURCHASE PRICE OF THE SERIES 2004 B BONDS.

Automatic Termination of the Initial Liquidity Facility.

The Initial Liquidity Facility Provider's obligation to purchase the Series 2004 B Bonds will immediately terminate without notice upon the occurrence of any of the following events ("Automatic Termination Events"):

(a) any principal or interest due on the Series 2004 B Bonds is not paid by the Bond Bank when due and such default continues for a period of three (3) Business Days and such principal or interest is not paid by the Series 2004 B Bond Insurer when, as, and in the amounts required to be paid pursuant to the terms of the Series 2004 B Bond Insurance Policy; or

(b) the Series 2004 B Bond Insurer becomes insolvent or is unable to pay its debts as they mature, commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, consents to the entry of an order for relief in an involuntary case under any such law or consents to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of the Series 2004 B Bond Insurer or for any substantial part of its property, or makes a general assignment for the benefit of creditors, or fails generally to pay its debts or claims as they become due or takes any corporate action in furtherance of any of the foregoing; provided, however, that the Series 2004 B Bond Insurer's failure to make payments on any financial guaranty insurance policies or surety bonds because of a legitimate dispute between the Series 2004 B Bond Insurer and the beneficiary of such policies or surety bonds will not in and of itself constitute a failure of the Series 2004 B Bond Insurer to generally pay its debts or claims as they become due.

Upon the occurrence of an Automatic Termination Event or other event that automatically terminates an Alternate Liquidity Facility, the Initial Liquidity Facility Provider's obligation to purchase Series 2004 B Bonds under the Initial Liquidity Facility will immediately terminate without notice to or other action on the part of the Initial Liquidity Facility Provider. Upon the occurrence of such events that automatically terminate the Initial Liquidity Facility, the Initial Liquidity Facility will not be available to pay the Purchase Price for any Series 2004 B Bonds that are tendered by Bondholders pursuant to an optional or mandatory tender. In such event, there is no guarantee that remarketing proceeds, funds from the Bond Bank or any other source will be available for such purchase.

Suspension, Termination and Reinstatements if the Initial Liquidity Facility

The Initial Liquidity Provider's obligation to purchase the Series 2004 B Bonds will immediately be suspended without notice upon the occurrence of any of the following events ("Automatic Suspension Events"):

(a) the President or any Executive Vice President of the Series 2004 B Bond Insurer, in writing, claims that the Series 2004 B Bond Insurance Policy with respect to the payment of principal of or interest on the Series 2004 B Bonds is not valid and binding on the Series 2004 B Bond Insurer in accordance with its terms and repudiates the obligations of the Series 2004 B Bond Insurer under the Series 2004 B Bond Insurance Policy with respect to payment of principal of or interest on the Series 2004 B Bonds, or

(b) the Series 2004 B Bond Insurance Policy at any time for any reason ceases to be valid and binding on the Series 2004 B Bond Insurer in accordance with the terms of the Series 2004 B Bond Insurance Policy or is declared to be null and void by a court or other governmental agency of appropriate jurisdiction, or

(c) the validity or enforceability of the Series 2004 B Bond Insurance Policy with respect to payment of principal of or interest on the Series 2004 B Bonds is contested by the Series 2004 B Bond Insurer or any governmental agency or authority with appropriate jurisdiction; or

(d) a proceeding is instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Series 2004 B Bond Insurer or for any substantial part of its property under applicable bankruptcy, insolvency or other similar law and such proceeding is not terminated for a period of sixty (60) consecutive days or such court enters an order granting the relief sought in such proceeding or the Series 2004 B Bond Insurer institutes or takes any corporate action for the purposes of instituting any such proceeding.

With respect to an event specified in items (a), (b) or (c) above, if (i) a court with jurisdiction to rule on the validity of the Series 2004 B Bond Insurance Policy thereafter enters a final, nonappealable judgment that the Series 2004 B Bond Insurance Policy is not valid and binding on the Series 2004 B Bond Insurer or (ii) a period of three (3) years elapses since the commencement of the suspension, then the obligations of the Initial Liquidity Facility Provider to purchase Series 2004 B Bonds will immediately terminate and the Initial Liquidity Facility Provider will be under no further obligation to purchase Series 2004 B Bonds.

With respect to an event specified in items (a), (b) and (c) above, if a court with jurisdiction to rule on the validity on the Series 2004 B Bond Insurance Policy finds or rules that the Series 2004 B Bond Insurance Policy is valid and binding on the Series 2004 B Bond Insurer then the Initial Liquidity Facility Provider's obligations to purchase Series 2004 B Bonds will be automatically reinstated and the terms of Initial Liquidity Facility will continue in full force and effect (unless the Initial Liquidity Facility shall otherwise have terminated by its terms) as if there had been no such suspension.

With respect to the event specified in item (d) above, and such proceeding is terminated within Sixty (60) consecutive days or such court does not enter an order granting the relief sought in such proceeding or the Series 2004 B Bond Insurer does not institute or take any corporate action for the purposes of instituting any such proceeding then the Initial Liquidity Facility Provider's obligations to purchase Series 2004 B Bonds will be automatically reinstated and the terms of the Initial Liquidity Facility will continue in full force and effect (unless the Initial Liquidity Facility shall otherwise have terminated by its terms) as if there had been no such suspension.

Upon the occurrence of the above described events or other events that automatically suspend the Initial Liquidity Facility Provider's obligation to purchase Series 2004 B Bonds under the Initial Liquidity Facility will immediately be suspended without notice to or other action on the part of the Initial Liquidity Facility Provider. Upon the occurrence of such events that automatically suspend the Initial Liquidity Facility, the Initial Liquidity Facility will not be available to pay the Purchase Price for any Series 2004 B Bonds that are tendered by Bondholders pursuant to an optional or mandatory tender unless the Initial Liquidity Facility is reinstated as described above. In such event, there is no guarantee that remarketing proceeds, funds from the Bond Bank or any other source will be available for such purchase.

Termination by the Initial Liquidity Facility Provider Resulting in Mandatory Purchase

In the event that the Bond Bank fails to pay any of the fees required to be paid to the Initial Liquidity Facility Provider pursuant to the Initial Liquidity Facility, together with interest on such unpaid amounts at the rate specified in the Initial Liquidity Facility, the Initial Liquidity Facility Provider may, by giving not less than thirty-three (33) days' written notice, terminate its obligation to purchase the Series 2004 B Bonds (a "Notice of Termination"). Such Notice of Termination will be delivered to the Bond Bank, the Trustee, the Tender Agent, the Remarketing Agent and the Series 2004 B Bond Insurer and will specify the date on which the Initial Liquidity Facility Provider's commitment to purchase the Series 2004 B Bonds will terminate, provided that the Initial Liquidity Facility Provider will incur no liability or responsibility whatsoever by reason of its failure to receive or give such Notice of Termination and such failure will in no way affect the termination of the Initial Liquidity Facility Provider's obligation to purchase Series 2004 B Bonds pursuant to the Initial Liquidity Facility. Upon the Trustee's receipt of a Notice of Termination, holders of the Series 2004 B Bonds will be provided notice of a mandatory tender of the Series 2004 B Bonds prior to the date on which the Initial Liquidity Facility Provider's purchase commitment is to terminate in accordance with the terms of the Indenture.

If the Series 2004 B Bonds are not purchased prior to the effective date of termination set forth in the Notice of Termination described above, the Initial Liquidity Facility will not be available to pay the Purchase Price for any Series 2004 B Bonds that are tendered by Bondholders pursuant to an optional or mandatory tender. In such event, there is no guarantee that remarketing proceeds, funds from the Bond Bank or any other source will be available for such purchase.

Substitute or Additional Bond Insurance Policy

Pursuant to the terms of the Initial Liquidity Facility, the Bond Bank is required to maintain a bond insurance policy with respect to the Series 2004 B Bonds. The Bond Bank cannot, without the prior written consent of the Initial Liquidity Facility Provider, permit a substitute or additional bond insurance policy to become effective with respect to the Series 2004 B Bonds. Under the Initial Liquidity Facility, if the rating on the financial strength of the Series 2004 B Bond Insurer is lowered below "AA" by S&P and "Aa2" by Moody's, the Bond Bank is required to either (i) cause the Series 2004 B Bond Insurer to be replaced by a bond insurance company the financial strength of which is rated "AAA" by S&P, "Aaa" by Moody's or "AAA" by Fitch or (ii) cause the Series 2004 B Bonds to be additionally insured by another bond insurer whose financial strength is rated "AAA" by S&P, "Aaa" by Moody's or "AAA" by Fitch, resulting in the Series 2004 B Bonds bearing the same rating by S&P, Moody's and Fitch as such additional bond insurer; provided, however, that if the Bond Bank is unable to comply with such obligation, the Bond Bank will use reasonable efforts to cause the Series 2004 B Bond Insurer to be replaced by a bond insurance company with a financial strength rating of less than "AAA"/"Aaa"/"AAA" by S&P, Moody's and Fitch, respectively, if (i) the Bank consents to such substitution and (ii) the financial strength of the substitute bond insurance company is rated higher than the financial strength of the then current Series 2004 B Bond Insurer.

Alternate Liquidity Facility

Under the Indenture, the Bond Bank may provide for the delivery to the Trustee of an Alternate Liquidity Facility with respect to the Series 2004 B Bonds upon at least five (5) business days' advance written notice delivered to the holders, the Bond and the Liquidity Facility Provider; provided, however, that so long as the Bond Insurance Policy is in effect and the Series 2004 B Bond Insurer is not in default thereunder, the furnishing of an Alternate Liquidity Facility will also require the written consent of the Series 2004 B Bond Insurer with respect to any matter which would increase the liability of the Insurer under its Series 2004 B Bond Insurance Policy. The Trustee is required under the Indenture to give notice to holders of Series 2004 B Bonds of the provision, extension or substitution of any Liquidity Facility at least five (5) business days prior to any such provision, extension or substitution. Upon such substitution, the provider of the Alternate Liquidity Facility will purchase any Series 2004 B Bonds then designated as Bank Bonds from the holder thereof.

THE INITIAL LIQUIDITY FACILITY PROVIDER

The following information has been obtained from National City Bank of Indiana. The Bond Bank, the Underwriter and the City make no representations as to the accuracy or completeness of such information.

National City Bank of Indiana (the "Initial Liquidity Facility Provider"), is a national banking association organized under the laws of the United States. The Initial Liquidity Facility Provider is engaged in general commercial banking and trust business.

All of the Initial Liquidity Facility Provider's capital stock is owned by National City Corporation, a bank holding company organized under the laws of Delaware. The Initial

Liquidity Facility is an obligation of the Initial Liquidity Facility Provider and not of National City Corporation.

Certain financial statements of the Initial Liquidity Facility Provider are set forth on the following pages. The Initial Liquidity Facility Provider will provide without charge to each person to whom this Official Statement is delivered, upon written request of any such person, a copy of National City Corporation's most recent Annual Report on Form 10-K, as well as any subsequent and available quarterly reports on Form 10-Q filed with the Securities and Exchange Commission. Written requests should be delivered to National City Corporation, National City Center, 1900 East Ninth Street, Cleveland, Ohio 44114, Attention: Treasurer.

REPORT OF CONDITION

NATIONAL CITY BANK of INDIANA

(Including Domestic and Foreign Subsidiaries)

At the close of business on March 31, 2004

ASSETS

		(In Thousands)
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin.....		\$400,673
Interest-bearing balances.....		0
Securities:		
Held-to-maturity securities.....		0
Available-for-sale securities.....		800,858
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold in domestic offices.....		29,585
Securities purchased under agreements to resell.....		15,258
Loans and lease financing receivables:		
Loans and leases held for sale.....		12,375,403
Loans and leases, net of unearned income.....	\$22,159,326	
Less: Allowance for loan and lease losses.....	160,924	
Loans and leases, net of unearned income and allowance.....		21,998,402
Trading assets.....		0
Premises and fixed assets (including capitalized leases).....		142,214
Other real estate owned.....		79,618
Investments in unconsolidated subsidiaries and associated companies.....		39,669
Customers' liability to this bank on acceptances outstanding.....		411
Intangible assets.....		1,987,164
Other assets.....		2,060,498
TOTAL ASSETS		\$39,929,753

LIABILITIES

Deposits:		
In domestic offices.....		\$7,345,031
Non-interest bearing.....	\$1,859,859	
Interest-bearing.....	5,485,172	
In foreign offices, Edge and Agreement subsidiaries, and IBFs.....		9,703,311
Interest-bearing.....	9,703,311	
Federal funds purchased and securities sold under agreements to repurchase.....		
Federal funds purchased in domestic offices.....		6,822,862
Securities sold under agreements to repurchase.....		657,741
Trading liabilities.....		0
Other borrowed money.....		9,294,873
Bank's liability on acceptances executed and outstanding.....		411
Subordinated notes and debentures.....		229,736
Other liabilities.....		1,608,595
TOTAL LIABILITIES		35,662,560

EQUITY CAPITAL

Common Stock.....		21,296
Surplus.....		2,436,571
Retained earnings.....		1,828,446
Accumulated other comprehensive income.....		(19,120)
TOTAL EQUITY CAPITAL		4,267,193
TOTAL LIABILITIES AND EQUITY CAPITAL		\$39,929,753

APPENDIX F

FINANCIAL GUARANTY INSURANCE POLICY

MBIA Insurance Corporation
Armonk, New York 10504

Policy No. [NUMBER]

MBIA Insurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to [PAYING AGENT/TRUSTEE] or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

[PAR]
[LEGAL NAME OF ISSUE]

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners, or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

IN WITNESS WHEREOF, the Insurer has caused this policy to be executed in facsimile on its behalf by its duly authorized officers, this [DAY] day of [MONTH, YEAR].

MBIA Insurance Corporation

President

Attest:

Assistant Secretary

SPECIMEN

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4/95

MuniStatements.com

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New York, NY 10014

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ISSUER: Indianapolis Local Public
Improv Bond Bank Indiana