Resolution No. 2026 - ___-R

A RESOLUTION authorizing certain amendments to the terms of the outstanding City of Rockford, Illinois Industrial Project Revenue Bonds (Wesley Willows Project), Series 2011; approving the execution of a Fifth Supplemental Indenture of Trust; and authorizing and approving certain other related matters.

WHEREAS, the City of Rockford, Illinois (the "Issuer") previously adopted Resolution No. 2011-014R (the "Original Bond Resolution") which, among other things, authorized the issuance of not to exceed $55,000,000 of the Issuer's Industrial Project Revenue Bonds (Wesley Willows Project), Series 2011 (the "Bonds") under the Industrial Project Revenue Bond Act, 65 ILCS 5/11/74-1 et seq., as amended, and the Local Government Debt Reform Act, 30 ILCS 350/1, et seq. (together, the "Act") for the purposes specified in the Original Bond Resolution which included the financing of the acquisition, construction and equipping of additional senior living facilities (the "Facilities") located on the campus of Wesley Willows, an Illinois not for profit corporation (the "Borrower"), the main address of which is 4141 North Rockton Avenue, Rockford, Illinois; and

WHEREAS, the Facilities are owned, operated and managed by the Borrower; and

WHEREAS, on March 17, 2011, pursuant to an Indenture of Trust, dated as of March 1, 2011 (the "Original Indenture"), between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee"), the Issuer issued an amount not to exceed $40,945,000 in principal amount of the Bonds (the "Phase I Bonds"), on a draw-down basis, that were purchased directly by Wells Fargo Bank, National Association (together with any wholly-owned subsidiary, the "Purchaser"), pursuant to a commitment issued by the Purchaser for the purposes of refunding certain prior bonds issued by the Issuer on behalf of the Borrower and to finance the Facilities; and

WHEREAS, the Original Indenture contemplated an increase in the principal amount of the Phase I Bonds up to the maximum principal amount of $55,000,000 (the "Phase II Bonds") upon the satisfaction of certain conditions precedent, including the consent of the Purchaser (the term "Bonds" refers collectively to the Phase I Bonds and the Phase II Bonds); and

WHEREAS, on February 24, 2014, the Issuer adopted Resolution No. 2014-024R (the "2014 Amending Resolution" and, together with the Original Bond Resolution, the "Prior Bond Resolutions") which authorized certain amendments to the Original Indenture and an increase in the principal amount of the Phase I Bonds up to an amount not to exceed $53,560,000 through the issuance of the Phase II Bonds, and authorized the execution and delivery of a First Supplemental Indenture of Trust (the "First Indenture Amendment"); and

WHEREAS, on March 13, 2014, the Issuer delivered the Phase II Bonds and the First Indenture Supplement and established a New Bank Purchase Date of March 13, 2017; and

WHEREAS, on March 10, 2017, the Purchaser and the Borrower agreed to a New Index Interest Rate and a New Direct Purchase Period Purchase Date of March 1, 2024 and, in connection therewith, made minor modifications to the Original Indenture through the delivery of a Second Supplemental Indenture of Trust, dated as of March 10, 2017 (the "Second Indenture Amendment") executed and delivered by the Trustee and the Issuer; and

WHEREAS, on May 8, 2019, the Purchaser and the Borrower agreed to certain additional changes to the terms of the Bonds and requested that the Issuer and the Trustee enter into a Third Supplemental Indenture of Trust, dated May 8, 2019 (the "Third Indenture Amendment"); and

WHEREAS, on June 30, 2022, the Purchaser and the Borrower agreed to certain additional changes to the terms of the Bonds and requested that the Issuer and the Trustee enter into a Fourth Supplemental Indenture of Trust, dated June 30, 2022 (the "Fourth Indenture Amendment"); and

WHEREAS, the Purchaser and the Borrower have agreed to certain additional changes to the terms of the Bonds to adjust the Applicable Spread from 93 basis points to 105 basis points, and are requesting that the Issuer and the Trustee enter into a Fifth Supplemental Indenture of Trust, to be dated as of the date of its effectiveness (the "Fifth Indenture Amendment"); and

WHEREAS, the City Council of the Issuer (the "Corporate Authorities") has previously found and determined that it is necessary for the welfare of the government and affairs of the Issuer, a proper public purpose and in the public interest that the sum of not to exceed $55,000,000 be loaned to the Borrower for payment of the costs of the Financing Purposes (as defined in the Original Resolution) and that the Bonds be issued as special limited obligation revenue bonds of the Issuer pursuant to the provisions of the Act; and

WHEREAS, the Corporate Authorities hereby find it consistent with the Financing Purposes to authorize and approve the execution and delivery of the Fifth Indenture Amendment in a manner consistent with this Resolution and the Prior Bond Resolutions:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROCKFORD, WINNEBAGO COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Incorporation of Preambles; Finding. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Resolution are full, true and correct and do incorporate them into this Resolution by this reference. In addition, the Corporate Authorities confirm their previous findings that the issuance of the Bonds have served and will serve the public purpose of maintaining existing levels of employment and encourage the increase of industry and commerce in the State and in the City of Rockford, thereby reducing the evils attendant upon unemployment.

Section 2. Fifth Indenture Amendment. The Corporate Authorities do hereby authorize and approve the execution by the Mayor and the Legal Director and Ex-Officio Keeper of the Records and Seal of the Issuer of the Fifth Indenture Amendment. The Fifth Indenture Amendment will amend and modify the terms of the Original Indenture (as previously amended) in the manner agreed to by the Purchaser and the Borrower in the commitment provided by the Purchaser to the Borrower. The Fifth Indenture Amendment shall be substantially in the form attached hereto and marked "Exhibit A" and hereby approved, or with such changes therein as shall be approved by the Mayor and Legal Director and Ex-Officio Keeper of the Records and Seal of the Issuer executing the same, with such execution to constitute conclusive evidence of their approval and the Corporate Authorities' approval of any changes or revisions therein from the form of Fifth Indenture Amendment attached hereto.

Section 3. Additional Instruments. The Corporate Authorities do hereby authorize and approve the execution by the Mayor and the Legal Director and Ex-Officio Keeper of the Records and Seal of the Issuer to be affixed upon such further documents and instruments as may be required to effectuate the modifications of the terms of the Bonds from the Fifth Indenture Amendment, with such documents and instruments to include, without limitation, the execution of a new form of the Bonds, a supplement to the original arbitrage or tax certificate executed by the Issuer in connection with the Bonds and the signing of an IRS Form 8038 and the filing thereof with the Internal Revenue Service if required by Bond Counsel.

Section 4. *Publication of Resolution.* A full, true and complete copy of this Resolution shall be printed or published promptly after passage in pamphlet form by authority of the Corporate Authorities.

Section 5. *Repealer and Effective Date.* All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby repealed and this Resolution shall be in full force and effect immediately and forthwith upon its passage, approval and publication in pamphlet form as aforesaid. Consistent with the preceding sentence, the Prior Bond Resolutions shall remain in full force and effect, only as supplemented by the provisions of this Resolution.

Section 6. *Authorization and Ratification of Subsequent Acts.* The Corporate Authorities of the Issuer and the officers, agents and employees of the Issuer are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Resolution and the document attached hereto as Exhibit A, and all of the acts and doings of the Corporate Authorities of the Issuer, and the officers, agents and employees of the Issuer which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Councilmember ______ moved and Councilmember ____________ seconded the motion that said Resolution as presented and read by adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt the Resolution as read.

Upon the roll being called, the following Council members voted "AYE":

____

____

Abstaining: Councilmembers ____

Absent: Councilmembers ____

And the following Councilmembers voted "NAY": ____________________________________

Whereupon the Mayor declared the motion carried and the Resolution adopted, and henceforth did approve and sign the same in open meeting and did direct the Legal Director and Ex-Officio Keeper of the Records and Seal to record the same in full in the records of the City Council of the City of Rockford, Illinois, which was done.

Other business not pertinent to the proposed Resolution was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting adjourned.

AYES: ____

____

ABSTAINING: ____

NAYS: ____

ABSENT: ____

ADOPTED: ______________________

Approved: ______________________________

____
Mayor, City of Rockford, Winnebago County, Illinois

Attest:

____
Legal Direct and Ex-Officio Keeper of the
Records and Seal, City of Rockford,
Winnebago County, Illinois

Recorded in the Municipal records on ________________

Published in pamphlet form by authority of the Corporate Authorities on ___________, 2026.

FIFTH SUPPLEMENTAL INDENTURE OF TRUST

THIS FIFTH SUPPLEMENTAL INDENTURE OF TRUST (this "Fifth Supplement") dated as of **[June __, 2026]** (the "Supplement Date"), is entered into by and between the **CITY OF ROCKFORD, ILLINOIS** (the "Issuer") and **COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION**, as successor-in-interest to Wells Fargo Bank, National Association, as trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, the Issuer and the Trustee have previously entered into an Indenture of Trust, dated as of March 1, 2011, as amended and supplemented by a First Supplemental Indenture of Trust, dated of March 13, 2014, a Second Supplemental Indenture of Trust, dated as of March 10, 2017, a Third Supplemental Indenture of Trust, dated as of May 8, 2019 and a Fourth Supplemental Indenture of Trust, dated as of June 30, 2022 (collectively, the "Original Indenture" and as hereby amended, the "Indenture"), relating to the Issuer's Industrial Project Revenue Bonds (Wesley Willows Project), Series 2011 (the "Bonds"); and

WHEREAS, pursuant to Section 8.02 of the Original Indenture, the Issuer and the Trustee wish to amend the Original Indenture as provided herein; and

WHEREAS, Section 8.02 of the Original Indenture requires that the Trustee obtain the consent of Wells Fargo Bank, National Association, as sole holder of the Bonds (the "Bondholder") and of Wesley Willows (the "Company") to this Fifth Supplement; and

WHEREAS, the Bondholder and the Company have consented to this Fifth Supplement as evidenced by their signature hereto;

NOW, THEREFORE, in consideration of the foregoing and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

AMENDMENTS

Section 1.01. Amendments to Section 1.01. Section 1.01 of the Original Indenture is hereby amended by replacing the existing definitions of the following terms with the definitions set forth below:

"*Applicable Spread*" means, with respect to each Index Interest Rate Period, the following:

(i) Commencing on the Fifth Supplemental Effective Date, 105 basis points (1.05%).

(ii) During any other Index Interest Rate Period other than the Initial Period, the number of basis points determined by the Market Agent or the Remarketing Agent designated by the Company in accordance with Section 2.04(a) on or before the first day of such Index Interest Rate Period that, added to the formula set forth in the definition of LIBOR Index Rate, SOFR Index or SIFMA Index Rate as applicable, would equal the minimum interest rate per annum that would enable the Market Agent or the Remarketing Agent to sell the Bonds on such date at a price equal to the principal amount thereof, plus accrued interest, if any, thereon.

"Bank Purchase Date" means (i) **[June __, 2031]**[1], or any subsequent date specified by the Bank pursuant to Section 2.21 and (ii) at the beginning of any Index Interest Rate Period other than the Initial Period, the date designated by the Company pursuant to Section 2.04(a).

Section 1.02. Addition to Section 1.01. Section 1.01 of the Original Indenture is hereby amended by adding the following definition:

"*Fifth Supplement Effective Date*" means **[June __, 2026]**.

ARTICLE II

FULL FORCE AND EFFECT

The Original Indenture is hereby amended to the extent provided in this Fifth Supplement and, except as specifically provided herein, the Original Indenture shall remain in full force and effect in accordance with its terms.

ARTICLE III

GOVERNING LAW

THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS FIFTH SUPPLEMENT SHALL BE GOVERNED AS PROVIDED IN SECTION 9.08 OF THE ORIGINAL INDENTURE.

ARTICLE IV

HEADINGS

Section headings in this Fifth Supplement are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this Fifth Supplement.

[1] Drafting Note: Date to be 5 years from Closing Date.

ARTICLE V

COUNTERPARTS

This Fifth Supplement may be signed in any number of counterpart copies, but all such copies shall constitute one and the same instrument.

ARTICLE VI

CONDITIONS PRECEDENT

This Fifth Supplement shall be effective as of the Supplement Date subject to the satisfaction of or waiver by the Bondholder of all of the following conditions precedent:

Section 6.01. Delivery of a counterpart of this Fifth Supplement executed by the parties hereto.

Section 6.02. Delivery of an Approving Opinion addressed to the Bondholder in form and substance reasonably satisfactory to the Bondholder and its counsel.

Section 6.03. Delivery by the Company of a Confirmation of Guaranty executed by each Guarantor.

Section 6.04. Delivery by the Company of a resolution authorizing the execution, delivery and performance of this Fifth Supplement and the documents related hereto.

Section 6.05. Delivery by the Company of a resolution of each Guarantor authorizing the execution, delivery and performance of each such Confirmation of Guaranty.

Section 6.06. Delivery by the Company of an enforceability opinion of counsel to the Company.

Section 6.07. Payment to the Bondholder on the Supplement Date of (i) a closing fee in the amount of **[$______]**[2] and (ii) the reasonable legal fees and expenses of counsel to the Bondholder.

Section 6.08. All other legal matters pertaining to the execution and delivery of this Fifth Supplement shall be reasonably satisfactory to the Bondholder and its counsel.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

[2] Drafting Note: Such closing fee to be 0.25% of the outstanding principal amount at Closing.

Each party hereto represents and warrants to the other that this Fifth Supplement has been duly authorized and validly executed by it and that the Original Indenture as hereby amended constitutes its valid obligation, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and subject to the application of general principles of equity including but not limited to the right of specific performance.

ARTICLE VIII

SEVERABILITY

In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

ARTICLE IX

DEFINITIONS

All capitalized terms used herein and not defined shall have the meaning assigned to such terms in the Original Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Fifth Supplemental Indenture of Trust to be duly executed and delivered as of the date and year first written above.

CITY OF ROCKFORD, ILLINOIS

By: ________________________
Name: ______________________
Title: _______________________

ATTEST:

By: ________________________
Name: ______________________
Title: _______________________

COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By: ___________________________
Name: _________________________
Title: __________________________

Consented to and agreed to by:

WESLEY WILLOWS

By: __________________________
Name: ________________________
Title: _________________________

Consented to and agreed to by:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Sole Bondholder

By: ______________________
Name: ____________________
Title: _____________________

Rockford, Illinois Date: July 27, 2026

RECOMMENDATION FOR RESOLUTION

TO THE CITY COUNCIL OF THE CITY OF ROCKFORD:

Council Members:

The Committee on Finance and Personnel having received a request hereby begs leave to report recommending Approval of the Fifth Supplemental Indenture Resolution regarding the Industrial Project Revenue Bonds (Wesley Willows Project), Series 2011. The Legal Director shall prepare the appropriate resolution.

____
Kevin Frost (Chair)

____
Chad Tuneberg (Vice Chair)

____
Frank Beach

____
Dawn Granath

____
Jaime Salgado

Committee Action Taken:

Frost:	Ayes:___	Nays:____	Absent:____
Tuneberg:	Ayes:___	Nays:____	Absent:____
Beach:	Ayes:___	Nays:____	Absent:____
Granath:	Ayes:___	Nays:____	Absent:____
Salgado:	Ayes:___	Nays:____	Absent:____