

CONSENT OF BONDHOLDER

\$40,980,000

LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL
FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
REVENUE REFUNDING BONDS
(SHREVEPORT CONVENTION CENTER HOTEL PROJECT)
SERIES 2008

The undersigned, on behalf Regions Capital Advantage, Inc. (the "Purchaser") hereby consents and certifies as follows:

1. The undersigned has duly authorized to execute this consent on behalf of the Purchaser.
2. The Purchaser has been provided a final execution copy of:

The Trust Indenture dated as of June 1, 2008 (the "Original Trust Indenture"), as supplemented and amended by that First Supplement to Trust Indenture dated as of May 1, 2010 (the "First Supplement to Trust Indenture" and, together with the Original Trust Indenture, the "Existing Indenture"), , together with the proposed form of a Second Supplement to Trust Indenture dated as of May 30, 2014 (the "Second Supplement to Trust Indenture"), a copy of which is attached hereto as Exhibit "A", each by and between the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer") and Regions Bank, as trustee (the "Trustee").

3. The Purchaser hereby acknowledges and agrees that the proposed Second Supplement to Trust Indenture will modify, alter, amend and/or rescind certain terms and provisions of the Existing Indenture relating to the Bonds and the security therefore, including, but not limited to the method for calculating the interest rate on the Bonds and, as a result, the consent of the owners of all the Bonds outstanding is required pursuant to Section 11.2 of the Existing Indenture prior to the execution of the Second Supplement to Trust Indenture.
4. The Purchaser is the owner of 100% of the aggregate principal amount of the outstanding Bonds.
5. The Purchaser, in its capacity as the owner of all of the outstanding Bonds, hereby consents to the execution and delivery of the Second Supplement to Trust Indenture by the parties thereto, effective as of the date hereof.

Dated: May 30, 2014

REGIONS CAPITAL ADVANTAGE, INC.

By: _____
Bo Buckner, President

Exhibit "A"
to
Consent of Bondholder

Form of Second Supplement to Trust Indenture

SECOND SUPPLEMENT TO TRUST INDENTURE

by and between

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY**
(as Issuer)

and

REGIONS BANK
(as Trustee)

Dated as of May 30, 2014

Remarketing of Remaining Principal Balance
In Connection With:

\$40,980,000
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Shreveport Convention Center Hotel Project)
Series 2008

SECOND SUPPLEMENT TO TRUST INDENTURE

This **SECOND SUPPLEMENT TO TRUST INDENTURE** dated as of May 30, 2014 (the "**Second Supplement to Trust Indenture**"), is between the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana (the "**Authority**" or "**Issuer**"), and Regions Bank, an Alabama state banking corporation having a corporate trust office in the City of Baton Rouge, Louisiana and duly authorized to accept and execute trusts, as trustee (the "**Trustee**").

WITNESSETH:

WHEREAS, the Issuer is a political subdivision created pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (LSA-R.S. 33:4548.1 to 4548.16, inclusive) and other constitutional and statutory authority (the "**Act**"); and

WHEREAS, it is the purpose of the Authority to encourage public infrastructure, economic development and public works of all types and to assist political subdivisions in the constructing of public works and in financing and refunding the construction of public infrastructure and public works; and

WHEREAS, the Act empowers the Issuer to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act and loan the proceeds thereof to political subdivisions who are members of the Authority for the such purposes, under the authority of the Act, Chapter 14A of Title 39 (LSA-R.S. 39:1441 through 1456) (the "**Refunding Act**") and other constitutional and statutory authority; and

WHEREAS, the City of Shreveport, State of Louisiana (the "**City**" or "**Borrower**"), a municipality and political subdivision duly organized and validly existing under the laws of the State of Louisiana, has become a member of the Authority; and

WHEREAS, pursuant to a Trust Indenture dated as of June 1, 2008, by and between the Issuer and the Trustee (the "**Original Indenture**"), the Issuer previously issued \$40,980,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008 (the "**Bonds**") on behalf of the Borrower; and

WHEREAS, Section 11.1 of the Indenture provides that the Issuer and the Trustee may enter into an indenture or indentures supplemental to the Indenture to provide modifications of the terms or provisions contained in the Indenture, which modifications, in the sole judgment of the Trustee, are not prejudicial to the interests of the Trustee or the Bondholders; and

WHEREAS, the Original Indenture was supplemented and amended by that First Supplement to Trust Indenture dated as of May 1, 2010, by and between the Issuer and the Trustee (the "**First Supplement to Trust Indenture**"), and together with the Original Indenture, the "**Indenture**"), and

WHEREAS, the Issuer, desires to further supplement and amend the Indenture in order to provide for the remarketing of the remaining principal balance of the Bonds in the amount of \$39,085,000 to Regions Capital Advantage, Inc. (the “Purchaser”); and

WHEREAS, all acts, conditions and things required by the laws of the State and the Indenture to happen, exist and be performed precedent to and in the execution and delivery of this Second Supplement to Trust Indenture have happened, exist and have been performed as so required in order to make this Second Supplement to Trust Indenture a valid and binding agreement in accordance with its terms; and

WHEREAS, the execution and delivery of this Second Supplement to Trust Indenture have been duly authorized by the Issuer and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this Second Supplement to Trust Indenture and the parties are now prepared to execute and deliver this Second Supplement to Trust Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Issuer and the Trustee hereby covenant and agree as follows:

ARTICLE 1 RATIFICATION; DEFINITIONS

Section 1.1 Relation to Indenture; Ratification. This Second Supplement to Trust Indenture is supplemental to, and is entered into in accordance with, Section 11.1(i) of the Indenture and constitutes an integral part of the Indenture. Except as amended or supplemented by this Second Supplement to Trust Indenture, the provisions of the Indenture are in all respects ratified and confirmed and shall remain in full force and effect.

Section 1.2 Definitions. Unless the context shall otherwise require or as amended by this Second Supplement to Trust Indenture, all terms which are defined in Section 1.1 of the Indenture shall have the same meanings, respectively, in this Second Supplement to Trust Indenture as such terms are given in said Section 1.1 of the Indenture.

ARTICLE 2 AMENDMENTS TO INDENTURE

Section 2.1 Amendment to **Section 1.1 Definitions** of the Indenture. Section 1.1 of the Indenture is hereby amended by amending and restating the following definitions in their entirety:

“Interest Payment Date” means the first day of each calendar month until the end of the Holding Period, commencing on the first day of the month following the Closing Date, calculated on a 360-day year consisting of the actual number of days elapsed.

“Mandatory Purchase Date” means the effective date of an Alternate Letter of Credit on which the Bonds are required to be purchased in accordance with Section 2.7 hereof or, as such term is used in Section 2.7(a) and (c) of this Indenture, May 30, 2019.

Addition to Section 1.1 Definitions of the Indenture. The following words and terms are added to Section 1.1 of the Indenture which words and terms shall have the following meanings:

“Holding Period” means the period of time during which Purchaser is the owner of the Bonds.

“Purchaser” means Regions Capital Advantage, Inc., or its successors or assigns.

Section 2.2 Addition of Section 2.3 (e) Form of Bonds of the Indenture. Section 2.3(e) is hereby added to the Indenture and shall read as follows:

- (e) Anything in this Indenture to the contrary notwithstanding, as long as the Bonds are held by the Purchaser, the bonds shall be in substantially the form attached hereto as Exhibit A-1.

Section 2.3 Amendment to Section 2.4(h) and (i) of the Indenture. Sections 2.4(h) and (i) of the Indenture are hereby amended and shall read as follows:

- (h) Anything in this Indenture to the contrary notwithstanding: (i) from May 30, 2014 to May 30, 2019 and during the Variable Rate Period, the Bonds shall bear interest at a Variable Rate, which Variable Rate shall be 65.1% of one-month LIBOR plus ninety-two hundredths of one percent (0.92%).
- (i) Anything in this Indenture to the contrary notwithstanding and so long as the Bonds have not been successfully remarketed under Section 2.7(a)(iii) of this Indenture: (i) from May 30, 2019 until the Bonds are paid in full, the Bonds shall bear interest at a Variable Rate equal to the Maximum Rate; (ii) the Remarketing Agent need not give the Trustee or the Borrower notice of any change in the Variable Rate with respect to any bond or bonds; and (iii) the Remarketing Agent need not calculate the amount of interest to be paid on each Interest Payment Date or confirm such amount with the Trustee.

Section 2.4 Amendment to Section 2.7(a) of the Indenture. Section 2.7(a) of the Indenture is hereby amended to read as follows in its entirety:

- (a) The Bonds are subject to Mandatory Tender in accordance with the terms and conditions set forth in this Section 2.7 if:

- (i) the Borrower elects to convert the interest rate on the Bonds to the Fixed Rate and the requirements of Section 2.5(a) hereof have been satisfied; or
- (ii) the Borrower delivers to the Trustee not less than sixty (60) days prior to the stated expiration date of the Letter of Credit then in effect satisfactory evidence that the Borrower has obtained an Alternate Letter of Credit to be effective upon or prior to the fifteenth (15th) day immediately preceding such stated expiration date and specifying the identity of the issuer of the Alternate Letter of Credit.
- (iii) the Borrower elects to use its best efforts to remarket the Bonds (or portions thereof in Authorized Denominations) for purchase on or after May 30, 2019.

Section 2.5 Amendment to Section 2.9 of the Indenture. The first sentence of Section 2.9 of the Indenture is hereby amended to read as follows in its entirety:

Section 2.9 Interest Rate Exchange Agreements; Termination Payments. At any time (a) prior to May 30, 2019, or (b) that the Bonds bear interest at a Variable Rate equal to a Maximum Rate pursuant to Section 2.4(i) of this Indenture, the obligations of the Authority and/or the Borrower under any Swap Agreement shall be secured on a subordinate basis with respect to the security of the Bonds; otherwise, the obligations of the Authority and/or the Borrower under any Swap Agreement are secured under this Indenture on a parity with the Bonds by the pledge of the Trust Estate, to the extent and in the manner set forth herein, except that the Termination Payments are secured on a subordinate basis.

Section 2.6 Deletion of Section 2.10(e) and 2.10(f) of the Indenture are hereby deleted from the Indenture.

Section 2.7 Amendment to Section 2.20 of the Indenture. The following sentence is hereby added to the end of Section 2.20 and shall read as follows:

“Notwithstanding anything to the contrary contained in this Indenture, as long as the Bonds are being held by Purchaser, Purchaser may require physical possession of the Bonds in lieu of the book-entry system administered by the Securities Depository as contemplated in the Section 2.20.”

ARTICLE 3 MISCELLANEOUS

Section 3.1 Representations and Warranties of the Authority. The Authority represents and warrants that (i) it is duly authorized under the Constitution and laws of the State to issue the Bonds, and to execute, deliver and perform the terms of the Second Supplement to Loan Agreement and this Second Supplement to Indenture; (ii) all action on its part for the issuance of the Bonds and execution and delivery of the Second Supplement to Loan Agreement and this Second Supplement to Indenture have been duly taken; (iii) the Bonds upon issuance and authentication, and the Second Supplement to Loan Agreement and this Second Supplement Indenture upon delivery, shall be valid and enforceable against the Issuer in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights and by general principles of equity; (iv) it has not heretofore conveyed, assigned, pledged, granted a security interest in or otherwise disposed of the Security; (v) it has no knowledge of any right of set-off, defense or counterclaim to payment or performance of the terms or conditions of the Loan Agreement; and (vi) the execution, delivery and performance of the Loan Agreement, as supplemented, and the Indenture, as supplemented, are not in contravention of law or any agreement, instrument, indenture or other undertaking to which it is a party or by which it is bound.

Section 3.2 Delivery of the Bonds. Upon the execution and delivery of this Second Supplement to Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to Purchaser thereof as shall be directed by the Authority as hereinafter in this Section provided.

Prior to or simultaneously with the delivery by the Trustee of the Bonds there shall be filed with the Trustee:

- (a) A copy, duly certified by an Authorized Authority Representative, of the Resolution adopted by the Authority authorizing the execution and delivery of this Second Supplement to Indenture and the Second Supplement to Loan Agreement, and all other instruments contemplated hereby and thereby and the authorization, issuance, sale and delivery of the Bonds;
- (b) A copy, duly certified by the Authorized City Representative, of the resolutions and/or ordinances of the City authorizing the execution and delivery of the Second Supplement to Loan Agreement, and all other instruments contemplated thereby and approving this Indenture and the authorization, issuance, sale and delivery of the Bonds;
- (c) A favorable opinion of Bond Counsel addressed to the Issuer, the Trustee and Purchaser;
- (d) A request and authorization to the Trustee on behalf of the Authority and signed by an Authorized Authority Representative to authenticate and deliver the Bonds

to the Purchaser thereof upon payment to the Trustee, but for the account of the Authority as Issuer, of a specified sum of money.

Section 3.3 Counterparts. This Second Supplement to Trust Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Second Supplement to Trust Indenture by telecopier shall be effective as delivery of a manually executed counterpart of this Second Supplement to Trust Indenture.

Section 3.4 Severability. In case any provision in this Second Supplement to Trust Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 3.5 Governing Law. This Second Supplement to Trust Indenture shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 3.6 Incorporation into Indenture. All provisions of this Second Supplement to Trust Indenture shall be deemed to be incorporated in, and made a part of, the Indenture; and the Indenture, as amended and supplemented by this Second Supplement to Trust Indenture, shall be read, taken and construed as one and the same instrument. The respective rights, duties and obligations under the Indenture of the Trustee, the Authority, the City, the Bank (if a Letter of Credit is utilized) shall hereafter be determined, exercised and enforced under the Indenture subject in all respects to the modification and amendment of the Indenture by this Second Supplement to Trust Indenture.

Section 3.7 Consent of Bank. Whenever the consent or approval of the Bank is required under the provisions of this Indenture, if there is no Letter of Credit that is then in effect, then no consent or approval of the Bank is necessary.

Section 3.8 Form of Bond. The Indenture is hereby amended by the addition of Exhibit A-1 which shall be substantially in the Form of Exhibit A to this Second Supplement to Trust Indenture.

[REMAINDER OF PAGE INTENTIONALLY BLANK - SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused this Second Supplement to Trust Indenture to be executed by its Executive Director and has caused the seal of the Issuer to be affixed hereto and attested by its Assistant Secretary and the Trustee has caused this Second Supplement to Trust Indenture to be executed on its behalf by a Senior Vice President, all as of the day and year above written.

**LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT
AUTHORITY**, as Issuer

SEAL

By: _____
Ty E. Carlos, Executive Director

ATTEST:

By: _____
Jennifer Bruhl, Assistant Secretary

REGIONS BANK, as Trustee

By: _____
John C. Shiroda, Senior Vice President

Exhibit “A” to Second Supplement to Trust Indenture

Form of Bond

FIRST SUPPLEMENT TO TRUST INDENTURE

by and between

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY**
(as Issuer)

and

REGIONS BANK
(as Trustee)

Dated as of May 1, 2010

in connection with:

Remarketing of
\$40,575,000 Remaining Principal Balance
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Shreveport Convention Center Hotel Project)
Series 2008

FIRST SUPPLEMENT TO TRUST INDENTURE

This **FIRST SUPPLEMENT TO TRUST INDENTURE** dated as of May 1, 2010 (the "**First Supplement to Trust Indenture**"), is between the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana (the "**Authority**" or "**Issuer**"), and Regions Bank, as Trustee, an Alabama state banking corporation having a corporate trust office in the City of Baton Rouge, Louisiana and duly authorized to accept and execute trusts, as trustee (the "**Trustee**").

WITNESSETH:

WHEREAS, the Issuer is a political subdivision created pursuant to the provisions of Chapter 10-D of Title 33 of the Louisiana Revised Statutes of 1950, as amended (LSA-R.S. 33:4548.1 to 4548.16, inclusive) and other constitutional and statutory authority (the "**Act**"); and

WHEREAS, it is the purpose of the Authority to encourage public infrastructure, economic development and public works of all types and to assist political subdivisions in the constructing of public works and in financing and refunding the construction of public infrastructure and public works; and

WHEREAS, the Act empowers the Issuer to issue bonds to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes as set forth in the Act and loan the proceeds thereof to political subdivisions who are members of the Authority for the such purposes, under the authority of the Act, Chapter 14A of Title 39 (LSA-R.S. 39:1441 through 1456) (the "**Refunding Act**") and other constitutional and statutory authority; and

WHEREAS, the City of Shreveport, State of Louisiana (the "**City**" or "**Borrower**"), a municipality and political subdivision duly organized and validly existing under the laws of the State of Louisiana, has become a member of the Authority; and

WHEREAS, pursuant to a Trust Indenture dated as of June 1, 2008, by and between the Issuer and the Trustee (the "**Indenture**"), the Issuer previously issued \$40,980,000 aggregate principal amount of Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008 (the "**Bonds**"); and

WHEREAS, Section 11.1 of the Indenture provides that the Issuer and the Trustee may enter into an indenture or indentures supplemental to the Indenture to provide modifications of the terms or provisions contained in the Indenture, which modifications, in the sole judgment of the Trustee, are not prejudicial to the interests of the Trustee or the Bondholders;

WHEREAS, the Issuer, desires to supplement and amend the Indenture in order to provide for the remarketing of the remaining principal balance of the Bonds in the amount of \$40,575,000 to a sole Bondholder and to provide for the termination and non-renewal of the

current Letter of Credit without replacement with an Alternate Letter of Credit until after May 31, 2014; and

WHEREAS, all acts, conditions and things required by the laws of the State and the Indenture to happen, exist and be performed precedent to and in the execution and delivery of this First Supplement to Trust Indenture have happened, exist and have been performed as so required in order to make this First Supplement to Trust Indenture a valid and binding agreement in accordance with its terms; and

WHEREAS, the execution and delivery of this First Supplement to Trust Indenture have been duly authorized by the Issuer and the Trustee; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this First Supplement to Trust Indenture and the parties are now prepared to execute and deliver this First Supplement to Trust Indenture.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Issuer and the Trustee hereby covenant and agree as follows:

ARTICLE 1 RATIFICATION; DEFINITIONS

Section 1.1 Relation to Indenture; Ratification. This First Supplement to Trust Indenture is supplemental to, and is entered into in accordance with, Section 11.1 of the Indenture and constitutes an integral part of the Indenture. Except as amended or supplemented by this First Supplement to Trust Indenture, the provisions of the Indenture are in all respects ratified and confirmed and shall remain in full force and effect.

Section 1.2 Definitions. Unless the context shall otherwise require or as amended by this First Supplement to Trust Indenture, all terms which are defined in Section 1.1 of the Indenture shall have the same meanings, respectively, in this First Supplement to Trust Indenture as such terms are given in said Section 1.1 of the Indenture.

ARTICLE 2 AMENDMENTS TO INDENTURE

Section 2.1 Amendment to Section 1.1 Definitions of the Indenture. Section 1.1 of the Indenture is hereby amended by amending and restating the following definitions in their entirety:

"Mandatory Purchase Date" means the effective date of an Alternate Letter of Credit on which the Bonds are required to be purchased in accordance with Section 2.7 hereof or, as such term is used in Section 2.7(a) and (c) of this Indenture, any Business Day on or after June 1, 2014.

"Riverfront Funds" shall mean those funds of the Borrower which arise from the Borrower's receipt of funds transferable to the Borrower from casinos including but not limited to payments made under the following agreements, to-wit: (a) The Collins-Hanna-Walker Compact, an Agreement Between the City of Shreveport, the Parish of Caddo, the City of Bossier City and Casino Magic of Louisiana Corporation, dated June 25, 1997; (b) Hotel Ground Lease by and between City of Shreveport, as Landlord, and Red River Entertainment of Shreveport Partnership In Commendam, as Tenant, dated March 10, 1998; (c) Amended and Restated Ground Lease by and between City of Shreveport, as Landlord, and Red River Entertainment of Shreveport Partnership In Commendam, as Tenant, dated March 10, 1998; and (d) Ground Lease by and between City of Shreveport, as Landlord, and QNOV, as Tenant, dated May 19, 1999, and any successor agreements or other agreements between the Borrower and any third party regarding the payment of funds or rent to the Borrower in connection with any casino or gaming lease or license.

"Variable Rate" means the interest rate on each Bond established pursuant to Section 2.4(b) or Section 2.4(h) or Section 2.4(i) hereof.

Section 2.2 Additions to Section 1.1 Definitions of the Indenture. The following words and terms are added to Section 1.1 of the Indenture which words and terms shall have the following meanings:

"Casino" shall mean any casino that is required to transfer Riverfront Funds to the Borrower.

"Franchise Agreement" means that Franchise License Agreement, Hilton Shreveport, Shreveport, Louisiana, between Hilton Inns, Inc., as Licensor, and Historic Restoration, Incorporated, as Licensee, with an effective date of January 12, 2004.

Section 2.3 Addition of Section 2.4(h) and (i) Interest Rates on Bonds to the Indenture. Sections 2.4(h) and (i) are hereby added to the Indenture and shall read as follows:

- (h) Anything in this Indenture to the contrary notwithstanding: (i) from May 27, 2010 to May 31, 2014 and during the Variable Rate Period, the Bonds shall bear interest at a Variable Rate, which Variable Rate shall be established by the Remarketing Agent once as of May 27, 2010, to be applicable for the entire period, equal to the greater of: (1) the Thompson Financial's Municipal Market Data scale for "AAA" municipal yields with a scale date of May 26 for the year 2014 (the "MMD Scale") plus 3.00 per cent per annum; or (2) 4.125 per cent per annum; (ii) the Remarketing Agent need not give the Trustee or the Borrower notice of any change in the Variable Rate with respect to any bond or bonds; and (iii) the Remarketing Agent need not calculate the amount of interest to be paid on each Interest Payment Date or confirm such amount with the Trustee. The Remarketing Agent shall notify the Trustee of the rate to be used on an actual/actual calculation basis at the earliest practicable date for which notice can be given after the determination of the interest rate is made.

- (i) Anything in this Indenture to the contrary notwithstanding and so long as the Bonds have not been successfully remarketed under Section 2.7(a)(iii) of this Indenture: (i) from June 1, 2014 until the Bonds are paid in full, the Bonds shall bear interest at a Variable Rate equal to the Maximum Rate; (ii) the Remarketing Agent need not give the Trustee or the Borrower notice of any change in the Variable Rate with respect to any bond or bonds; and (iii) the Remarketing Agent need not calculate the amount of interest to be paid on each Interest Payment Date or confirm such amount with the Trustee.

Section 2.4 **Addition of Section 2.5(k) Conversion of Interest Rates on Bonds to the Indenture.** A new Section 2.5(k) is hereby added to the Indenture and shall read as follows:

- (k) No conversion of the interest rate on the Bonds shall occur under this Section if at the time of such conversion the Bonds bear interest at the Variable Rate as provided in Section 2.4(h) or 2.4(i) of this Indenture.

Section 2.5 **Addition of Section 2.6(j) Optional Tender to the Indenture.** A new Section 2.6(j) is hereby added to the Indenture and shall read as follows:

- (j) So long as the Bonds bear interest at the Variable Rate as provided in Section 2.4(h) of this Indenture, the Holder of any Bond shall not have the right to optionally tender such Bond to the Tender Agent for purchase in whole or in part.

Section 2.6 **Amendment to Section 2.7(a) Mandatory Tender of the Indenture.** Section 2.7(a) of the Indenture is hereby amended to read as follows in its entirety:

- (a) The Bonds are subject to Mandatory Tender in accordance with the terms and conditions set forth in this Section 2.7 if:
 - (i) the Borrower elects to convert the interest rate on the Bonds to the Fixed Rate and the requirements of Section 2.5(a) hereof have been satisfied; or
 - (ii) the Borrower delivers to the Trustee not less than sixty (60) days prior to the stated expiration date of the Letter of Credit then in effect satisfactory evidence that the Borrower has obtained an Alternate Letter of Credit to be effective upon or prior to the fifteenth (15th) day immediately preceding such stated expiration date and specifying the identity of the issuer of the Alternate Letter of Credit.
 - (iii) the Borrower elects to have the Remarketing Agent use its best efforts to remarket the Bonds (or portions thereof in Authorized Denominations) for purchase on or after June 1, 2014.

Anything in this Indenture to the contrary notwithstanding, no Mandatory Tender shall be permitted so long as the Bonds bear interest at the Variable Rate as provided in Section 2.4(h) of this Indenture.

Section 2.7 Amendment of Section 2.7(c) Mandatory Tender of the Indenture.
Section 2.7(c) of the Indenture is hereby amended to read as follows in its entirety:

- (c) Upon the Bonds becoming subject to Mandatory Tender due to the delivery of an Alternate Letter of Credit as described in subsection (a)(ii) above or due to an election of the Borrower as described in subsection (a)(iii) above, the Trustee shall, within five (5) Business Days, give notice of the proposed delivery of such Alternate Letter of Credit or of such election, and of the resulting Mandatory Tender (A) by telephone, promptly confirmed in writing, to the Remarketing Agent and the Bank, and (B) by first class mail, postage prepaid, to the Holders of the Bonds, which notice to such Holders shall be in substantially the form attached hereto as Exhibit "D". The Holders of the Bonds shall be required to tender all Bonds (including, if the Bonds are in certificated form, appropriate instruments of transfer duly executed in blank) to the Tender Agent at its payment office on or before the applicable Mandatory Purchase Tender Date for purchase on the applicable Mandatory Purchase Date at the Purchase Price therefore.

Section 2.8 Amendment to Section 2.9 Interest Rate Exchange Agreements; Termination Payments to the Indenture. The first sentence of Section 2.9 of the Indenture is hereby amended to read as follows in its entirety:

Section 2.9 Interest Rate Exchange Agreements; Termination Payments. At any time (a) prior to June 1, 2014, or (b) that the Bonds bear interest at a Variable Rate equal to a Maximum Rate pursuant to Section 2.4(i) of this Indenture, the obligations of the Authority and/or the Borrower under any Swap Agreement shall be secured on a subordinate basis with respect to the security of the Bonds; otherwise, the obligations of the Authority and/or the Borrower under any Swap Agreement are secured under this Indenture on a parity with the Bonds by the pledge of the Trust Estate, to the extent and in the manner set forth herein, except that the Termination Payments are secured on a subordinate basis.

Section 2.9 Addition of Section 2.10(e) Redemption of the Bonds to the Indenture.
New Section 2.10(e) and (f) are hereby added to the Indenture and shall read as follows:

- (e) Exception to Special Mandatory Redemption. Anything in this Indenture to the contrary notwithstanding, but subject to the provisions of Section 2.10(f) below, including but not limited to, the provisions of Section

2.10(c), the Bonds will not be called for Special Mandatory Redemption so long as the Bonds bear interest at the Variable Rate as provided in Sections 2.4(h) or 2.4(i) of this Indenture; provided, however, that any Special Mandatory Redemption outstanding as of the date of this First Supplement to Trust Indenture shall remain in full force effect unless rescinded by the Bondholder.

- (f) Mandatory Redemption Upon Sale of Hotel or Termination of Franchise Agreement. Anything in this Indenture to the contrary notwithstanding, the Bonds shall be called for redemption in the event of the sale of the Hotel by the City or the termination of the Franchise Agreement. The Issuer shall give written direction to the Trustee of such call for redemption. The Bonds shall be subject to such redemption by the Issuer in whole at the earliest practicable date for which notice can be given pursuant to Section 2.10(d) hereof following a sale of the Shreveport Convention Center Hotel, Shreveport, Louisiana, all or any substantial portion, or the termination of the Franchise Agreement. The redemption shall be at one hundred percent (100%) of the aggregate principal amount of the Bonds outstanding plus accrued interest to the redemption date.

Section 2.10 Amendment to Section 2.15 Registrar; Exchange and Transfer of Bonds to the Indenture. The following sentence is added to the end of the first paragraph of Section 2.15 of the Indenture:

The transferee of any Bond or Bonds shall not be prohibited from making any transfer or exchange, provided that the transferee has fully complied in good faith with all applicable state and federal securities laws.

Section 2.11 Amendment to Section 4.1(b)(i) The Bond Payment Fund of the Indenture. Section 4.1(b)(i) of the Indenture is hereby amended to read as follows in its entirety:

- (i) There is hereby created and established with the Trustee a trust fund for the benefit of the Bondholders which shall be designated “**Bond Payment Fund**”. The Trustee shall be the depository, custodian and disbursing agent for the Bond Payment Fund. The money in the Bond Payment Fund shall be used (i) to pay the Debt Service on the Bonds as the same shall become due and payable, (ii) to reimburse the Bank for amounts drawn under the Letter of Credit, as provided in Section 4.1(b)(iv), or (iii) to pay the City as provided in Section 4.1(b)(v).

Section 2.12 Amendment to Section 4.1(b)(ii)(2) The Bond Payment Fund of the Indenture. Section 4.1(b)(ii)(2) of the Indenture is hereby amended to read as follows in its entirety:

- (2) All RFF & HF Revenues (as defined under the Loan Agreement), and all loan payments to the Issuer under the Loan Agreement, including all

proceeds resulting from the enforcement of the security interests or its realization as collateral, and any insurance and condemnation proceeds as provided in the Loan Agreement;

Section 2.13 Amendment to Section 4.1(b)(v) The Bond Payment Fund of the Indenture. Section 4.1(b)(v) of the Indenture is hereby amended to read as follows in its entirety:

- (v) The Issuer hereby authorizes and directs the Trustee on the 25th day of each month to withdraw any money from the RFF & HF Revenues deposited during such month as provided in Section 4.1(b)(ii)(2) and remaining in the Bond Payment Fund after the payments and reimbursements provided in this Section 4.1(b), less an amount equal to 1/12th of the next due principal payment as set forth in Schedule P of the Indenture and required to be made under Section 2.2(d) of the Indenture, and to pay such money to the City.

Section 2.14 Addition of Section 4.2(e) Letter of Credit to the Indenture. A new Section 4.2(e) is hereby added to the Indenture and shall read as follows:

- (e) Anything in this Indenture to the contrary notwithstanding, if Bonds are bearing interest at the Variable Rate as provided in Section 2.4(h)(i) of this Indenture, the Borrower is not obligated to cause any Letter of Credit to be delivered to the Trustee.

Section 2.15 Amendment to Section 9.2(d) Events of Default to the Indenture. Section 9.2(d) of the Indenture is hereby amended to read as follows in its entirety:

- (d) Default by the Authority in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture on the part of the Authority to be performed, if such default shall continue for 30 days after written notice (specifying such default and requiring the same to be remedied), which notice shall have been given to the Authority and the City by the Bank or Trustee, which shall give such notice at the written request of the owners of not less than a majority in principal amount of the Bonds then outstanding. Such default shall not become an Event of Default if said default be of the nature that (i) it cannot be corrected within the 30 day period after receipt of notice, but the Authority (or the City pursuant to the provisions of Section 9.13 of this Indenture) promptly shall institute and diligently pursue corrective action until such default is cured, or (ii) the Trustee shall determine that such default is not curable but such default does not affect the validity or enforceability of the Bonds, this Indenture or the Loan Agreement, an event of nonperformance shall not have occurred under the Loan Agreement (other than as a result of the cross default provisions), and such default does not impair the security or the obligations provided for or under the Bonds, this Indenture or the Loan Agreement, and (iii) the

Bank shall have consented to such event not being an Event of Default. Anything in Section 9.2(d) of this Indenture to the contrary notwithstanding, such default shall be an Event of Default if such default is not corrected within sixty (60) days after written notice of such default.

Section 2.16 Amendment to Section 14.6 Consents and Approvals; Consent of Bank to the Indenture. Section 14.6 of the Indenture is hereby amended to read as follows in its entirety:

SECTION 14.6 Consents and Approvals; Consent of Bank. Whenever the written consent or approval of the Authority, the Trustee or the City shall be required under the provisions of this Indenture, such consent or approval shall not be unreasonably withheld or delayed.

If, and only if, the Bank has issued a Letter of Credit that is then in effect, then any provision of this Indenture expressly recognizing or granting rights in or to the Bank may not be amended in any manner which affects the rights of the Bank hereunder without the prior written consent of the Bank.

ARTICLE 3 MISCELLANEOUS

Section 3.1 Representations and Warranties of the Authority. The Authority represents and warrants that (i) it is duly authorized under the Constitution and laws of the State to issue the Bonds, and to execute, deliver and perform the terms of the First Supplement to Loan Agreement and this First Supplement to Indenture; (ii) all action on its part for the issuance of the Bonds and execution and delivery of the First Supplement to Loan Agreement and this First Supplement to Indenture have been duly taken; (iii) the Bonds upon issuance and authentication, and the First Supplement to Loan Agreement and this First Supplement Indenture upon delivery, shall be valid and enforceable against the Issuer in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights and by general principles of equity; (iv) it has not heretofore conveyed, assigned, pledged, granted a security interest in or otherwise disposed of the Security; (v) it has no knowledge of any right of set-off, defense or counterclaim to payment or performance of the terms or conditions of the Loan Agreement; and (vi) the execution, delivery and performance of the Loan Agreement, as supplemented, and the Indenture, as supplemented, are not in contravention of law or any agreement, instrument, indenture or other undertaking to which it is a party or by which it is bound.

Section 3.2 **Delivery of the Bonds.** Upon the execution and delivery of this First Supplement to Indenture, the Authority shall execute and deliver to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to the purchaser thereof as shall be directed by the Authority as hereinafter in this Section provided.

Prior to or simultaneously with the delivery by the Trustee of the Bonds there shall be filed with the Trustee:

- (a) A copy, duly certified by an Authorized Authority Representative, of the Resolution adopted by the Authority authorizing the execution and delivery of this First Supplement to Indenture and the First Supplement to Loan Agreement, and all other instruments contemplated hereby and thereby and the authorization, issuance, sale and delivery of the Bonds;
- (b) A copy, duly certified by the Authorized City Representative, of the resolutions and/or ordinances of the City authorizing the execution and delivery of the First Supplement to Loan Agreement, and all other instruments contemplated thereby and approving this Indenture and the authorization, issuance, sale and delivery of the Bonds;
- (c) Original executed counterparts of the First Supplement to Remarketing Agreement, First Supplement to Loan Agreement, and this First Supplement to Indenture and other customary and appropriate documents, certificates and other agreements;
- (d) A favorable opinion of Bond Counsel addressed to the Issuer, the Trustee and the purchaser;
- (e) An opinion of counsel for the Borrower addressed to the Issuer, the Trustee and the purchaser to the effect that the First Supplement to Loan Agreement and the First Supplement to Remarketing Agreement have been duly authorized, executed and delivered by the Borrower and are legal, valid and binding agreements of the Borrower;
- (f) A request and authorization to the Trustee on behalf of the Authority and signed by an Authorized Authority Representative to authenticate and deliver the Bonds to the purchaser thereof upon payment to the Trustee, but for the account of the Authority as Issuer, of a specified sum of money.
- (g) Duly executed letter agreements between the City and the managers and tenants of the Facilities and the Casinos wherein such managers and tenants agree to make all payments due to the City under their respective leases or other agreements with the City directly to the Trustee by depositing the payments in Capital One Bank, Shreveport, Louisiana.
- (h) Evidence of a termination of the Reimbursement Agreement.

Section 3.3 Counterparts. This First Supplement to Trust Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this

First Supplement to Trust Indenture by telecopier shall be effective as delivery of a manually executed counterpart of this First Supplement to Trust Indenture.

Section 3.4 Severability. In case any provision in this First Supplement to Trust Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 3.5 Governing Law. This First Supplement to Trust Indenture shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 3.6 Incorporation into Indenture. All provisions of this First Supplement to Trust Indenture shall be deemed to be incorporated in, and made a part of, the Indenture; and the Indenture, as amended and supplemented by this First Supplement to Trust Indenture, shall be read, taken and construed as one and the same instrument. The respective rights, duties and obligations under the Indenture of the Trustee, the Authority, the City, the Bank (if a Letter of Credit is utilized) and Wells Fargo (for so long as it is the owner of the Bonds), shall hereafter be determined, exercised and enforced under the Indenture subject in all respects to the modification and amendment of the Indenture by this First Supplement to Trust Indenture.

Section 3.7 Consent of Bank. Whenever the consent or approval of the Bank is required under the provisions of this Indenture, if there is no Letter of Credit that is then in effect, then no consent or approval of the Bank is necessary.

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IN WITNESS WHEREOF, the Issuer has caused this First Supplement to Trust Indenture to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Executive Director and the Trustee has caused this First Supplement to Trust Indenture to be executed on its behalf by a Senior Vice President, all as of the day and year above written.

**LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT
AUTHORITY, as Issuer**

By: 
Steve A. Dicharry, Executive Director

ATTEST:

By: 
Linda D'Antoni Martin, Executive Assistant

REGIONS BANK, as Trustee

By: 
John C. Shiroda, Vice President

FIRST SUPPLEMENT TO LOAN AGREEMENT

by and between

**LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT AUTHORITY**
(as Issuer)

and

CITY OF SHREVEPORT, STATE OF LOUISIANA
(as Borrower)

Dated as of May 1, 2010

in connection with:

Remarketing of
\$40,575,000 Remaining Principal Balance
Louisiana Local Government Environmental Facilities and
Community Development Authority
Revenue Refunding Bonds
(Shreveport Convention Center Hotel Project)
Series 2008

FIRST SUPPLEMENT TO LOAN AGREEMENT

This **FIRST SUPPLEMENT TO LOAN AGREEMENT** dated as of May 1, 2010 (the "**First Supplement to Loan Agreement**"), is between the Louisiana Local Government Environmental Facilities and Community Development Authority, a political subdivision of the State of Louisiana (the "**Authority**" or "**Issuer**"), and the City of Shreveport, State of Louisiana, a municipality and political subdivision of the State of Louisiana (the "**Borrower**" or "**City**").

WITNESSETH:

WHEREAS, the Issuer has previously issued its \$40,980,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project), Series 2008 (the "**Bonds**"); and

WHEREAS, the Bonds were issued pursuant to that certain Indenture dated as of June 1, 2008 (the "**Indenture**") between the Issuer and Regions Bank, as Trustee; and

WHEREAS, the Issuer desires to supplement and amend the Indenture in order to provide for the remarketing of the remaining principal balance of the Bonds in the amount of \$40,575,000 to a sole Bondholder not requiring a Letter of Credit, and to provide for the termination and non-renewal of the current Letter of Credit without replacement with an Alternate Letter of Credit until after May 31, 2014; and

WHEREAS, pursuant to that certain Loan Agreement dated as of June 1, 2008 (the "**Loan Agreement**") between the Issuer and the Borrower, the Borrower has undertaken to make Loan Payments; and

WHEREAS, the parties hereto desire to supplement and amend the Loan Agreement to provide modification to the payment terms contained in the Loan Agreement; and

WHEREAS, in order to induce Issuer to enter into the Loan Agreement, Borrower has previously granted to Issuer, among other collateral security, a pledge of 100% of the net revenues derived from the operation of the Hotel and a pledge of all Lawfully Available Funds (as defined herein); and

WHEREAS, the Issuer and Borrower have each duly authorized the execution, delivery and performance of this First Supplement to Loan Agreement, and each is empowered to consummate the transactions contemplated hereunder and to do all acts and exercise all powers and assume all obligations necessary, or incident thereto; and

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this First Supplement to Loan Agreement have happened, exist and have been performed as so required in order to make this First Supplement to Loan Agreement a valid and binding agreement in accordance with its terms; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill the obligations imposed upon it under this First Supplement to Loan Agreement and the parties are now prepared to execute and deliver this First Supplement to Loan Agreement; and

WHEREAS, in consideration of the respective representations and agreements contained herein, the parties hereto, recognizing that under the Act this First Supplement to Loan Agreement shall not in any way obligate the State or any political subdivision thereof, including, without limitation, the Issuer, to raise any money by taxation or use other public moneys for any purpose in relation to the Bonds and that neither the State nor the Issuer, shall pay or promise to pay any debt or meet any financial obligation to any person at any time in relation to the Bonds except from moneys received or to be received under the provisions of this First Supplement to Loan Agreement and the Indenture or derived from the exercise of the rights of the Issuer thereunder, agree as follows:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Issuer and the Trustee hereby covenant and agree as follows:

ARTICLE 1 RATIFICATION; DEFINITIONS

Section 1.1 Relation to Loan Agreement; Ratification. This First Supplement to Loan Agreement is supplemental to, and is entered into in accordance with, Section 11.6 of the Loan Agreement and constitutes an integral part of the Loan Agreement. Except as amended or supplemented by this First Supplement to Loan Agreement, the provisions of the Loan Agreement are in all respects ratified and confirmed and shall remain in full force and effect.

Section 1.2 Definitions. Unless the context shall otherwise require or as amended by this First Supplement to Loan Agreement, all terms which are defined in Section 1.1 of the Loan Agreement shall have the same meanings, respectively, in this First Supplement to Loan Agreement as such terms are given in said Section 1.1 of the Loan Agreement.

ARTICLE 2 AMENDMENTS TO LOAN AGREEMENT

Section 2.1 Amendment to Section 1.1 Definitions of the Loan Agreement. Section 1.1 of the Loan Agreement is hereby amended by amending and restating the following definitions in their entirety:

"Permitted Encumbrances" shall mean:

- (a) any lien arising by reason of any good faith deposit with the Borrower in connection with any lease of real estate, bid or contract (other than any contract for the payment of money);
- (b) any lien arising by reason of any deposit with or giving of security to any governmental agency as a condition to the transaction of any business or

the participation by the Borrower in any funds established to cover insurance risk or in connection with worker's compensation, unemployment insurance, pension plans or other social security;

- (c) mechanics' and materialmen's liens in connection with any property of the Borrower so long as any amounts secured by such lien are not due and payable or not delinquent (or, if due or delinquent, the amount or validity of such charges is being contested in good faith with due diligence and execution of any such lien is stayed);
- (d) the Indenture and this Agreement;
- (e) any lien on property received by the Borrower through a gift, grant or bequest constituting a restriction imposed by the donor, grantor or testator on such gift, grant or bequest (or the income therefrom), provided that any such lien may not be extended, renewed or modified in any way or applied to any additional property of the Borrower unless it would otherwise qualify as a Permitted Encumbrance;
- (f) any security interest in personal property securing all or a portion of the purchase price thereof (provided that this Permitted Encumbrance shall not be construed to permit the incurrence of indebtedness secured by such a security interest, it being understood that any such indebtedness may be incurred only to the extent expressly permitted by the other applicable provisions of the Indenture or this Agreement);
- (g) such easements, rights-of-way, servitudes, restrictions and other defects, liens and encumbrances as are determined not to materially impair the use of the Borrower's facilities for their intended purposes or the value of such facilities, such determination to be made in a certificate of an authorized officer of the Borrower supported by an opinion of independent counsel or a report or opinion of an independent management consultant (unless the Letter of Credit Provider shall waive the requirement of such supporting opinion or report);
- (h) liens incurred or assumed primarily for the acquisition or use of personal property and equipment (including equipment which is not treated as personal property under applicable state law) under the terms of installment purchase contracts, loans secured by purchase money mortgages or security interests in the financed property, lease purchase agreements or capital leases of the financed property; and
- (i) the Qualified Management Agreement dated December 18, 2003 between Shreveport Convention Center Hotel Authority and HRI Lodging, Incorporated, and any successor agreements or other agreements between the Borrower and any third party regarding the payment of funds or rent to

the Borrower in connection with the Shreveport Hotel and Convention Center.

In addition, encumbrances in existence as of the date of issuance of the Bonds as set forth in **Exhibit "A"** hereof are hereby qualified as Permitted Encumbrances. Any such existing encumbrance may not be extended, renewed or modified in any way or applied to any additional Properties of the Borrower unless it would otherwise qualify as a Permitted Encumbrance. Subject to Section 6.17 of this Agreement, it is specifically understood that the Borrower has issued and will continue to issue bonds secured by the pledge of Lawfully Available Funds and such will be a Permitted Encumbrance.

"Riverfront Funds" shall mean those funds transferable to the Borrower from casinos including but not limited to payments made under the following agreements, to-wit: (a) The Collins-Hanna-Walker Compact, an Agreement Between the City of Shreveport, the Parish of Caddo, the City of Bossier City and Casino Magic of Louisiana Corporation, dated June 25, 1997; (b) Hotel Ground Lease by and between City of Shreveport, as Landlord, and Red River Entertainment of Shreveport Partnership In Commendam, as Tenant, dated March 10, 1998; (c) Amended and Restated Ground Lease by and between City of Shreveport, as Landlord, and Red River Entertainment of Shreveport Partnership In Commendam, as Tenant, dated March 10, 1998; and (d) Ground Lease by and between City of Shreveport, as Landlord, and QNOV, as Tenant, dated May 19, 1999, and any successor agreements or other agreements between the Borrower and any third party regarding the payment of funds or rent to the Borrower in connection with any casino or gaming lease or license.

Section 2.2 Additions to Section 1.1 Definitions of the Loan Agreement. The following words and terms are added to Section 1.1 of the Loan Agreement which words and terms shall have the following meanings:

"Casino" shall mean any casino that is required to transfer Riverfront Funds to the Borrower.

"Hotel Funds" shall mean those funds transferable to the Borrower from the operating profits of the Hotel under the Qualified Management Agreement dated December 18, 2003 between Shreveport Convention Center Hotel Authority and HRI Lodging, Incorporated, and any successor agreements or other agreements between the Borrower and any third party regarding the payment of funds or rent to the Borrower in connection with the Shreveport Hotel and Convention Center.

"RFF & HF Revenues" shall mean the Riverfront Funds and the Hotel Funds.

Section 2.3 Amendment to Section 2.2 Representations of the Borrower of the Loan Agreement. A new Section 2.2(h) is hereby added to the Agreement and shall read as follows:

- (h) The Borrower represents that there are no liens on Hotel Funds or Riverfront Funds except as provided herein and that Borrower is in compliance with and has complied with the Tax Agreement since June 1, 2008.

Section 2.4 Amendment to Section 3.2 Loan Payments of the Loan Agreement.
Section 3.2 is hereby amended to read in its entirety as follows:

The Borrower hereby covenants and agrees to repay the Loan, as follows: on or before any Interest Payment Date for the Bonds or any other date that any payment of interest, premium, if any, or principal is required to be made in respect of the Bonds pursuant to the Indenture, until the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, in immediately available funds, a sum which, together with any other moneys available for such payment in any account of the Bond Payment Fund, will enable the Trustee to pay the amount payable on such date as principal of (whether at maturity or upon redemption or acceleration or otherwise), premium, if any, and interest on the Bonds as provided in the Indenture (the "Loan Payments"). If the Bonds are bearing interest at the Variable Rate as provided in Section 2.4(h)(i) or 2.4(i) of the Indenture, then the Loan Payments shall also include an amount equal to 1/12th of the next due principal payment as set forth in Schedule P of the Indenture and required to be made under Section 2.2(d) of the Indenture. The obligation of the Borrower to make any Loan Payments hereunder shall be deemed satisfied and discharged to the extent of the corresponding payment made by the Bank to the Trustee under the Letter of Credit, if any.

It is understood and agreed that all Loan Payments payable by the Borrower under this Section are assigned without recourse or liability by the Issuer to the Trustee as security for and for the benefit of the Owners of the Bonds (except the Issuer's right to receive payments, if any, under Sections 3.4, 6.5 and 8.4 hereof). The Borrower assents to such assignment. The Issuer hereby directs the Borrower and the Borrower hereby agrees to pay or causes to be paid from third parties all payments payable by the Borrower pursuant to this Section to the Trustee at the Principal Office of the Trustee; provided however, that some payments will be coming directly from third parties.

The obligations of the City to make full and timely payments to the Issuer hereunder shall be secured, inter alia, by a continuation in the previously granted pledge in favor of the Issuer in the following: (a) all Lawfully Available Funds; and (b) the Hotel Funds. This pledge shall be construed in accordance with the Act and shall be construed as granting rights in favor of the Issuer to the maximum extent permitted by law.

Section 2.5 Amendment to Section 3.4 Additional Payments of the Loan Agreement.
A new Section 3.4(f) is hereby added to the Agreement and shall read as follows:

- (f) If the Bonds are bearing interest at the Variable Rate as provided in Section 2.4(h)(i) or 2.4(i) of the Indenture, then Borrower covenants and agrees to pay, or cause to be paid, to the Trustee, for deposit in the Bond Payment Fund, all RFF & HF Revenues if and when due the Borrower. On the 25th day of each month, the Trustee shall pay to the Borrower the net RFF & HF Revenues as described in Section 4.1(b)(v) of the Indenture.

Section 2.6 Amendment to Section 4.2 Nature and Benefits of the Loan Agreement.
The last paragraph of Section 4.2 is hereby amended to read in its entirety as follows:

This Agreement is (i) a debt obligation of the Borrower not subject to cancellation due to inability to appropriate funds to make Payment, (ii) payable from (A) the Hotel Funds, (B) Lawfully Available Funds of the Borrower which specifically includes the Riverfront Funds, and (C) all amounts under the Reimbursement Agreement, if any, and (iii) this Agreement shall remain in full force and effect until the Bonds and the interest therein have been fully paid or otherwise provided for or discharged.

Section 2.7 Amendment of Section 5.5 Insurance Required of the Loan Agreement.
Section 5.5 is hereby amended to read in its entirety as follows:

Throughout the term of this Agreement, the Borrower shall keep, or cause to be kept, the Facilities continuously insured against such risks as are required by the Reimbursement Agreement, notwithstanding the termination of the Reimbursement Agreement.

Section 2.8 Addition of Sections 6.8 through 6.22 Special Covenants of the Loan Agreement. Sections 6.8 through 6.22 are hereby added to the Loan Agreement and shall read as follows:

Section 6.8 Reporting Requirements.

Borrower shall keep proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of Borrower, and will furnish to Issuer two copies of each of the following:

(a) Annual Audited Financial Statements. As soon as available, and in any event within 240 days of year end, the audited financial statements of the Borrower prepared by an independent Accountant, and prepared in accordance with generally accepted accounting principles consistently applied, as such principles apply to municipalities of the State.

(b) Certificate of Compliance. Simultaneously with the delivery of the financial statements referred to in (b) of this Section, certificates signed by an acceptable certifying officer of Borrower and its Accountant stating

that (i) each has made a review of, as applicable, Borrower's activities during the preceding fiscal year for the purpose of determining whether Borrower has complied with all of the terms, provisions and conditions of this Loan Agreement and of the Related Documents to which the same is party and (ii) to the best of their knowledge, Borrower has kept, observed, performed and fulfilled each and every covenant, provision and condition of this Loan Agreement and of the Related Documents to which the same is party on its part to be performed and are not in default in the performance or observance of any of the terms, covenants, provisions or conditions hereof or thereof, or, if Borrower shall be in default, such certificate shall specify all such defaults, the nature and status thereof and any remedial steps taken or proposed to correct such default.

(c) Notice of Default. Immediately upon discovery thereof by the Borrower, Borrower shall provide to Issuer immediate notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which, but for the passage of time or the giving of notice, or both, constitutes or would constitute an Event of Default.

(d) Reportable Event. Borrower shall provide to Issuer as soon as possible, and in any event within 10 days after Borrower knows or has reason to know of the occurrence of any Reportable Event with respect to any Plan, a statement of an acceptable certifying officer of Borrower describing such Reportable Event and the action, if any, which Borrower proposes to take with respect thereto.

(e) Other Information. Such other information respecting the business, properties or the condition or operations, financial or otherwise, of Borrower as Issuer may from time to time reasonably request.

(f) Monthly Reporting. Within five calendar days after the end of any calendar month, the amounts of RFF & HF Revenues deposited with the Trustee during the most recent calendar month.

Section 6.9 No Encumbrances; Removal of Liens.

Borrower shall pay all assessments or other governmental charges as the same respectively become due, all taxes, assessments (general or special) and governmental charges of any kind whatsoever that may be at any time lawfully assessed or levied against or with respect to Borrower or its properties or assets or any interest thereon and promptly discharge or cause to be discharged all liens, encumbrances and charges on its properties or assets, or any part thereof; provided, however, that Borrower shall not be required to pay any tax, charge, assessment or imposition nor to remove any lien, charge or encumbrance nor to comply with any law, ordinance, rule, order, regulation or requirement so long as Borrower shall contest, in good faith, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of or other realization upon the tax,

assessment, levy, fee, rent, charge, lien or encumbrance so contested, and the sale, forfeiture or loss of its properties or assets, or any part thereof, or of the rent or any portion thereof, to satisfy the same; provided:

- (a) that no such contest shall subject Issuer to the risk of any liability;
- (b) that Borrower, if requested by Issuer, will deposit with Issuer a bond in favor of Issuer, with a surety company acceptable to Issuer as surety, in a sum acceptable to Issuer indemnifying and protecting Issuer from and against any liability, loss, cost, damage and expense of any kind or nature, growing out of or in any way connected with such contest or the subject matter thereof; and
- (c) that Borrower will at all times effectively stay or prevent any official or judicial action detrimental to the interest of Issuer or the title, use or operation of Borrower's properties or assets, or any material part thereof.

Each such contest shall be promptly prosecuted to final conclusion (subject to the right of Borrower to settle any such contest), and in any event Borrower will indemnify Issuer for, and save Issuer harmless from and against, all losses, judgments, decrees and costs (including attorneys' fees and expenses in connection therewith) and will, promptly after the final determination of such contest or settlement thereof, pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable therein, together with all penalties, fines, interests, costs and expenses thereon or in connection therewith. Borrower shall give Issuer prompt written notice of any such contest.

Section 6.10 Preservation of Borrower Existence, Ownership, Etc.

Borrower shall preserve and maintain its current legal structure, existence, franchises and licenses.

Section 6.11 Qualified Investments.

Borrower shall not invest or reinvest any funds held under the Indenture or permit any investment of funds under the Indenture to remain invested, or instruct or permit the Trustee to invest or reinvest any funds held under the Indenture or permit any investment of funds under the Indenture to remain invested, in any investment other than Permitted Investments (as defined in the Indenture).

Section 6.12 Bond Proceeds.

Borrower will strictly comply with and satisfy all conditions set forth herein and those set forth in the Indenture which are required for disbursement of the proceeds of the Bonds.

Section 6.13 Insurance.

- (a) Borrower shall maintain, in amounts satisfactory to the Issuer (a) comprehensive public liability insurance on an “occurrence” basis, against claims for “personal injury”, (b) worker’s compensation insurance (or maintain a legally sufficient amount of self insurance against worker’s compensation liabilities, with adequate reserves, under a plan approved by the Issuer), (c) “all risk” casualty insurance on its properties including without limitation the Facilities, against such hazards and in at least such amounts as is customary for a municipality of Borrower’s size, and (d) such other insurance in such amounts as the Issuer from time to time may reasonably require against other insurance hazards that at the time are commonly insured against by persons engaged in enterprises or activities similar to those of Borrower. At the request of the Issuer, Borrower will deliver forthwith a certificate executed by a duly authorized officer of Borrower, specifying the details of such insurance in effect. Borrower agrees that there shall be no recourse against the Issuer for the payment of premiums, commissions, assessments or advances in respect of any such policy, and at the Issuer’s request shall provide the Issuer with the agreement of the insurer(s) to this effect.
- (b) If requested by the Issuer, Borrower shall deliver original or certified policies to Issuer, and Borrower shall deliver original or certified renewal policies with satisfactory evidence of payment not less than 15 days in advance of the expiration date of the existing policy or policies. In the event Borrower should, for any reason whatsoever, fail to keep the Facilities or any part thereof so insured, or to keep said policies so payable, or fail to deliver to Issuer the original or certified policies of insurance and the renewals thereof upon demand, then Issuer, if it so elects, may itself have such insurance effected in such amounts and in such companies as it may deem proper and may pay the premiums therefor. Borrower shall reimburse Issuer upon demand for the amount of premium paid, together with interest thereon at Default Rate per annum from date until paid.
- (c) Borrower agrees to notify Issuer immediately in writing of any material fire or other casualty to or accident involving the Facilities, whether or not such fire, casualty or accident is covered by insurance. Borrower further agrees to notify promptly Borrower's insurance company and to submit an appropriate claim and proof of claim to the insurance company if the Facilities are damaged or destroyed by fire or other casualty.

- (d) Provided no Event of Default has occurred, if there is a fire or casualty loss which damages a portion of the Facilities, the proceeds of the insurance shall be deposited into a cash collateral account and such proceeds will be applied to the payment of the cost of the restoration of the Facilities upon satisfaction of all requirements of this Loan Agreement and the Related Documents. In connection with any restoration of the Facilities, Borrower shall provide Issuer with a detailed cost breakdown showing by line item all costs projected for such restoration.
- (e) If an Event of Default has occurred or some of the other conditions set forth in subsection (d) above are not satisfied, or if there is a fire or casualty loss which damages all or substantially all of the Facilities, then the insurance proceeds shall, in Issuer's sole discretion, be either made available to Borrower to restore the Facilities on such terms and conditions as Issuer shall require, or be applied to the payment of the Indebtedness. If such insurance proceeds are not sufficient to pay the Secured Obligations in full, Issuer shall have a right to proceed against Borrower and/or the remainder of the collateral; and if the proceeds exceed the amount necessary to pay the Secured Indebtedness in full, then such excess shall be paid to Borrower.
- (f) If there is a fire or casualty loss which causes the proceeds of any rental loss or business interruption insurance to be payable to Borrower, such proceeds shall be paid to Issuer and applied as may be provided in the Indenture.

Section 6.14 Environmental Matters.

- (a) Borrower will cause the Facilities to remain free of all Hazardous Wastes, and to remain free of all Hazardous Materials other than those maintained therein or thereon in full compliance with Environmental Laws. Borrower will not knowingly cause or permit the Facilities to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials except in full compliance with Environmental Laws.
- (b) Borrower will notify Issuer immediately if it receives any notice or obtains knowledge of any noncompliance with or violation of any Environmental Laws with respect to the Facilities.
- (c) In the event that Hazardous Materials or Hazardous Wastes, are discovered on or are brought onto the Facilities, Borrower will cause such Hazardous Materials or Hazardous Wastes to be removed and disposed of promptly and in full compliance with

Environmental Laws. Borrower will provide Issuer prior written notice of such removal and disposal actions.

- (d) Borrower will comply with all Environmental Laws in all jurisdictions in which Borrower operates, now or in the future, and will comply with all Environmental Laws that in the future become applicable to the Premises or the Business.

Section 6.15 Affirmative Covenants.

- (a) Immediately upon discovery thereof by Borrower, Borrower will notify Issuer of the occurrence or existence of any Event of Default or any condition, event, act or omission which, with the giving of notice or lapse of time or both, would constitute an Event of Default, the period of existence thereof and what action Borrower proposes to take or cause to be taken with respect thereto.
- (b) Borrower will send, and use its best efforts to cause parties to any Basic Documents to send, to Issuer copies of all communications concerning matters affecting or which may materially and adversely affect Issuer or Borrower's ability to fully perform its obligations under this Loan Agreement or any Basic Document, (including, without limitation, notices of redemptions and defaults) given by each such party under the Basic Documents at substantially and same time and in substantially the same manner as each such communication.
- (c) Borrower will furnish to Issuer, with reasonable promptness, any such other information as may from time to time be reasonably requested by Issuer.

Section 6.16 Performance and Compliance With Other Covenants.

Borrower shall perform and comply with each of its covenants contained in the Indenture.

Section 6.17 Security Interests and Encumbrances.

Borrower shall not mortgage, grant a deed of trust or lien upon, pledge, assign or grant a security interest in or permit to exist any other encumbrance on the RFF & HF Revenues.

Section 6.18 Notice of Litigation.

Borrower shall give notice, in writing, to Issuer of (a) any actions, suits or proceedings wherein the amount at issue is in excess of \$350,000, instituted by any persons whomsoever against Borrower, and (b) any dispute, not resolved

within sixty (60) days of the commencement thereof between Borrower and any governmental regulatory body which dispute might interfere with the normal operations of Borrower and which could have a material impact on the Borrower's ability to make Loan Payments.

Section 6.19 Usury.

The terms of this Loan Agreement and the Indenture regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

Section 6.20 Sovereign Immunity.

To the extent that the Borrower has or hereafter may acquire under any applicable law any right to immunity from legal proceedings on the grounds of sovereignty or otherwise, the Borrower, to the fullest extent permitted by law, hereby irrevocably waives such rights to immunity for itself and agrees not to invoke any defense of immunity in respect of its obligations arising under or related to this Loan Agreement.

Section 6.21 Borrower to Enforce Agreements.

The Borrower shall enforce any and all of its rights and remedies under the provisions of any agreement under which a third party is required to transfer Riverfront Funds or Hotel Funds to the Borrower.

Section 6.22 Covenant as to Amendment, Modification, or Termination of Agreements, Contracts, or Documents.

If the Bonds are bearing interest at the Variable Rate as provided in Section 2.4(h)(i) or Section 2.4(i)(i) of the Indenture, then, unless the Borrower receives the prior written consent and authorization of the Bondholder, which consent and authorization shall not be unreasonably withheld, Borrower shall not amend, modify, or terminate any agreement, contract or document if such amendment, modification or termination could, or could reasonably be expected to, result in a material decrease in the amount of Riverfront Fund or Hotel Funds to be deposited in the Bond Payment Fund as provided in Section 4.1(b)(ii)(2) of the Indenture as of the date the Bonds were converted to the Variable Rate by the Remarketing Agent under Section 2.4(h) of the Indenture.

Section 2.9 Amendment to Section 7.1(b) Transfer, Assignment and Leasing of the Loan Agreement. Subparagraph (b) is hereby amended to read in its entirety as follows:

- (b) permit the Facilities or any portion thereof or interest therein (whether legal, equitable, beneficial or otherwise) or estate in any thereof (including the right to receive the rents and profits therefrom) directly or indirectly,

to be subject to any mortgage, deed of trust, liens, claim, security interest, encumbrance or right, except the Permitted Encumbrances; or

Section 2.10 Amendment to Section 8.2 Remedies on Default of the Loan Agreement. Subparagraphs (b) and (c) are hereby amended to read in their entirety as follows:

- (b) Subject to the reasonable security and safety requirements of the Borrower, the Issuer or the Trustee may have access to and inspect, examine, and make copies of the books and records and any and all accounts, data and tax returns of the Borrower, only insofar as they relate to the Facilities, any Casino, or the Event of Default and the remedying thereof, and
- (c) To the extent of any insufficiency after drawing under the Letter of Credit, if any, the Trustee may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under this Agreement or to enforce the performance of any other obligation or agreement of the Borrower under such documents.

Section 2.11 Amendment to Section 8.8 Suits to Protect the Facilities of the Loan Agreement. Section 8.8 is hereby amended to read in its entirety as follows:

If the Borrower shall fail to do so after thirty (30) days' prior written notice from the Issuer or the Trustee, the Issuer shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Facilities, any Casino, or any portion or any portion thereof, by any acts which may be unlawful or in violation of this Agreement, and such suits and proceedings as the Issuer may deem expedient to protect its interest in the Facilities, any Casino, or any portion thereof, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of, or compliance with, such enactment, rule or order would impair or adversely affect the Facilities, any Casino, or be prejudicial to the interests of the Bondholders.

Section 2.12 Amendment to Section 11.6 Amendments to Indenture and this Agreement of the Loan Agreement. Section 11.6 is hereby amended to correct a typographical error and shall read in its entirety as follows:

The Issuer shall not amend nor consent to any modification, supplement, or termination of amendment to the Indenture or this Agreement except as specified in Sections 5.7, 11.1, 11.2, 11.6 and/or 11.7 of the Indenture, which sections are incorporated herein by this reference as if they were fully set forth herein. The Borrower hereby agrees to be bound by the provisions of such sections of the Indenture.

Section 2.13 Amendment to Section 12.5 Bondholder's Action of the Loan Agreement. Section 12.5 is hereby amended to correct a typographical error and shall read in its entirety as follows:

Whenever any consent, approvals, waivers or other actions are required of the Bondholders hereunder, under the Indenture or any other instrument or document delivered with respect to the Bonds, such consent shall only be given in compliance with Section 9.6 of the Indenture.

Section 2.14 Addition of Section 12.20 Expenses of an Acquiring Bondholder of the Loan Agreement. Section 12.20 is hereby added to the Loan Agreement and shall read as follows:

SECTION 12.20 Expenses of an Acquiring Bondholder. Borrower agrees to pay the fees and expenses of counsel to the acquiring Bondholder in connection with the Bond Documents and the remarketing of the Bonds thereunder, which fees and expenses are not to exceed \$81,000.00 and which are subject to the approval of the Louisiana State Bond Commission.

Section 2.15 Addition of Section 12.21 Reference to Reimbursement Agreement of the Loan Agreement. Section 12.21 is hereby added to the Loan Agreement and shall read as follows:

SECTION 12.21 Reference to Reimbursement Agreement. Borrower agrees that references in this Agreement to the Reimbursement Agreement should be ignored if there is no Reimbursement Agreement in place.

ARTICLE 3 MISCELLANEOUS

Section 3.1 Counterparts. This First Supplement to Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this First Supplement to Loan Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this First Supplement to Loan Agreement.

Section 3.2 Severability. In case any provision in this First Supplement to Loan Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 3.3 Governing Law. This First Supplement to Loan Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana.

Section 3.4 Incorporation into Loan Agreement. All provisions of this First Supplement to Loan Agreement shall be deemed to be incorporated in, and made a part of, the Loan Agreement; and the Loan Agreement, as amended and supplemented by this First Supplement to Loan Agreement, shall be read, taken and construed as one and the same instrument. The respective rights, duties and obligations under the Loan Agreement of the Trustee, the Authority, the City, the Bank (if a Letter of Credit is outstanding and providing Credit Enhancement) and the Bondholder shall hereafter be determined, exercised and enforced under the Loan Agreement subject in all respects to the modification and amendment of the Loan Agreement by this First Supplement to Loan Agreement.

Section 3.5 Representations and Warranties of the Borrower. The Borrower represents and warrants that (i) Borrower is a municipality and a political subdivision of the State validly existing under the laws of the State and is duly qualified and is authorized to operate in each jurisdiction where such qualification is required. Borrower has all power and authority to operate as currently operated and to own its assets. The Borrower has full legal right, power and authority to (A) authorize the execution on and performance of this First Supplement to Loan Agreement and the Bonds, the First Supplement to Trust Indenture and the First Supplement to Remarketing Agreement (the "Basic Documents") and all its obligations thereunder; (B) continue to pledge and/or assign the collateral furnished to secure the Bonds; and (C) perform fully and completely all its obligations and liabilities under this First Supplement to Loan Agreement and under the Basic Documents; (ii) the execution and delivery by Borrower of this First Supplement to Loan Agreement and the Basic Documents, and the performance of its and their respective obligations hereunder and thereunder, will not violate any existing law or regulation or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which Borrower is a party or by which it or any of its respective property is bound or the City charter, or any of the rules or regulations applicable to, Borrower, or its property or any decree or order of any court or other governmental body; (iii) the execution, delivery and performance by Borrower of this First Supplement to Loan Agreement and of the Basic Documents are within the power and authority of Borrower, and have been duly authorized by all necessary action and will not contravene any provisions of the City charter of Borrower. The Borrower has obtained all material and requisite approvals of the State and of federal, regional and local governmental bodies required to be obtained prior to the date of delivery of the Bonds, the Basic Documents and this First Supplement to Loan Agreement; (iv) this First Supplement to Loan Agreement and the Basic Documents are the valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, except as such enforceability may be limited by the bankruptcy, insolvency, reorganization or moratorium of Borrower or other laws or equitable principles relating to or limiting creditors' rights generally; (v) there is no pending action or proceeding before any court, governmental agency or arbitrator against or directly involving Borrower, and, to the best of Borrower's knowledge, there is no threatened action or proceeding affecting Borrower before any court, governmental agency or arbitrator which, in any case, may materially and adversely affect the financial condition or operations of Borrower or the validity or enforceability of this First Supplement to Loan Agreement or any of the Basic Documents; (vi) all information, reports and other papers and data with respect to Borrower furnished to Bank were, at the time the same were so furnished, complete and correct in all material respects, to the extent necessary to give Bank a true and accurate knowledge of the subject matter. No fact which relates to the Facilities

or to the Riverfront Funds is known to Borrower which materially and adversely affects or in the future may (so far as it can foresee) materially and adversely affect the operations, assets or liabilities, financial condition, results of operations, or its business prospects which has not been set forth in such information, reports, papers and data or otherwise disclosed in writing to Bank except for matters of general economic changes or in the prospects of the gaming industry as a whole. No document furnished or statement made by Borrower in connection with the negotiation, preparation or execution of this First Supplement to Loan Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading; (vii) there are no prior loans, liens, security interests, agreements or other financings upon which Borrower is obligated or by which Borrower is bound that will in any way permit any third person to have or obtain priority over Holders as to any of the collateral granted to secure payment of the Bonds pursuant to this First Supplement to Loan Agreement or pursuant to any of the Basic Documents; (viii) Borrower has obtained all necessary licenses, permits and governmental approvals and authorizations necessary or proper in order to conduct its operations and affairs as heretofore conducted and as hereafter intended to be conducted, subject to an obligation to give notice to the Louisiana State Bond Commission of fees and expenses related to this remarketing of the Bonds to a sole Bondholder pursuant to this First Supplement to Loan Agreement. Borrower is in compliance with all laws, regulations, decrees and orders applicable to it (including but not limited to laws, regulations, decrees and orders relating to environmental, occupational and health standards and controls, antitrust, monopoly, restraint of trade or unfair competition), except to the extent that noncompliance, in the aggregate, cannot reasonably be expected to have a material adverse effect on its operations, property or financial condition and will not materially adversely affect Borrower's ability to perform its obligations under this First Supplement to Loan Agreement or any of the Basic Documents. Borrower has not received, or to its knowledge, expects to receive, any order or notice of any violation or claim of violation of any law, regulation, decree, rule, judgment or order of any governmental authority or agency relating to the ownership and/or operation of its properties, as to which the cost of compliance is or might be material and the consequences of noncompliance would or might be materially adverse to its operations, property or financial condition, or which would or might impair its ability to perform its obligations under this First Supplement to Loan Agreement or any of the Basic Documents; (ix) as used in this Section 3.5(ix) hereof, the following terms shall have the indicated meanings:

"Business" means all of Borrower's respective assets, both real and personal, tangible and intangible, now existing or hereafter acquired and wherever located, and all of Borrower's respective current and future operations at all locations and in all jurisdictions.

"Environmental Authorities" means all federal, state and local governmental bodies, authorities or agencies and all public corporations created and/or empowered to administer, regulate and/or enforce Environmental Laws, including without limitation the U.S. Environmental Protection Agency.

"Environmental Laws" means any and all federal, state, regional, parish or local laws, statutes, rules, regulations or ordinances relating to the generation, recycling, use, reuse, sale, storage, handling, transport, treatment or disposal of Hazardous Materials, including without limitation the Comprehensive Environmental Response Compensation Liability Act of 1980, as

amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §9601 et seq. ("CERCLA"), the Resource Conservation and Recovery Act of 1976, as amended by the Solid and Hazardous Waste Amendments of 1984, 42 U.S.C. §6901 et seq. ("RCRA"), and any rules, regulations and guidance documents promulgated or published thereunder, and any state, regional, parish or local statute, law, rule, regulation or ordinance relating to public health, safety or the discharge, emission or disposal of Hazardous Materials or Hazardous Wastes in or to air, water, land or groundwater, to the withdrawal or use of groundwater, to the use, handling or disposal of asbestos, polychlorinated biphenyls, petroleum, petroleum derivatives or by-products, other hydrocarbons or urea formaldehyde, to the treatment, storage, disposal or management of Hazardous Materials, to exposure to Hazardous Materials, to the transportation, storage, disposal, management or release of gaseous or liquid substances, and any regulation, order, injunction, judgment, declaration, notice or demand issued thereunder.

"Hazardous Materials" means any hazardous, toxic or dangerous materials, substances, chemicals, waste or pollutants that from time to time are defined by or pursuant to or are regulated under any Environmental Laws, including without limitation asbestos, polychlorinated biphenyls, petroleum, petroleum derivatives or by-products, other hydrocarbons, urea formaldehyde and any material, substance, pollutant or waste that is defined as a hazardous waste under RCRA or defined as a hazardous substance under CERCLA.

"Hazardous Wastes" means Hazardous Materials that are or become "wastes" or "solid wastes" as such terms are used in RCRA.

"Property" means all real property now or hereafter constituting a part of, or otherwise used or operated by Borrower in connection with its operations.

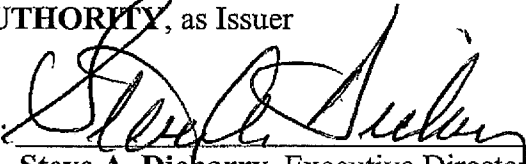
Borrower represents and warrants as follows: (A) to the best of Borrower's knowledge, each Property is being operated in full compliance with Environmental Laws, and the owner of each Property has obtained, maintained and is in good standing under all approvals, consents, certificates, licenses and permits required by Environmental Laws with respect to the Property; (B) to the best of Borrower's knowledge, each Property is free of all Hazardous Wastes and is free of all Hazardous Materials other than those maintained therein or thereon in full compliance with Environmental Laws. Borrower has not caused or permitted any Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials except in full compliance with Environmental Laws; (C) Borrower has not received notice of, and has no knowledge of, any noncompliance with or violation of any Environmental Laws with respect to any Property or the Borrower's operations; (x) Borrower has filed or caused to be filed all tax returns that to its knowledge are required to be filed (except for returns that have been appropriately extended), and has paid all taxes shown to be due and payable on said returns and all other taxes, impositions, assessments, fees or other charges imposed on it by any governmental authority, agency or instrumentality, prior to any delinquency with respect thereto (other than taxes, impositions, assessments, fees and charges currently being contested in good faith by appropriate proceedings, for which appropriate amounts have been reserved). No tax liens have been filed against Borrower or any of the property thereof; (xi) Borrower is not engaged principally, or as one of Borrower's important activities, in the business of extending credit for the purpose of purchasing or carrying margin

stocks. Neither Borrower nor any person acting on behalf of Borrower has taken or will take any action which might cause this First Supplement to Loan Agreement to violate Regulation U or any other regulation of the Board of Governors of the Federal Reserve System or to violate the Securities Exchange Act of 1934 or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect.

[REMAINDER OF PAGE INTENTIONALLY BLANK - SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer has caused this First Supplement to Loan Agreement to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Executive Director and the Borrower has caused this First Supplement to Loan Agreement to be executed on its behalf by its Mayor and has caused the seal of the Borrower to be affixed hereto, all as of the day and year above written.

**LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT
AUTHORITY, as Issuer**

By: 
Steve A. Dicharry, Executive Director

[SEAL]

ATTEST:

By: 
Linda D'Antoni Martin, Executive Assistant

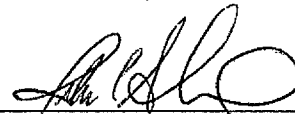
**CITY OF SHREVEPORT, STATE OF
LOUISIANA, as Borrower**

By: _____
Cedric B. Glover, Mayor

[SEAL]

And now appears Regions Bank, as Trustee, who consents to the modification of the Loan Agreement pursuant to Section 5.7 of the Indenture.

REGIONS BANK, as Trustee

By: 
John C. Shiroda, Vice President

IN WITNESS WHEREOF, the Issuer has caused this First Supplement to Loan Agreement to be executed by its Chairman or Vice Chairman and has caused the seal of the Issuer to be affixed hereto and attested by its Executive Director and the Borrower has caused this First Supplement to Loan Agreement to be executed on its behalf by its Mayor and has caused the seal of the Borrower to be affixed hereto, all as of the day and year above written.

**LOUISIANA LOCAL GOVERNMENT
ENVIRONMENTAL FACILITIES AND
COMMUNITY DEVELOPMENT
AUTHORITY, as Issuer**

By: _____
Steve A. Dicharry, Executive Director

[SEAL]

ATTEST:

By: _____
Linda D'Antoni Martin, Executive Assistant

**CITY OF SHREVEPORT, STATE OF
LOUISIANA, as Borrower**

By:  _____
Cedric B. Glover, Mayor

[SEAL]

And now appears Regions Bank, as Trustee, who consents to the modification of the Loan Agreement pursuant to Section 5.7 of the Indenture.

REGIONS BANK, as Trustee

By: _____
John C. Shiroda, Vice President

EXHIBIT "A"
TO
FIRST SUPPLEMENT TO LOAN AGREEMENT

EXISTING ENCUMBRANCES\PERMITTED ENCUMBRANCES

\$14,265,000 Refunding Certificates of Indebtedness, Series 2010A

\$730,000 Taxable Refunding Certificates of Indebtedness, Series 2010B

2009 Redemption of \$25,000,000 and Purchase of \$50,000,000 Pursuant to a Substitute Standby Bond Purchase Agreement with Capital One Public Funding, LLC in connection with \$75,000,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Shreveport Utility System Project) Series 2005

\$8,510,000 Louisiana Local Government Environmental Facilities and Community Development Authority Taxable Revenue Bonds (Shreveport Biosolid Disposal Project) Series 2008

\$40,980,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008

\$32,950,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (City of Shreveport Independence Stadium Project) Series 2008

\$9,160,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Airport System Project) Series 2008A-AMT SUBJECT

\$16,875,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Airport System Project) Series 2008B-AMT SUBJECT

\$9,325,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Shreveport Airport System Project) Series 2008C-AMT SUBJECT

\$4,180,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Shreveport Airport System Project) Series 2008D-TAXABLE

\$25,685,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Shreveport Utility System Project) Series 2007

Qualified Management Agreement dated December 18, 2003 between Shreveport Convention Center Hotel Authority and HRI Lodging Incorporated