

Maryland Economic Development Corporation
Refunding Revenue Bonds
(Rocky Gap Golf Course and Hotel/Meeting Center Project)
Series 2008A, B, C and D

First Supplemental Trust Indenture

Closing Date: January 14, 2011

CLOSING INDEX

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MARYLAND ECONOMIC DEVELOPMENT CORPORATION

AND

MANUFACTURERS AND TRADERS TRUST COMPANY
as Trustee

FIRST SUPPLEMENTAL TRUST INDENTURE

MARYLAND ECONOMIC DEVELOPMENT CORPORATION
REFUNDING REVENUE BONDS
(ROCKY GAP GOLF COURSE AND HOTEL/MEETING CENTER PROJECT)
SERIES 2008 A, B, C AND D

Dated January 14, 2011

FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (this "First Supplemental Indenture") is dated this 14th day of January, 2011, and is made and entered into by and between **MARYLAND ECONOMIC DEVELOPMENT CORPORATION**, a body politic and corporate and an instrumentality of the State of Maryland (the "Issuer"), and **MANUFACTURERS AND TRADERS TRUST COMPANY**, a New York banking corporation, as Trustee (the "Trustee").

RECITALS

Pursuant to and in accordance with Sections 10-101 through 10-131, inclusive, of the Economic Development Article of the Annotated Code of Maryland (the "Act"), the Issuer issued its Refunding Revenue Bonds (Rocky Gap Golf Course and Hotel/Meeting Center Project) Series 2008 A, B, C and D under the Second Amended and Restated Trust Indenture dated as of December 1, 2008, by and between the Issuer and the Trustee (as amended and supplemented, the "Indenture") in order to refinance the costs of acquisition, construction and equipping of the Project (as defined in the Indenture) by refunding the Series 1996 Bonds (as defined in the Indenture).

The Issuer desires to amend the Indenture and has requested that the Trustee enter into this First Supplemental Indenture.

AGREEMENTS

NOW, THEREFORE, in consideration of the Recitals (which are a substantive part of this First Supplemental Indenture), the covenants of the parties, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree, promise and covenant as follows:

ARTICLE I **DEFINITIONS AND RULES OF CONSTRUCTION**

SECTION 1.01. Definitions. Terms used in this First Supplemental Indenture and not defined herein shall have the meanings given such terms in the Indenture unless the context clearly indicates otherwise. The Rules of Construction contained in Section 1.02 of the Indenture shall be applicable to this First Supplemental Indenture as if fully set forth herein.

ARTICLE II **AMENDMENTS TO INDENTURE**

SECTION 2.01. Deposit of Revenues. Section 4.05(c) of the Indenture is deleted in its entirety and inserted in lieu thereof is the following:

“(c) The Trustee shall transfer moneys in the Revenue Fund on a weekly basis (or more frequently if requested by the Issuer) as follows and in the following order of priority:

FIRST: until all Issuer Advances (as defined in Section 4.19) and any other amounts due under Section 4.19 have been repaid or paid in full pursuant to Section 4.19, to make payments then due and payable in accordance with Section 4.19.

SECOND: until the Promissory Note has been paid in full, to make all payments then due and payable on the Promissory Note.

THIRD: to the Rebate Fund, promptly after receipt of written certification from the Issuer pursuant to Section 4.15(e), until the estimated Rebate Amount set forth in such certification is established.

FOURTH: to the Operating Expense Fund, until an amount equal to one-half of the monthly budgeted amount for Operating Expenses for such month as shown on the Budget has been deposited; provided, however, that with respect to any month, the Trustee shall not deposit in the Operating Expense Fund an amount in excess of the budgeted amount for Operating Expenses for such month.

FIFTH: to the Operating Reserve Fund, until the amount on deposit equals the Operating Reserve Fund Requirement.

SIXTH: to the Renewal and Replacement Fund, until an amount equal to the Renewal and Replacement Fund Requirement for the then current Fiscal Year has been deposited; provided, however, there shall be credited against the deposit required hereby any Hotel Rental Tax Revenue deposited in the Renewal and Replacement Fund pursuant to (h) below.

SEVENTH: to the Surplus Fund, any balance remaining in the Revenue Fund after the payments and deposits required by clauses **FIRST** through **SIXTH** have been made.”

SECTION 2.02. Issuer Advances. The following is added as new Section 4.19 to Article IV of the Indenture:

“Section 4.19 Issuer Advances. The Issuer, in its sole and absolute discretion, may make advances to the Trustee from time to time in order to pay Operating Expenses of the Property (each, an “Issuer Advance”), but only after all availability of funds under any line of credit evidenced by a Promissory Note has been exhausted and no further funds may be drawn thereunder. In no event shall the aggregate principal amount of Issuer Advances exceed \$650,000 at any one time outstanding. Any Issuer Advance shall bear interest at a rate per annum (computed on the basis of a 360-day year for the actual number of days elapsed) equal to (a) 8% or (b) upon the failure to pay any amount due hereunder within 3 days after the due date thereof (a “Failure to Pay”), the Penalty Rate (defined below). From and after the date of the first Issuer Advance, the Trustee shall make, but solely to the extent moneys are available therefor pursuant to clause **FIRST** of Section 4.05(c), monthly payments to the Issuer of accrued interest on the outstanding aggregate principal amount of all Issuer Advances, such payments to be made on the last Business Day of each calendar month (an “Advance Interest Payment Date”). In the event that any interest payment is not paid when due, such amount shall continue to accrue and shall be due on the next Advance Interest Payment Date. Notwithstanding anything to the contrary herein contained, the outstanding aggregate principal amount of all Issuer Advances

together with all accrued interest thereon shall be due and payable on December 31, 2011, unless the Trustee has received written notice from the Issuer that such date has been extended. All payments by the Trustee shall be made in lawful money of the United States of America, without offset and free and clear of any and all other defenses, offsets, claims, counterclaims, credits or deductions of any kind. Any Issuer Advance may be prepaid (together with all accrued and unpaid interest) in whole or in part at any time without premium or penalty. Each payment made with respect to an Issuer Advance shall be applied by the Issuer first to all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with the collection of amounts due, second to all interest accrued as of the date of payment and then to the outstanding aggregate principal balance of Issuer Advances. For purposes of this Section 4.19, the term "Penalty Rate" shall mean 16% per annum. The Penalty Rate shall be in effect without notice immediately upon any Failure to Pay.

Upon a Failure to Pay or upon the occurrence of an Event of Default (as defined in the Promissory Note) and the acceleration of the maturity of the indebtedness outstanding under the Promissory Note, the entire outstanding principal amount of all Issuer Advances and all accrued and unpaid interest thereon shall, at the Issuer's election, be accelerated and shall be and become immediately due and payable without demand or notice and in addition thereto, and not in substitution therefor, the Issuer shall be entitled to exercise any one or more of the rights and remedies available to the Issuer under applicable law. No remedy is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to any other remedy now or hereafter existing at law or in equity or by statute. No single or partial exercise by the Issuer of any right or remedy shall preclude any other or further exercise thereof and no delay or omission on the part of the Issuer to exercise any right or power shall impair any such right or power or shall be construed to be a waiver of any default or an acquiescence therein and any right, power and remedy of the Issuer may be exercised from time to time and as often as may be deemed expedient. Failure to exercise any right or remedy shall not constitute a waiver thereof or of any other rights or remedies or the right to exercise the same with respect to any subsequent event. The Trustee shall pay all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with the collection of amounts due hereunder within 3 days of demand therefor.

The Trustee shall not make any prepayments of amounts due under the Promissory Note unless and until all Issuer Advances, accrued and unpaid interest and any costs of collection have been paid to the Issuer and no amounts hereunder remain to be paid to the Issuer.

Any payment hereunder coming due on a day that is not a Business Day shall be made on the next succeeding Business Day and any such extension of time of payment shall be included in the computation of interest hereunder."

Section 2.03. Borrowings. Section 7.11 of the Indenture is hereby deleted in its entirety and inserted in lieu thereof is the following:

“Section 7.11. Borrowings. The Issuer shall not create, incur, assume or suffer to exist any liability for borrowed money (including capital leases) in connection with the Property without the consent of the Required Holders and DBED, except the Series 2008 Bonds, Additional Bonds issued in accordance with Section 2.07, the Subordinated Debt, the Promissory Note and Issuer Advances.”

Section 2.04. Borrowings. Section 9.15(e) of the Indenture is hereby deleted in its entirety and inserted in lieu thereof is the following:

“(e) Notwithstanding any other provision contained herein, no payments shall be made of any principal, interest or premium on any Bonds until (i) all Issuer Advances have been repaid in full and any other amounts due under Section 4.19 have been paid and (ii) all payments then due and payable on the Promissory Note have been made. This provision, however, shall not restrict the payment of all amounts owing to the Trustee under this Indenture and the Deeds of Trust. The first sentence of this subsection (e) shall be of no force and effect unless an Issuer Advance or any other amount under Section 4.19 remains unpaid or a Promissory Note remains unpaid.”

Section 2.05. Special Applications of Money. Section 9.16 of the Indenture is hereby deleted in its entirety and inserted in lieu thereof is the following:

“Section 9.16. Special Applications of Money. Notwithstanding anything to the contrary contained in this Indenture or the Deeds of Trust, in the event that any holders of the Series 2008 Bonds take action that has the practical effect of causing the Project to close, all funds on deposit at that time with the Trustee and all Revenues in possession of the Management Company (which shall be promptly deposited with the Trustee) shall be applied in the following order:

1. Employment liabilities and related expenses in the manner prescribed by law;
2. Reimbursement of customer deposits;
3. Payment of accrued trade payables, including, without limitation, any accrued but unpaid expenses of the Management Company;
4. Payment of all Issuer Advances and any other amounts due and payable under Section 4.19; and
5. Payment of the Promissory Note.”

ARTICLE III
MISCELLANEOUS

SECTION 3.01. Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Indenture.

SECTION 3.02. Governing Law. The laws of the State shall govern the construction and enforcement of this First Supplemental Indenture.

SECTION 3.03. No Novation. Except as expressly amended herein, the Indenture continues in full force and effect. This First Supplemental Indenture shall not constitute a novation as to the obligations of the Issuer under the Series 2008 Bonds.

SECTION 3.04. Consent of Required Holders. The Issuer and the Trustee have received the consents of the Required Holders of the Series 2008 Bonds to this First Supplemental Indenture. In entering into this First Supplemental Indenture, the Trustee is relying on the accuracy of the certifications of ownership contained in such consents.

SECTION 3.05. Consent of DBED and Management Company. The consents of DBED and the Management Company to this First Supplemental Indenture are appended hereto.

IN WITNESS WHEREOF, the Issuer has caused this First Supplemental Indenture to be executed by its Executive Director and its official seal to be impressed hereon, and the Trustee has caused this First Supplemental Indenture to be executed in its behalf by one of its duly authorized officers and its corporate seal to be impressed hereon, all as of the day and year first above written.

[SEAL]

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, as Issuer



By: *Robert C. Brennan*
Robert C. Brennan,
Executive Director

[SEAL]

MANUFACTURERS AND TRADERS TRUST COMPANY, as Trustee

ATTEST:

By: _____
Patrick J. Wood,
Vice President

Name:
Title:

IN WITNESS WHEREOF, the Issuer has caused this First Supplemental Indenture to be executed by its Executive Director and its official seal to be impressed hereon, and the Trustee has caused this First Supplemental Indenture to be executed in its behalf by one of its duly authorized officers and its corporate seal to be impressed hereon, all as of the day and year first above written.

[SEAL]

MARYLAND ECONOMIC DEVELOPMENT CORPORATION, as Issuer

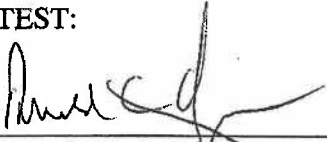
By: _____

Robert C. Brennan,
Executive Director

[SEAL]

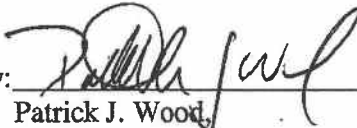
MANUFACTURERS AND TRADERS TRUST COMPANY, as Trustee

ATTEST:



Name: DONALD C. HARRISON
Title: Vice President

By: _____


Patrick J. Wood,
Vice President

