

If and when a surplus shall be created in said Bond and Interest Redemption Account which shall be in excess of the interest on and principal of all the bonds, plus ten percent (10%), which are payable during the then current calendar, operating or fiscal year, together with the amount of interest on and principal of all the bonds which will become due and payable during the calendar, operating or fiscal year then next ensuing, then any excess over such surplus may be transferred wither to the Operation and Maintenance Account or to the Depreciation Account. Any such excess over such surplus may also be used in the purchase or redemption of outstanding bonds at a price not exceeding the then applicable redemption price, or if the bonds are not then callable then at a price not exceeding the then next redemption price. No further payments need be made into the Bond and Interest Redemption Account when the funds therein equal or exceed the amount of the principal of all the bonds then outstanding and interest thereon to the maturity dates thereof. Funds necessary to pay the principal of and interest on outstanding bonds shall be remitted promptly to the paying agent bank or banks therefor on or prior to the due dates for the payment of interest and principal.

All of the funds of said several accounts shall be deposited in lawful depositories of the City and shall thereafter be continuously held and secured or invested as provided by the laws realting to the depositing, securing, and holding or investing of public funds, including particularly Chapter 9 of the Acts of 1945, as amended, and in the event of such investment the income therefrom shall become a part of the particular account invested and shall be used only for the purpose of the particular account. In no event shall any of the revenues of said waterworks be transferred or used for any purpose not authorized by this ordinance and no transfers to the general fund or any similar fund of the City shall be made so long as any of the bonds issued pursuant to the provisions of this ordinance shall be outstanding. The funds from the operation of the waterworks on hand on the date of issuance of the bonds herein authorized may be applied on the cost of operation and maintenance, or the cost of the additions and extensions to the waterworks hereinbefore set forth, or other additions and extensions, the payment of principal or interest of the bonds herein authorized if required for that purpose, but upon completion of construction of the project herein authorized, the remaining balance of such funds shall be set aside in and credited to the Operation and Maintenance Account or the Depreciation Account, or in part to both, as determined by the Common Council.

Sec. 2. That Sec. 4 of said ordinance be and the same is hereby amended to read as follows: Sec. 4. For the purpose of procuring funds with which to pay the cost of construction and installation of the extensions and additions to its waterworks, the City shall issue its revenue bonds under and pursuant to the provisions of this ordinance and said Act, which bonds shall be payable only out of the special Bond and Interest Redemption Account herein provided for, and shall be designated as "Waterworks Revenue Bonds of 1979". Said bonds shall be in a principal amount not exceeding Four Million Seven Hundred Sixty Thousand Dollars (\$4,760,000), in the denomination of Five Thousand Dollars (\$5,000) each, numbered consecutively from 1 upwards, dated as of the first day of the month in which said bonds are sold, and shall bear interest at a rate or rates not exceeding eight percent (8%) per annum, the exact rate or rates to be determined by bidding, which interest shall be payable semi-annually on January 1 and July 1 in each year, beginning on July 1, 1979, and shall be evidenced by coupons attached to said bonds. Both bonds and interest coupons shall be payable at The Boone County State Bank, in the City of Lebanon, Indiana, or, at the option of the holder, at the principal office of The Indiana National Bank, in the City of Indianapolis, Indiana, in lawful money of the United States of America, and said bonds shall mature serially on July 1 in the years and amounts as follows:

<u>Years</u>	<u>Amounts</u>	<u>Years</u>	<u>Amounts</u>
1980	\$115,000	1990	\$230,000
1981	120,000	1991	245,000
1982	130,000	1992	260,000
1983	140,000	1993	280,000
1984	150,000	1994	300,000
1985	160,000	1995	325,000
1986	170,000	1996	345,000
1987	185,000	1997	370,000
1988	200,000	1998	400,000
1989	210,000	1999	425,000

The bonds of this issue maturing on July 1, 1989, and thereafter, shall be redeemable at the option of the City, in whole or in part, on January 1, 1989, or any interest payment date thereafter, in inverse chronological order of maturity, and by lot within a maturity, at face value, together with the following premiums:

- 5% if redeemed on January 1, 1989, or thereafter on or before July 1, 1994;
- 2% if redeemed on January 1, 1995, or thereafter prior to maturity;

plus in each case accrued interest to the date fixed for redemption. Notice of such redemption shall be published at least thirty (30) days prior to the date fixed for redemption at least one time in a newspaper of general circulation published in the City of Lebanon, Indiana, a newspaper or financial journal of general circulation published in the City of Indianapolis, Indiana, and a financial journal published in the Borough of Manhattan, City and State of New York, and a like notice shall be sent by mail to the holders of such bonds as are then registered. The notice shall specify the date and place of redemption and, if less than all of the bonds are being redeemed, the serial numbers of the bonds called for redemption. Interest on the bonds so called for redemption shall cease on the date fixed in said notice, if funds are available at the place of redemption to pay