

Registered Owner:

Registered
\$ _____

Principal Sum:

Interest Rate _____
Maturity Date _____
Original Date _____
CUSIP _____

The City of Lebanon, a municipal corporation organized and existing under the laws of the State of Indiana, in Boone County, Indiana, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (name above), or registered assigns, the amount set forth above on the maturity date set forth above and to pay interest thereon from the interest date next preceding the date of authentication hereof unless this bond is authenticated on or before _____ 15, 1988, in which case interest shall be paid from the original issue date, or unless this bond is authenticated within fifteen days immediately preceding an interest payment date in which case interest shall be paid thereon from such interest payment date at the rate per annum set forth above on July 1 and January 1 of each year until the principal shall be fully paid, beginning July 1, 198_.

Interest shall be payable by check mailed by first-class mail one business day prior to the interest payment date or delivered on the interest payment date to the person in whose name this bond is registered as of the fifteenth day of the month preceding such interest payment date. Principal of this bond shall be payable upon presentation of this bond at the principal office of the Mid State Bank, Lebanon, Indiana, in lawful money of the United States of America.

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF WHICH SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IT DULY SET FORTH HEREIN.

(On reverse side)

This bond is one of an issue of bonds aggregating Three Hundred Seventy-five Thousand Dollars (\$375,000) of like tenor and effect, except as to numbering, date, denomination, rates of interest and dates of maturity, issued by the City of Lebanon pursuant to an Ordinance adopted by the Common Council of said City on _____, 1987, and in strict compliance with the governing statutes of the State of Indiana, particularly the Indiana Code, Title 36, Article 4, Chapter 6, for the purpose of providing funds to be applied on the balance of project costs associated with an Industrial Development Infrastructure Program Grant awarded by the Indiana Department of Commerce, to-wit: the Tube Forming & Manufacturing Project, which will result in the installation of 6,250 lineal feet of 24-inch and 36-inch storm sewers in the southern portion of the City of Lebanon, improvements on Thompson Street and the connecting road from Birchwood north to Thompson and to repair the Memorial Park Swimming pool operated by the City of Lebanon, Indiana, together with the incidental expenses in connection therewith and on account of the issuance of bonds therefor.

The City has designated this bond as a qualified tax-exempt obligation to qualify the bond for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of interest expense allocable to tax-exempt obligations acquired after August 7, 1986.

This bond is transferable by the registered owner hereof at the principal office of the Mid State Bank, Lebanon, Indiana, upon presentation and surrender of this bond and on presentation of a duly executed written instrument of transfer acceptable to the City and Registrar, and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. This bond may be exchanged upon surrender hereof at the principal office of the Mid State Bank, Lebanon, Indiana, duly endorsed by the registered owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

This bond is subject to defeasance prior to redemption or payment as provided in the ordinance referred to herein and the owner of this bond, by the acceptance hereof, hereby agrees to the terms and provisions contained in the Ordinance.

The City of Lebanon and the Mid State Bank may deem and treat the person in whose name this bond is registered as the absolute owner hereof.

It is hereby certified and recited that all acts, conditions and things