

Section 1. Findings; Public Benefits. The Common Council of the City hereby finds and determines that the Project is an "economic development facility" as that phrase is used in the Act; that the acquisition, construction and equipping of the Project will increase employment opportunities and increase diversification of economic development in and near the City and Boone County, Indiana (the "County"), will improve and promote the economic stability development and welfare of the area in and near the City and the County, will encourage and promote the expansion of industry, trade and commerce in the area in and near the City and the County and the location of other new industries in such area; and that the public benefits to be accomplished by this Bond Ordinance, in tending to overcome insufficient employment opportunities and insufficient diversification of industry, are greater than the cost of public services (as that phrase is used in the Act) which will be required by the Project.

Section 2. Authorization of the Bonds. In order to pay a portion of the cost of the Project, the Bonds are hereby authorized to be issued, sold and delivered. Any additional costs of the Project will be paid for by the Borrower.

Section 3. Terms of the Bonds. The Bonds shall (i) be in the aggregate principal amount of \$700,000, (ii) be dated as of September 1, 1988, (iii) be executed at or prior to the Closing Date by the manual or facsimile signatures of the Mayor and Clerk-Treasurer of the City, (iv) bear interest from the date thereof at a fixed rate of interest not to exceed ten percent (10%) per annum, (v) mature serially in eight semi-annual installments on March 1 and September 1 of each year commencing March 1, 1990 and continuing to and including September 1, 1993, (vi) be payable as to interest in semi-annual installments on March 1 and Sept. 1 of each year commencing March 1, 1989 and continuing to and including September 1, 1993, (vii) be issuable in \$5,000 denominations or any multiple thereof, (viii) be issued only in fully registered form (ix) be payable through such medium and at such places as provided therein, and (x) be subject to optional and mandatory redemption as provided in the Loan Documents. The Bonds and the interest thereon do not and shall never constitute an indebtedness of, or a charge against the general credit or taxing power of the City, but are limited obligations of the City payable solely from revenues and other amounts derived from the Loan Documents. Forms of the Loan Documents are before this meeting and are by the reference incorporated in this Bond Ordinance, and the Clerk-Treasurer is hereby directed to insert them into the minutes of the Common Council and to keep them on file. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement.

Section 4. Sale of the Bonds. The Mayor and the Clerk-Treasurer are hereby authorized and directed to sell the Bonds to or upon the Order of the purchasers identified by the Placement Agent pursuant to the Indenture at a price of \$700,000, representing 100% of par value thereof plus accrued interest, if any (unless waived) payment of which shall be made to the Trustee under the Indenture.

Section 5. Loan Agreement. In order to provide for the commitment of the City to sell the Bonds and to provide for the loan of the proceeds of the Bonds to the borrower and the payment, by the Borrower, of amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, the Mayor and the Clerk-Treasurer shall execute and deliver in the name of and on behalf of the City, the Loan Agreement in substantially the form submitted to this Common Council, which is hereby approved in all respects.

Section 6. Indenture. In order to assign the City's rights under the Loan Agreement to the Trustee for the benefit of the holders of the Bonds, the Mayor and Clerk-Treasurer are hereby authorized to execute and deliver, on behalf of the City, the Indenture in substantially the form submitted to this Common Council (which includes the form of the Bonds), which is hereby approved in all respects.

Section 7. Other Documents. The Mortgage and the Offering Circular, in substantially the forms submitted to this Common Council, are hereby approved in all respects.

Section 8. Execution. The Mayor and the Clerk-Treasurer are hereby authorized to execute and deliver, on behalf of the City, the Bonds (in the form contained in the Indenture), the Loan Agreement and the Indenture. The Mayor and Clerk-Treasurer are hereby authorized, without further approval of the Common Council or the City's Economic Development Commission to approve such changes in the Loan Documents as may be permitted by Act, such approval to be conclusively evidenced by their execution thereof.

Section 9. General. The Mayor and the Clerk-Treasurer be and they are each hereby authorized and directed, in the name and on behalf of the City, to execute any and all agreements, documents, and instruments, perform any and all acts, approve any and all matters, and do any and all things deemed by them, or either of them, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this Bond Ordinance (including the preambles hereto and the documents mentioned herein), the acquisition, construction and equipping of the Project by the Borrower, the issuance and sale of the Bonds, and the securing of the Bonds under the Loan Documents.

Section 10. Binding Effect. The provisions of this Bond Ordinance and the Loan Documents to which the City is a party shall constitute a binding contract between the City and the holders of the Bonds, and after issuance of the Bonds this Bond Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of the holders of the Bonds as long as the Bonds remain outstanding.