

BILL NO. S-17-11-24- (AS AMENDED)

SPECIAL ORDINANCE NO. _____

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AUTHORIZING THE REFUNDING BY THE CITY OF FORT WAYNE OF CERTAIN OUTSTANDING SEWAGE WORKS REVENUE BONDS, THE ISSUANCE AND SALE OF ADDITIONAL REVENUE BONDS TO PROVIDE FUNDS FOR THE PAYMENT OF THE COSTS THEREOF, AND THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SEWAGE WORKS AND OTHER RELATED MATTERS, AND REPEALING ORDINANCES INCONSISTENT HERewith

WHEREAS, the City of Fort Wayne, Indiana ("City") owns and operates a sewage works by and through its Board of Public Works ("Board") for the collection and treatment of sewage and other wastes ("Sewage Works"), pursuant to the provisions of Indiana Code 36-9-23, as in effect on the date of delivery of the bonds authorized herein; and

WHEREAS, the Common Council finds that certain hereinafter described 2010 Bonds of the sewage works may be refunded to obtain a reduction in interest payments and effect a savings to the City; that the refunding of those outstanding bonds, together with redemption premium, if any, and accrued interest thereon and including all costs related to the refunding will require funds not to exceed \$40,000,000; that the total cost of the refunding cannot be provided for entirely out of funds of the sewage works now on hand and the refunding should be accomplished by the use of certain funds on hand and the issuance of revenue bonds of the sewage works; and

WHEREAS, pursuant to Ordinance No. S-65-09 adopted by the Common Council on June 9, 2009 ("2009 Bond Ordinance"), the City has heretofore

issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2009, Series A" ("2009A Bonds"), outstanding after August 1, 2017, in the amount of \$3,200,323, bearing interest at the rate of 0.16% and maturing in various amounts annually on August 1 in the years 2018 to and including 2030; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2009, Series B" ("2009B Bonds"), outstanding after August 1, 2017, in the amount of \$21,465,229, bearing interest at the rate of 4.16% and maturing in various amounts annually on August 1 in the years 2018 to and including 2030; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2011, Series A" ("2011A Bonds"), outstanding after August 1, 2017, in the amount of \$27,605,000, bearing interest at the rate of 2.80% and maturing in various amounts annually on August 1 in the years 2018 to and including 2026; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2011, Series B" ("2011B Bonds"), outstanding after August 1, 2017, in the amount of \$25,157,000, bearing interest at the rate of 2.29% and maturing in various amounts annually on August 1 in the years 2018 to and including 2031; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2012, Series A" ("2012A Bonds"), outstanding after August 1, 2017, in the amount of \$8,134,000, bearing interest at the rate of 1.78% and maturing in various amounts annually on August 1 in the years 2018 to and including 2032; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2012, Series B" ("2012B Bonds"), outstanding after August 1, 2017, in the amount of \$11,495,000, bearing interest at various rates and maturing in various amounts annually on August 1 in the years 2018 to and including 2027; and

WHEREAS, pursuant to Ordinance No. S-105-12 adopted by the Common Council on October 23, 2012 ("2012 Bond Ordinance"), the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Refunding Revenue Bonds of 2012" ("2012 Refunding Bonds"), outstanding after August 1, 2017, in the amount of \$10,385,000, bearing interest at the rate of 1.45% and maturing in various amounts annually on August 1 in the years 2018 to and including 2022; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2013, Series A" ("2013A Bonds"), outstanding after August 1, 2017, in the amount of \$25,080,000, bearing

interest at the rate of 1.95% and maturing in various amounts annually on August 1 in the years 2018 to and including 2024; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2013, Series B" ("2013B Bonds"), outstanding after August 1, 2017, in the amount of \$42,260,000, bearing interest at various rates and maturing in various amounts annually on August 1 in the years 2025 to and including 2033; and

WHEREAS, pursuant to the 2012 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Refunding Revenue Bonds of 2013" ("2013 Refunding Bonds"), outstanding after August 1, 2017, in the amount of \$1,390,000, bearing interest at the rate of 1.00% and maturing in the amount of \$1,390,000 on August 1, 2018; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2014, Series A" ("2014A Bonds"), outstanding after August 1, 2017, in the amount of \$14,789,000, bearing interest at the rate of 2.35% and maturing in various amounts annually on August 1 in the years 2018 to and including 2033; and

WHEREAS, pursuant to Ordinance No. S-94-14 adopted by the Common Council on July 22, 2014 ("2014 Bond Ordinance"), the City has heretofore issued revenue bonds payable from the net revenues of the Sewage

Works, designated as "Sewage Works Revenue Bonds of 2014, Series B" ("2014B Bonds"), outstanding after August 1, 2017, in the amount of \$59,577,000, bearing interest at the rate of 3.074% and maturing in various amounts annually on August 1 in the years 2018 to and including 2033 and semiannually on February 1 and August 1 in 2034; and

WHEREAS, pursuant to the 2014 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Taxable Sewage Works Revenue Bonds of 2014, Series C" ("2014C Bonds"), outstanding after August 1, 2017, in the amount of \$4,620,000, bearing interest at the rate of 3.074% and maturing in various amounts annually on August 1 in the years 2018 to and including 2033 and semiannually on February 1 and August 1 in 2034; and

WHEREAS, pursuant to Ordinance No. S-16-05-16 adopted by the Common Council on May 24, 2016 ("2016 Bond Ordinance") and the 2014 Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2016, Series A" ("2016A Bonds"), outstanding after August 1, 2017, in the amount of \$108,000,000, bearing interest at the rate of 2.00% and maturing in various amounts annually on August 1 in the years 2018 to and including August 1, 2033 and semiannually on February 1 and August 1 in in the years 2034 to and including February 1, 2039; and

WHEREAS, pursuant to the 2016 Bond Ordinance and the 2014 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net

revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2016, Series B" ("2016B Bonds"), outstanding after August 1, 2017, in the amount of \$137,763,243, bearing interest at the rate of 3.06% and maturing in various amounts annually on August 1 in the years 2018 to and including August 1, 2033 and semiannually on February 1 and August 1 in the years 2034 to and including August 1, 2046; and

WHEREAS, pursuant to the 2016 Bond Ordinance (together with the 2009 Bond Ordinance, the 2012 Bond Ordinance and the 2014 Ordinance, collectively, the "Prior Ordinances"), the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Refunding Revenue Bonds of 2016" ("2016 Refunding Bonds" and with the 2009A Bonds, the 2009B Bonds, the 2011A Bonds, the 2011B Bonds, the 2012A Bonds, the 2012B Bonds, the 2012 Refunding Bonds, the 2013A Bonds, the 2013B Bonds, the 2013 Refunding Bonds, the 2014A Bonds, 2014B Bonds, the 2014C Bonds, the 2016A Bonds and the 2016B Bonds, collectively, the "Prior Bonds"), outstanding after August 1, 2017, in the amount of \$31,880,000, bearing interest at various interest rates and maturing in various amounts annually on August 1 in the years 2018 to and including 2027; and

WHEREAS, the Prior Bonds each rank on a parity with each other and each constitute a first charge against the net revenues of the Sewage Works; and

WHEREAS, pursuant to the 2009 Bond Ordinance, the City has heretofore issued revenue bonds payable from the net revenues of the Sewage Works, designated as "Sewage Works Revenue Bonds of 2010" ("2010 Bonds"),

outstanding after August 1, 2017, in the amount of \$32,105,000, bearing interest at various rates and maturing in various amounts annually on August 1 in the years 2018 to and including 2030, issued on a parity with the Prior Bonds; and

WHEREAS, the Common Council finds that the 2010 Bonds (hereinafter, "Refunded Bonds") should be refunded pursuant to the provisions of IC 5-1-5 to enable the City to obtain a reduction in interest payments and effect a savings to the City; and

WHEREAS, Section 17 of the 2009 Ordinance, Section 18 of the 2012 Bond Ordinance, Section 17 of the 2014 Bond Ordinance and Section 17 of the 2016 Bond Ordinance, each authorize the issuance of additional revenue bonds ranking on a parity basis with the Prior Bonds for such purposes, so long as certain conditions are met; and

WHEREAS, the Common Council has been advised by the City's financial advisor and now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of revenue bonds on a parity basis with the Prior Bonds to provide the necessary funds to be applied to the costs of the refunding of the Refunded Bonds and all authorized costs relating thereto have been complied with in accordance with the provisions of the Prior Ordinances; and

WHEREAS, the Common Council finds that to provide funds necessary to pay for the costs of the refunding of the Refunded Bonds, after applying funds on hand allocable to the refunding, it will be necessary for the City to issue sewage works revenue bonds, in one or more series, in an aggregate amount not to exceed Thirty Six Million Dollars (\$36,000,000); and

WHEREAS, the Common Council therefore seeks to authorize the issuance of revenue bonds to finance the refunding of the Refunded Bonds pursuant to the provisions of IC 5-1-5 and IC 36-9-23, each as in effect on the date of delivery of the bonds authorized herein (collectively, "Act"), subject to and dependent upon the terms and conditions hereinafter set forth in this ordinance; and

WHEREAS, the Common Council has been advised that it may be cost efficient to purchase municipal bond insurance and one or more debt service reserve sureties for the bonds authorized herein;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AS FOLLOWS:

Section 1. Authorization of the Refunding. The City shall provide funds for refunding the Refunded Bonds thereby reducing its interest payments and effecting a savings, as reported by the City's financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP. The City, acting by and through the Board and as the owner and operator of the Sewage Works for the collection and treatment of sewage and other wastes, hereby orders, authorizes and directs the Board to proceed with the refunding of the Refunded Bonds. The actions of the Board in connection with the refunding of the Refunded Bonds are hereby authorized, approved, ratified and confirmed.

Where used in this ordinance, the term "City" shall be construed also to include any department, board, commission or officer or officers of the City or of any City department, board or commission. The terms "Sewage Works," "sewage works," "works" and similar terms used in this ordinance shall be construed to mean and

include the existing structures and property of the Sewage Works. The refunding shall be accomplished and the bonds herein authorized shall be issued pursuant to the provisions of this ordinance and the Act.

Section 2. Issuance of Refunding Bonds. In accordance with the Act and for the purpose of providing funds with which to pay the costs of the refunding of the Refunded Bonds and providing funds for the hereinafter defined Reserve Accounts, all authorized costs relating to the refunding and the financing, including the costs of issuance of the Refunding Bonds, as hereinafter defined, on account thereof, and any premiums for bond insurance and debt service reserve sureties, the City shall issue and sell its sewage works revenue bonds, in one or more series, in the aggregate principal amount not to exceed Thirty Six Million Dollars (\$36,000,000).

The bonds shall be designated as the "Sewage Works Refunding Revenue Bonds of _____, [Series ____]" to be completed with the year in which issued and series designation, if any ("Refunding Bonds"). The Refunding Bonds shall be issued as fully registered bonds in the denomination of \$5,000 or integral multiples thereof. If the Refunding Bonds are sold to one or more sophisticated investors, the Refunding Bonds may be issued in minimum denominations of \$100,000 and integral multiples of \$5,000 thereafter. The Refunding Bonds shall be sold at a price not less than 99% of the par value thereof. The Refunding Bonds shall be numbered consecutively from 1 up and shall bear interest at a rate or rates not exceeding three percent (3.0%) per annum, the exact rate or rates to be determined by bidding or through negotiation. Interest on the Refunding Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day

year and shall be payable semiannually on February 1 and August 1 in each year, commencing on the first February 1 or the first August 1, following the original date of the Bonds as determined by the Controller, with the advice of the City's financial advisor. The principal of the Refunding Bonds shall mature annually on August 1 of each year, provided that beginning on February 1, 2034, principal shall be payable semiannually on February 1 and August 1. Refunding Bonds issued for the refunding of the Refunded Bonds shall mature no later than August 1, 2030. The Refunding Bonds shall mature in amounts that either (i) maintain the approximate annual debt service less the annual savings as a result of the refunding; or (ii) maximize savings.

All or a portion of the Refunding Bonds may be issued as one or more term bonds, upon election of the purchasers. Such term bonds shall have a stated maturity or maturities on February 1 or August 1 in the years as determined by the successful bidder, but in no event later than the final serial maturity date of the Refunding Bonds as determined in the above paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are hereinafter determined in accordance with the above paragraph.

The Refunding Bonds shall bear an original issue date which shall be the date of issuance of the Refunding Bonds or the first day of the month in which the Refunding Bonds are delivered, as determined by the Controller, with the advice of

the City's financial advisor, and each Refunding Bond shall also bear the date of its authentication.

(c) The Mayor and Controller are authorized, on behalf of the City, to select and appoint a qualified financial institution to serve as Registrar and Paying Agent for the Refunding Bonds, which Registrar is hereby charged with the responsibility of authenticating the Refunding Bonds ("Registrar" or "Paying Agent"). The Controller is hereby authorized, on behalf of the Board, to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Controller is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the Sewage Works Sinking Fund established to pay the principal of and interest on the Refunding Bonds and fiscal agency charges.

As to Refunding Bonds, if any purchaser does not object to such designation, the Controller may serve as Registrar and Paying Agent and is hereby charged with the duties of a Registrar and Paying Agent.

If wire transfer payment is not required and for the Refunding Bonds, the principal of the Refunding Bonds shall be payable at the principal office of the Paying Agent and all payments of interest on the Refunding Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof, as the names appear as of the fifteenth day of the month preceding the interest payment date ("Record Date"), at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the

Paying Agent in writing by such registered owner on or before such Record Date. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

All payments on the Refunding Bonds shall be made in any coin or currency of the United States of America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

Each Refunding Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar, by the registered owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such Refunding Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Refunding Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the City. The City and the Registrar and Paying Agent for the Refunding Bonds may treat and consider the person in whose name such Refunding Bonds are registered as the absolute owner thereof for all

purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving 30 days' notice in writing to the City and by first class mail to each registered owner of the Refunding Bonds then outstanding, and such resignation will take effect at the end of such 30 day period or upon the earlier appointment of a successor registrar and paying agent by the City. Any such notice to the City may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the City, in which event the City may appoint a successor registrar and paying agent. The City shall notify each registered owner of the Refunding Bonds then outstanding by first class mail of the removal of the Registrar and Paying Agent. Notices to the registered owners of the Refunding Bonds shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the City, the Controller is authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Refunding Bonds. The Controller is further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the Sewage Works Sinking Fund as set forth in Section 13 hereof. Any predecessor registrar and paying

agent shall deliver all of the Refunding Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

Interest on the Refunding Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Refunding Bonds unless the Refunding Bonds are authenticated after the Record Date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Refunding Bonds are authenticated on or before the Record Date preceding the first interest payment date, in which case they shall bear interest from the original date until the principal shall be fully paid.

(d) The City has determined that it may be beneficial to have the Refunding Bonds held by a central depository system pursuant to an agreement between the City and The Depository Trust Company, New York, New York ("Depository Trust Company") and have transfers of the Refunding Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The Refunding Bonds may be initially issued in the form of a separate single authenticated fully registered bond for the aggregate principal amount of each separate maturity of the Refunding Bonds. In such case, upon initial issuance, the ownership of such Refunding Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Refunding Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the City and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner")) of the Refunding Bonds with respect to (i) the accuracy of the records of the Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any notice with respect to the Refunding Bonds including any notice of redemption, or (iii) the payment to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Refunding Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated Refunding Bond evidencing an obligation of the City to make payments of the principal of and premium, if any, and interest on the Refunding Bonds pursuant to this ordinance. The City and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of the Refunding Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Refunding Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such Refunding Bonds; (iii) registering transfers with respect to such Refunding Bonds; (iv) obtaining any consent or other action required or permitted to

be taken of or by bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Refunding Bonds only to or upon the order of the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the City's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Refunding Bonds to the extent of the sum or sums so paid. Upon delivery by the Depository Trust Company to the City of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this resolution shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Refunding Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such Refunding Bonds and all notices with respect to such Refunding Bonds shall be made and given, respectively, to the Depository Trust Company as provided in a representation letter from the City to the Depository Trust Company.

Upon receipt by the City of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Refunding Bonds shall no longer be restricted to being registered in the register of

the City kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Refunding Bonds shall designate, in accordance with the provisions of this resolution.

If the City determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the City may notify the Depository Trust Company and the Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the Refunding Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Refunding Bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the City and the Registrar to do so, the Registrar and the City will cooperate with the Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Refunding Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Refunding Bonds.

If the Refunding Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the Refunding Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required

to have such Refunding Bonds printed until it shall have received from the City indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to bondholders by the City or the Registrar with respect to any consent or other action to be taken by bondholders, the City or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Refunding Bonds are registered in the name of the Depository Trust Company or CEDE & CO. or any substitute nominee, the City and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Refunding Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Refunding Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and the Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the bondholders for purposes of this ordinance and the City and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the Refunding Bonds, together with

the dollar amount of each Beneficial Owner's interest in the Refunding Bonds and the current addresses of such Beneficial Owners.

(e) In the event any Refunding Bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar may authenticate a new Refunding Bond of like date, maturity, series and denomination as the mutilated, lost, stolen or destroyed Refunding Bond, which new Refunding Bond shall be marked in a manner to distinguish it from the Refunding Bond for which it was issued; provided, that in the case of any mutilated Refunding Bond, such mutilated Refunding Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed Refunding Bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed Refunding Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate Refunding Bond, the Registrar and Paying Agent may pay the same upon surrender of the mutilated Refunding Bond or upon satisfactory indemnity and proof of loss, theft or destruction in the case of a lost, stolen or destroyed Refunding Bond. The City and the Registrar and Paying Agent may charge the owner of any such Refunding Bond with their reasonable fees and expenses in connection with the above. Every substitute Refunding Bond issued by reason of any Refunding Bond being lost, stolen or destroyed shall, with respect to such Refunding Bond, constitute a substitute contractual obligation of the City pursuant to this ordinance, whether or not the lost, stolen or destroyed Refunding Bond shall be found at any time, and

shall be entitled to all the benefits of this ordinance, equally and proportionately with any and all other Refunding Bonds duly issued hereunder.

In the event that any Refunding Bond is not presented for payment or redemption on the date established therefor, the City may deposit in trust with the Paying Agent an amount sufficient to pay such Refunding Bond or the redemption price thereof, as appropriate, and thereafter the owner of such Refunding Bond shall look only to the funds so deposited in trust with the Paying Agent for payment and the City shall have no further obligation or liability with respect thereto.

Section 3. Redemption of Refunding Bonds. (a) The Refunding Bonds are redeemable at the option of the City, but no sooner than eight (8) years from their date of issuance, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the City and by lot within a maturity, at face value, together with either no premium or a premium not to exceed 2%, plus in each case accrued interest to the date fixed for redemption. The exact redemption features shall be determined by the Controller with the advice of the City's financial advisor prior to the sale of the Refunding Bonds.

If any Refunding Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Refunding Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any Refunding Bonds maturing as term bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against

any redemption obligation. Each Refunding Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Refunding Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Refunding Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

Each authorized denomination amount or each principal amount of \$5,000 shall be considered a separate bond for purposes of optional and mandatory redemption. If less than an entire maturity is called for redemption, the Refunding Bonds to be called for redemption shall be selected by lot by the Registrar. If some Refunding Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Refunding Bonds for optional redemption before selecting the Refunding Bonds by lot for the mandatory sinking fund redemption.

(b) In either case, notice of such redemption shall be given not less than thirty (30) days for the Refunding Bonds, prior to the date fixed for redemption by mail unless the notice is waived by the registered owner of a Refunding Bond. Such notice shall be mailed to the address of the registered owners as shown on the registration records of the City as of the date which is forty-five (45) days prior to such redemption date. The notice shall specify the date and place of redemption and

sufficient identification of the Refunding Bonds called for redemption. The place of redemption shall be determined by the City. Interest on the Refunding Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the principal office of the Paying Agent to pay the redemption price on the date so named. Coincidentally with the payment of the redemption price, the Refunding Bonds so called for redemption shall be surrendered for cancellation.

Section 4. Execution and Authentication of the Refunding Bonds. The Refunding Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor of the City ("Mayor"), countersigned by the manual or facsimile signature of the Controller and attested by the manual or facsimile signature of the Clerk of the City ("Clerk"), who shall cause the seal of the City or a facsimile thereof to be affixed to each of the Refunding Bonds. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the Refunding Bonds. The Refunding Bonds shall be authenticated by the manual signature of the Registrar, and no Refunding Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed. In case any official whose signature appears on any Refunding Bond shall cease to be such official before the delivery of such Refunding Bond, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. Subject to the provisions of this

ordinance regarding the registration of the Refunding Bonds, the Refunding Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

Section 5. Security and Sources of Payment for the Refunding Bonds.

The Refunding Bonds when paid for and delivered to the purchaser thereof as to both principal and interest, shall be valid and binding special revenue obligations of the City, payable solely from and secured by an irrevocable pledge of and constituting a first charge upon all of the Net Revenues (defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payments in lieu of property taxes ("PILOTs")) to be set aside into the Sewage Works Sinking Fund as herein provided and shall rank on a parity with the Prior Bonds. The City shall not be obligated to pay the Refunding Bonds or the interest thereon except from the Net Revenues of the Sewage Works, and the Refunding Bonds shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 6. Form of the Refunding Bonds. The form and tenor of the Refunding Bonds shall be substantially as set forth in Exhibit A attached hereto and incorporated herein as if set forth at this place (with all blanks to be filled in properly and all necessary additions and deletions to be made prior to the delivery thereof).

Section 7. Issuance, Sale and Delivery of the Refunding Bonds; Official Statement; Escrow Agreement; Continuing Disclosure; and Bond Purchase Agreement. (a) The Controller is hereby authorized and directed to have the

Refunding Bonds prepared, and the Mayor, the Controller and the Clerk are each hereby authorized and directed to execute, and attest as appropriate, the Refunding Bonds in the form and manner herein provided.

(b) The Controller is hereby authorized and directed to deliver the Refunding Bonds to the purchaser. At the time of the delivery of the Refunding Bonds, the Controller shall collect the full amount which the purchaser or purchasers have agreed to pay therefor, which amount shall not be less than 99% of the par value of the Refunding Bonds. The Refunding Bonds herein authorized, when fully paid for and deliver to the purchaser or purchasers, shall be the binding special revenue obligations of the City. The proceeds derived from the sale of the Refunding Bonds shall be and are hereby set aside for application on the cost of the refunding of the Refunded Bonds and the expenses necessarily incurred in connection with the Refunding Bonds. The proper officers of the City are hereby directed to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

(c) Distribution of an Official Statement (preliminary and final) prepared by H.J. Umbaugh & Associates, Certified Public Accountants, LLP, on behalf of the City, is hereby approved and the Mayor or the Controller are authorized and directed to execute the Official Statement on behalf of the City in a form consistent with this ordinance. The Mayor or the Controller are hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule"). In lieu of delivering an Official Statement, the City may obtain an investment letter from the

purchaser which satisfies federal and state securities laws applicable to such Refunding Bonds.

(d) If necessary to comply with the Rule, the City shall execute and deliver a form of Continuing Disclosure Undertaking ("Disclosure Undertaking"). The Mayor or the Controller are hereby authorized and directed to complete and execute the Disclosure Undertaking on behalf of the City, if necessary to comply with the Rule. Notwithstanding any other provisions of this ordinance, failure of the City to comply with the Disclosure Undertaking shall not be considered an event of default under the Refunding Bonds or this ordinance.

(e) The Mayor and the Controller are hereby authorized to negotiate the sale of the Refunding Bonds issued to refund the Refunded Bonds in accordance with a Bond Purchase Agreement or Bond Placement Agreement ("Purchase Agreement") between the City and the purchaser, the purchasers or the placement agent of the Refunding Bonds being issued to refund the Refunded Bonds. The Mayor and the Controller are authorized to execute the Purchase Agreement and deliver the Refunding Bonds to the purchaser of the Refunding Bonds so long as their terms are consistent with this ordinance. Such Purchase Agreement shall establish a final principal amount, interest rate, maturity schedule, optional redemption features and term bond mandatory redemptions, if any. The Purchase Agreement will also state that the purchaser or placement agent, as the case may be, will agree to assist the City in establishing the issue price of the Refunding Bonds under Treas. Reg. Section 1.148-1(f).

(f) The Controller is hereby authorized to appoint a financial institution to serve as escrow trustee ("Escrow Trustee") for the Refunded Bonds in accordance with the terms of the Escrow Agreement, between the City and the Escrow Trustee ("Escrow Agreement"). The Mayor and the Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are consistent with this ordinance.

(g) The execution, by either the Mayor, the Controller, any purchaser or placement agent of the Refunding Bonds or the City's financial advisor, of a subscription for United States Treasury Obligations -- State and Local Government Series for investments of proceeds of the Refunding Bonds to be held under the Escrow Agreement in a manner consistent with this ordinance is hereby approved.

Section 8. Credit Enhancement; Opinion of Bond Counsel. (a) In the event the financial advisor to the City certifies to the City that it would be economically advantageous for the City to obtain a municipal bond insurance policy, the City hereby authorizes the purchase of such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous in the event the difference between the present value cost of (a) the debt service on the Refunding Bonds if issued without municipal bond insurance and (b) the total debt service on the Refunding Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy. If such an insurance policy is purchased, the Mayor and the Controller are hereby authorized to execute and delivery all agreements with the provider of the insurance policy to the extent necessary to comply with the terms of such insurance policy and the

commitment to issue such policy. Such agreement shall be deemed a part of this ordinance for all purposes and is hereby incorporated hereby by reference.

(b) Prior to the delivery of the Refunding Bonds, the City shall obtain a legal opinion as to the validity of the Refunding Bonds from Ice Miller LLP, Indianapolis, Indiana, bond counsel for the City, with such opinion to be furnished to the purchasers of the Refunding Bonds at the expense of the City. The costs of obtaining any such insurance, other credit enhancement and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinions and in the performance of related services in connection with the issuance, sale and delivery of the Refunding Bonds, shall be considered as a part of the cost of the refunding of the Refunded Bonds and shall be paid out of the proceeds of the Refunding Bonds.

Section 9. Refunding of the Refunded Bonds and Costs of Issuance. The Controller shall, with the assistance of the City's financial advisor and legal counsel, determine the date the Refunded Bonds will be paid, which date will be as soon as legally possible after delivery of the Refunding Bonds. The City shall use Refunding Bond proceeds and funds on hand allocable to the Refunded Bonds to pay the principal of and interest and redemption premium, if any, on the Refunded Bonds due on the date on which the Refunded Bonds may be called for redemption. Concurrently with the delivery of the Refunding Bonds, the Controller may acquire, with the proceeds of the Refunding Bonds and cash on hand, direct obligations of or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") to be used, together with

certain cash from the proceeds of the Refunding Bonds and cash on hand as set forth in the Escrow Agreement, to refund and legally defease the Refunded Bonds all as set forth in the Escrow Agreement. In order to refund the Refunded Bonds, the Controller shall deposit Government Obligations and certain cash with the Escrow Trustee under the Escrow Agreement in an amount sufficient to provide money for payment of the principal of and interest and redemption premium, if any, on the Refunded Bonds until the earliest date upon which the Refunded Bonds may be called for redemption.

Costs of issuance of the Bonds not otherwise paid shall be paid from the remaining proceeds of the Bonds by the Controller. When all the costs of issuance of the Bonds have been paid, the Controller shall then transfer any amount then remaining from the proceeds of the Bonds to the Sewage Works Sinking Fund.

The Controller shall obtain a verification of an accountant as to the sufficiency of the funds deposited in the Trust Account under the Escrow Agreement to accomplish said refunding and legal defeasance of the Refunded Bonds.

Section 10. Accrued Interest. The accrued interest received at the time of delivery of the Refunding Bonds, if any, shall be deposited in the Sewage Works Sinking Fund continued in Section 13 and used to pay interest on the Refunding Bonds on the first interest payment date for the Refunding Bonds.

Section 11. Segregation and Application of Sewage Works Revenues. All revenues derived from the operation of the Sewage Works and from the collection of sewage rates and charges shall be deposited in a special fund of the City ("Revenue Fund") and segregated and kept separate and apart from all other funds

and bank accounts of the City. Out of said revenues the proper and reasonable expenses of operation, repair and maintenance of the Sewage Works shall be paid, the principal and interest of all bonds and fiscal agency charges of bank paying agents shall be paid, the Reserve Accounts shall be funded, and the costs of replacements, extensions, additions and improvements shall be paid as hereinafter provided. PILOTs shall be made not more frequently than semiannually on June 30 and December 31 and may be made only if all monthly deposits required by this ordinance are current and held as of such dates in the Operation and Maintenance Fund and the Sinking Fund (each as defined herein). No moneys derived from the revenues of the Sewage Works shall be transferred to the General Fund of the City or be used for any purpose not connected with the Sewage Works, except as provided in Section 14 with respect to PILOTs. All moneys deposited in the Revenue Fund may be invested in accordance with IC 5-13, as amended and as applicable.

Section 12. Operation and Maintenance Fund. The Operation and Maintenance Fund is hereby continued. On the last day of each calendar month, revenues of the Sewage Works shall be transferred from the Revenue Fund to the Operation and Maintenance Fund. The balance maintained in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two calendar months. The moneys credited to this Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the sewage works on a day-to-day basis, but none of the moneys in such Fund shall be used for depreciation, replacements, improvements, extensions,

additions or PILOTs. Any monies in said Fund in the excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding bonds of the Sewage Works.

Section 13. Sewage Works Sinking Fund. (a) The special fund designated the "Sewage Works Sinking Fund," continued under the Prior Ordinances is hereby continued and designated as the special fund for the payment of the interest on and principal of the Refunding Bonds and the payment of any fiscal agency charges in connection with the payment of the Refunding Bonds and interest thereon. There shall be set aside and deposited in the Sewage Works Sinking Fund ("Sinking Fund"), as available, and as hereinafter provided, a sufficient amount of the Net Revenues of the Sewage Works to meet the requirements of the Bond and Interest Account hereby continued and the Reserve Accounts (as hereinafter defined) hereby continued in the Sinking Fund. The special account within the Sinking Fund designated as the "Sewage Works Reserve Account," is hereby continued as a debt service reserve for all Prior Bonds except those initially purchased by or for the account of the SRF Program. The SRF Reserve Account is hereby continued as a debt service reserve for the Prior Bonds which were initially purchased by or for the account of the SRF Program. The 2016 Reserve Account is hereby continued and is constituted as a debt service reserve for the Refunding Bonds issued hereunder. Such payments shall continue until the balances in the Bond and Interest Account and the Reserve Accounts, equal the principal of and

interest on all of the then outstanding bonds of the Sewage Works to their final maturity.

(b) Bond and Interest Account. There is hereby continued, within the Sinking Fund, the Bond and Interest Account. There shall be credited on the last day of each calendar month from the Revenue Fund to the Bond and Interest Account an amount of the Net Revenues equal to at least one-twelfth ($1/12$) of the principal and at least one-sixth ($1/6$) of the interest on all then outstanding bonds payable on the then next succeeding principal and interest payment dates until the amount of interest and principal payable on the then next succeeding respective interest and principal payment dates shall have been so credited. Beginning on August 1, 2033, there shall be credited on the last day of each calendar month from the Revenue Fund to the Bond and Interest Account an amount of the Net Revenues equal to at least one-sixth ($1/6$) of the principal and at least one-sixth ($1/6$) of the interest on all then outstanding bonds payable on the then next succeeding principal and interest payment date until the amount of interest and principal payable on the then next succeeding interest and principal payment date shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying principal and interest on the then outstanding bonds as the same becomes payable. The City shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest on the due dates thereof together with the amount of bank fiscal agency charges.

(c) Reserve Accounts. On the date of delivery of the Refunding Bonds, funds on hand of the Sewage Works, Bond proceeds, a debt service reserve surety bond ("Surety Bond"), or a combination thereof may be deposited into the 2016 Reserve Account ("2016 Reserve Account") hereby continued. At this time, the 2016 Reserve account secures the 2016 Refunding Bonds and will also secure the Refunding Bonds issued under this ordinance. The balance to be maintained in the 2016 Reserve Account shall equal but not exceed the least of (i) maximum annual debt service on the Refunding Bonds, the 2016 Refunding Bonds and any parity bonds issued in the future by the City which are payable from Net Revenues of the Sewage Works ("Parity Bonds") and not initially purchased by or for the account of the SRF Program; (ii) 125% of average annual debt service on the Refunding Bonds, the 2016 Refunding Bonds and any Parity Bonds (not initially purchased by or for the account of the SRF Program) or (iii) 10% of the proceeds of the Refunding Bonds, the 2016 Refunding Bonds and any Parity Bonds (not initially purchased by or for the account of the SRF Program) ("2016 Reserve Requirement"). If the initial deposit into the 2016 Reserve Account does not cause the balance therein to equal the 2016 Reserve Requirement or if no deposit is made, a sum of Net Revenues shall be credited to the Reserve Account on the last day of each calendar month until the balance therein equals the 2016 Reserve Requirement. The monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the 2016 Reserve Requirement within five years of the date of delivery of the Refunding Bonds. The 2016 Reserve Account shall not secure and may not be used to pay any Prior Bonds

that do not include the 2016 Refunding Bonds, or any Parity Bonds which are initially purchased by or for the account of the SRF Program.

The Sewage Works Reserve Account ("Reserve Account") is hereby continued and shall serve as the debt service reserve for all Prior Bonds except those initially purchased by or for the account of the SRF Program and the 2016 Refunding Bonds. The balance to be maintained in the Reserve Account shall equal but not exceed the least of (i) maximum annual debt service on the Prior Bonds (not initially purchased by or for the account of the SRF Program); (ii) 125% of average annual debt service on the Prior Bonds (not initially purchased by or for the account of the SRF Program); or (iii) 10% of the proceeds of the Prior Bonds (not initially purchased by or for the account of the SRF Program) ("Reserve Requirement"). The Reserve Account is fully funded in an amount equal to the Reserve Requirement. The Reserve Account shall not secure and may not be used to pay the 2016 Refunding Bonds, the Refunding Bonds or any Prior Bonds or Parity Bonds which are initially purchased by or for the account of the SRF Program.

On the date of delivery of any Parity Bonds which are initially purchased by or for the account of the SRF Program, funds on hand of the Sewage Works, Bond proceeds, a Surety Bond, or a combination thereof may be deposited into the SRF Reserve Account (collectively, with the 2016 Reserve Account and the Reserve Account, referred to as "Reserve Accounts") hereby continued. The balance to be maintained in the SRF Reserve Account shall equal the maximum annual debt service on the Prior Bonds (initially purchased by or for the account of the SRF Program) and any Parity Bonds initially purchased by or for the account of the SRF

Program ("SRF Reserve Requirement"); provided, however, the SRF Reserve Requirement is defined as the initial reserve requirement, and the amount held therein will be decreased on the second day of each January to the maximum annual debt service on the then outstanding Prior Bonds and Parity Bonds initially purchased by or for the account of the SRF Program in the then present or any succeeding year, and provided, further than the City shall give 15 days prior written notice to the Authority before transferring funds out of the SRF Reserve Account. If the initial deposit into the SRF Reserve Account does not cause the balance therein to equal the SRF Reserve Requirement or if no deposit is made, a sum of Net Revenues shall be credited to the SRF Reserve Account on the last day of each calendar month until the balance therein equals the SRF Reserve Requirement. Notwithstanding the provisions set forth in the Prior Ordinances regarding the SRF Reserve Account, the monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the SRF Reserve Requirement within five years of the date of delivery of any Parity Bonds. The SRF Reserve Account shall not secure and may not be used to pay the Refunding Bonds or any Prior Bonds or Parity Bonds which are not initially purchased by or for the account of the SRF Program.

Any Surety Bond for the Reserve Account or the SRF Reserve Account must be issued by an insurance company rated (at the time the Surety Bond is purchased) in the highest rating category by Standard & Poor's Corporation or Moody's Investors Service. However, as long as any of the Prior Bonds initially purchased by or for the account of the SRF Program, the City shall receive consent of the Authority before funding any portion of the SRF Reserve Account with such Surety

Bond. If such a Surety Bond is purchased, the Mayor and the Controller are hereby authorized to execute and deliver all agreements with the provider of the Surety Bond to the extent necessary to comply with the terms of such Surety Bond and the commitment to issue such policy. Such agreements shall be deemed a part of this ordinance for all purposes and are hereby incorporated herein by reference.

The respective Reserve Accounts shall constitute the margin for safety and a protection against default in the payment of principal and interest on the respective Prior Bonds, the Refunding Bonds and any Parity Bonds which they respectively secure, and moneys in the respective Reserve Accounts shall be used to pay current principal and interest on the respective Prior Bonds, the Refunding Bonds and any Parity Bonds which they respectively secure to the extent that moneys in the Bond and Interest Account, after applied on a pro rata basis to any outstanding Prior Bonds, Refunding Bonds and Parity Bonds, are insufficient for that purpose. Any deficiency in the balances maintained in the respective Reserve Accounts as a result of a transfer to the Bond and Interest Account shall be promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account on a pro rata basis within a twelve (12) month period. Any moneys in the respective Reserve Accounts in excess of the 2016 Reserve Requirement, the Reserve Requirement or the SRF Reserve Requirement shall be transferred to the Sewage Works Improvement Fund.

Section 14. Sewage Works Improvement Fund. After meeting the requirements of the Operation and Maintenance Fund and the Sinking Fund, any excess revenues may be transferred or credited from the Revenue Fund to the

"Sewage Works Improvement Fund," hereby continued, and said Fund shall be used for replacements, additions, improvements and extensions of the Sewage Works or for any other lawful purpose, so long as such use pertains to and involves the business of the Sewage Works. PILOTs shall be made not more frequently than semiannually on June 30 and December 31 and may be made only if the amounts required to be held as of such dates in the Operation and Maintenance Fund and the Sinking Fund pursuant to Section 12 and Section 13 are so held after considering any such contemplated payment. Moneys in the Sewage Works Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the then outstanding bonds or, if necessary, to eliminate any deficiencies in credits to or minimum balance in the Reserve Accounts of the Sinking Fund or may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the Sewage Works.

Section 15. Books of Record and Accounts. (a) The City shall keep proper books of record and accounts, separate from all of its other records and accounts, in which completed and correct entries shall be made showing all revenues collected from said works and deposited in said funds, and all disbursements made therefrom on account of the operation of the works, and to meet the requirements of the Sewage Works Sinking Fund, and all other financial transactions relating to said works, including the amounts set aside or credited to the Sinking Fund, the Operation and Maintenance Fund and the Sewage Works Improvement Fund, and the cash balances in each of said funds and accounts

described herein as of the close of the preceding fiscal year. Copies of all such statements and reports shall be kept on file in the office of the Controller.

(b) So long as any of the Prior Bonds are held by the Authority, the City shall establish and maintain the books and other financial records of the projects authorized by the Prior Ordinances ("Projects") (including the establishment of a separate account or subaccount for the Projects) and the Sewage Works in accordance with (i) generally accepted governmental accounting standards for utilities, on an accrual basis, as promulgated by the Government Accounting Standards Board and (ii) the rules, regulations and guidance of the State Board of Accounts.

Section 16. Rates and Charges. The City covenants and agrees that it will establish and maintain just and equitable rates or charges for the use of and the services rendered by said works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said Sewage Works by or through any part of the Sewage Works system of the City, or that in any way uses or is served by such Sewage Works. Such rates or charges shall, to the extent permitted by law and only so long as the bonds issued under the 2009 Bond Ordinance are outstanding, be sufficient in each year to produce Net Revenues equal to 1.1 times the greater of the average annual debt service on the Prior Bonds, the Refunding Bonds and any Parity Bonds or the debt service payable during the next succeeding twelve calendar months on the Prior Bonds, the Refunding Bonds and any Parity Bonds. For these purposes, the interest rate on variable rate debt shall be assumed to be the average interest rate thereon in the preceding calendar year.

Such rates and charges shall be sufficient in each year for the payment of the proper and reasonable expenses of Operation and Maintenance (as defined in the Financial Assistance Agreement) of the Sewage Works, to comply with and satisfy all covenants contained in this ordinance including the sums required to be paid into the Sinking Fund by the Act, this ordinance, and the Financial Assistance Agreement, and to pay all obligations of the Sewage Works and of the City with respect to the Sewage Works.

Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of Operation and Maintenance of the Sewage Works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such Sewage Works by and service rendered to the City and all departments thereof and shall be paid semiannually by the City or the various departments thereof as the charges accrue.

Section 17. Defeasance. If, when the Refunding Bonds issued hereunder (or portions thereof) shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Refunding Bonds (or portions thereof) for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Refunding Bonds (or portions thereof) then outstanding shall be paid; or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when

due will provide sufficient moneys, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Refunding Bonds (or portions thereof) issued hereunder shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the City's Sewage Works.

Section 18. Additional Bonds. The City also reserves the right to authorize and issue additional Parity Bonds, payable out of the Net Revenues of its Sewage Works, ranking on a parity with the Refunding Bonds authorized by this ordinance, for the purpose of financing the cost of future additions, extensions and improvements to the Sewage Works, or to refund obligations, subject to the following conditions:

(a) The interest on and principal of all bonds payable from the revenues of the Sewage Works shall have been paid to date in accordance with the terms thereof, provided, this condition shall be deemed satisfied if any required amount is to be provided from the proceeds of the Parity Bonds or other funds of the City, and all required payments into the Sinking Fund shall have been made in accordance with the provisions of this ordinance.

(b) As of the date of issuance of such additional Parity Bonds, the balance in the 2016 Reserve Account shall equal not less than the 2016 Reserve Requirement, the balance in the Reserve Account shall equal not

less than the Reserve Requirement, and the balance in the SRF Reserve Account shall equal not less than the SRF Reserve Requirement, calculated to include principal and interest requirements on the Bonds, any then outstanding parity bonds and the additional Parity Bonds proposed to be issued, provided this condition shall be deemed satisfied if any required amount is to be provided from the proceeds of the newly issued Parity Bonds or other funds of the City over a period of no longer than five (5) years following the delivery of the Parity Bonds.

(c) The Net Revenues of the Sewage Works in the fiscal year immediately preceding the issuance of any such Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds, any then outstanding parity bonds and the additional Parity Bonds proposed to be issued; or, prior to the issuance of the Parity Bonds, the sewage rates and charges shall be increased or the service area or customer base shall be expanded sufficiently so that said increased rates and charges and/or volume applied to the previous fiscal year's operations would have produced Net Revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds, any then outstanding parity bonds and the additional Parity Bonds proposed to be issued. For purposes of this subsection, the records of the Sewage Works shall be analyzed and all showings shall be prepared by a certified public accountant or nationally recognized firm of professionals experienced in analyzing financial records of municipal utilities retained by the City for that purpose.

(d) The principal of and mandatory sinking fund payment dates for said additional Parity Bonds shall be payable on August 1 until the date August 1, 2033 and thereafter, shall be payable semiannually on February 1 and August 1, and the interest on said additional Parity Bonds shall be payable semiannually on February 1 and August 1 during the periods in which such principal and interest are payable. If the additional Parity Bonds are issued as capital appreciation bonds, the amount payable at maturity thereof shall be payable on February 1 and/or August 1 during the periods in such maturity amounts are payable.

(e) Additional Parity Bonds issued as variable rate debt must be assumed to bear the maximum interest rate thereon for the purpose of certifying satisfaction of the 125% condition set forth above, and a maximum rate must be set for any such variable rate additional Parity Bonds. Furthermore, any put feature associated with such variable rate debt must be covered by remarketing proceeds or a liquidity facility issued by a provider which is rated in one of the two highest short-term rating categories of Moody's Investors Service or Standard & Poors Ratings Group.

(f) For so long as any of the Prior Bonds are outstanding and owned by the Authority as part of its SRF Program, (i) the City obtains the consent of the Authority, (ii) the City has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in the Financial Assistance Agreement between the City and the Indiana Finance Authority, dated September 1, 2016 and this resolution, and (iii) the City is in compliance with its National Pollutant Discharge Elimination System permits, except for non-compliance for

which purpose the additional Parity Bonds are issued, including refunding bonds issued prior to, but part of the overall plan to eliminate such non-compliance.

Section 19. Additional Covenants of the City. For the purpose of further safeguarding the interests of the owners of the Refunding Bonds herein authorized, it is specifically provided as follows:

(a) So long as the Refunding Bonds are outstanding, the City shall at all times maintain its Sewage Works in good condition and operate the same in an efficient manner and at a reasonable cost.

(b) So long as any of the Refunding Bonds herein authorized are outstanding, the City shall maintain insurance coverage, including fidelity bonds, to protect the Sewage Works and its operations on the insurable parts of said Sewage Works of a kind and in an amount such as would normally be carried by private companies engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana, provided, however, such insurance requirement may be satisfied, in part or in whole, through the City's self insurance program. Insurance proceeds and condemnation awards shall be used to replace or repair the property.

(c) So long as any of the Refunding Bonds are outstanding, the City shall not mortgage, pledge or otherwise encumber the Sewage Works, or any portion thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except replace equipment which may become worn out or obsolete.

(d) Except as hereinbefore provided in Section 18 hereof, so long as any of the Refunding Bonds herein authorized are outstanding, no additional bonds or

other obligations pledging any portion of the revenues of the Sewage Works shall be authorized, executed or issued by the City except such as shall be made subordinate and junior in all respects to the Refunding Bonds herein authorized, unless all of the Refunding Bonds herein authorized are redeemed, retired or defeased pursuant to Section 17 hereof coincidentally with the delivery of such additional bonds or other obligations.

(e) The City shall take all action or proceedings necessary and proper to require connection of all property where liquid and solid waste, sewage, night soil, or industrial waste is produced with available sanitary sewers. The City shall, insofar as possible, cause all such sanitary sewers to be connected with the Sewage Works.

(f) The provisions of this ordinance shall constitute a contract by and between the City and the owners of the Refunding Bonds herein authorized, and after the issuance of the Refunding Bonds, this ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the owners of the Refunding Bonds, nor shall the Common Council adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Refunding Bonds or the interest thereon remains unpaid. Except for the changes set forth in Section 23(a)-(f), this ordinance may be amended, however, without the consent of Refunding Bond owners, if the Common Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the Refunding Bonds.

(g) The provisions of this ordinance shall be construed to create a trust in the proceeds of the sale of the Refunding Bonds herein authorized for the uses and

purposes herein set forth, and the owners of the Refunding Bonds shall retain a lien on such respective proceeds until the same are applied in accordance with the provisions of this ordinance and of the Act. The provisions of this ordinance shall also be construed to create a trust in the portion of the Net Revenues herein directed to be set apart and paid into the Sewage Works Sinking Fund for the uses and purposes of said fund as in this ordinance set forth. The owner of the Refunding Bonds shall have all of the rights, remedies and privileges set forth in the provisions of the Act, including the right to have a receiver appointed to administer said Sewage Works in the event of default in the payment or the principal of or interest on any of the Refunding Bonds herein authorized or in the event of default in respect to any of the provisions of this ordinance or the Act.

(h) For the purpose of this Section 19, the term "lease" shall include any lease, contract, or other instrument conferring a right upon the City to use property in exchange for a periodic payments made from the revenues of the Sewage Works, whether the City desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease, financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

Section 20. Permitted Actions Relating to Preservation of Exclusion of Interest from Federal Gross Income. The Controller is hereby authorized to invest moneys pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to applicable requirements of federal law to insure such yield is the then current market

rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Refunding Bonds under federal law.

The Controller shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts referenced herein. In order to comply with the provisions of this ordinance, the Controller is hereby authorized and directed to employ consultants or attorneys from time to time to advise the City as to requirements of federal law to preserve the tax exclusion or exemption.

Section 21. Tax Covenants. In order to preserve the exclusion of interest on the Refunding Bonds from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the Refunding Bonds ("Code"), and as an inducement to purchasers of the Refunding Bonds, the City represents, covenants and agrees that:

(a) Since the date of issuance of the Refunded Bonds and until the earlier of the last date of the reasonably expected economic life of the projects constructed with funds from the Refunded Bonds or the latest maturity date of the Refunding Bonds ("Combined Measurement Period"), the Sewage Works will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. During the Combined Measurement Period, no person or entity other than the City or another state or local governmental unit will use more than 10% of the proceeds of the Refunding Bonds or property financed by the Refunded Bonds other than as a member of the general public. During the Combined Measurement Period, no person or entity other than the City or another state or local governmental unit will own property financed by

the Refunded Bonds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Refunding Bonds. If the City enters into a management contract for the Sewage Works, the terms of the contract will comply with IRS Revenue Procedure 2017-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Refunding Bonds.

(b) No more than 10% of the principal of or interest on the Refunding over the Combined Measurement Period will (under the terms of the Refunding Bonds, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Refunding Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Refunding Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Refunding Bond proceeds.

(d) The City reasonably expects, as of the date hereof, that the Refunding Bonds will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above for the Combined Measurement Period.

(e) During the Combined Measurement Period, no more than 5% of the proceeds of the Refunding Bonds will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The City will not take any action nor fail to take any action with respect to the Refunding Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Refunding Bonds pursuant to Section 103 of the Code, nor will the City act in any other manner which would adversely affect such exclusion. The City covenants and agrees not to enter into any contracts or arrangements which would cause the Refunding Bonds to be treated as private activity bonds under Section 141 of the Code.

(g) It shall be not an event of default under this ordinance if the interest on any Refunding Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Refunding Bonds.

(h) The City represents that it will rebate any arbitrage profits to the United States in accordance with the Code.

(i) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

Section 22. Compliance with Tax Sections. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the Refunding Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the City receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 23. Supplemental Ordinances. Subject to the terms and provisions contained in this Section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Refunding Bonds issued pursuant to this ordinance and then outstanding shall have the right, from time to time, anything contained in this ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

- (a) An extension of the maturity of the principal of, mandatory sinking fund redemption dates, if any, or interest on any Refunding Bond issued pursuant to this ordinance; or
- (b) A reduction in the principal amount of any Refunding Bond or the redemption premium or the rate of interest thereon; or
- (c) The creation of a lien upon or a pledge of the revenues of the Sewage Works ranking prior to the pledge thereof created by this ordinance; or
- (d) A preference or priority of any Refunding Bond or Refunding Bonds issued pursuant to this ordinance over any other Refunding Bond or Refunding Bonds issued pursuant to the provisions of this ordinance; or
- (e) A reduction in the aggregate principal amount of the Refunding Bonds required for consent to such supplemental ordinance; or
- (f) A reduction in the 2016 Reserve Requirement, the Reserve Requirement or the SRF Reserve Requirement.

If the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Refunding Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk of the City, no owner of any Refunding Bond issued pursuant to this ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City or its officers from adopting the same, or

from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this ordinance of the City and all owners of Refunding Bonds issued pursuant to the provisions of this ordinance then outstanding, shall thereafter be determined, exercised and enforced in accordance with this ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this ordinance, the rights and obligations of the City and of the owners of the Refunding Bonds authorized by this ordinance, and the terms and provisions of the Refunding Bonds and this ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Refunding Bonds issued pursuant to this ordinance then outstanding.

Section 24. Repeal of Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that this ordinance shall not be construed as repealing or modifying in any respect any of the provisions of the Prior Ordinances nor be construed as adversely affecting the rights of any of the holders of the Prior Bonds or the Refunded Bonds.

Section 25. Rates and Charges. The estimates of the rates and charges of the Sewage Works are set forth in Ordinance No. G-19-14 adopted on July 22, 2014, which ordinance is incorporated herein by reference.

Section 26. Captions. The captions in this ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this ordinance.

Section 27. Effectiveness. This ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of Fort Wayne, Indiana,
on this _____ day of _____, 2017.

COMMON COUNCIL OF THE CITY
OF FORT WAYNE, INDIANA

By: _____
Member of the Common Council

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

EXHIBIT A

FORM OF REGISTERED BOND

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City of Fort Wayne, Indiana, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

NO. _____

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF ALLEN

CITY OF FORT WAYNE

SEWAGE WORKS REFUNDING REVENUE BOND OF _____[, SERIES ____]

Interest <u>Rate</u>	[Maturity <u>Date</u>]	Original <u>Date</u>	Authentication <u>Date</u>	[CUSIP]
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REGISTERED OWNER:

PRINCIPAL SUM:

The City of Fort Wayne, in Allen County, State of Indiana ("City"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on [the Maturity Date set forth above] **OR** [on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this bond be subject to and shall have been duly called for redemption and payment as provided for herein), and to pay interest hereon until the Principal Sum shall be fully paid at the rate[s] per annum [specified above] **OR** [as set forth on Exhibit A attached hereto] from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before ____ 15, ____, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on the first days of February and August in each year, beginning on _____ 1, 20___. Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

The principal of this bond is payable at the principal office of _____ ("Registrar" or "Paying Agent"), in the _____ of _____, Indiana. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof, as of the fifteenth day of the month preceding such payment, at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE HEREINAFTER DESCRIBED SPECIAL FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

This bond is [the only] one of an authorized issue of bonds of the City[, of like date, tenor and effect, except as to rates of interest and dates of maturity;] [issued in series], aggregating _____ Dollars (\$_____); numbered consecutively from 1 up; issued for the purpose of refunding certain Refunded Bonds (as defined in the hereinafter defined Ordinance) and to pay issuance expenses [including premium[s] for municipal bond insurance [and a debt service reserve surety]]. This bond is issued pursuant to an Ordinance adopted by the Common Council of the City on the _____ day of _____, 2017, entitled "AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AUTHORIZING THE REFUNDING BY THE CITY OF FORT WAYNE OF CERTAIN OUTSTANDING SEWAGE WORKS REVENUE BONDS, THE ISSUANCE AND SALE OF ADDITIONAL REVENUE BONDS TO PROVIDE FUNDS FOR THE PAYMENT OF THE COSTS THEREOF, AND THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SEWAGE WORKS AND OTHER RELATED MATTERS, AND REPEALING ORDINANCES INCONSISTENT HERewith" ("Ordinance"), and in accordance with the provisions of Indiana law, including without limitation Indiana Code 5-1-5 and Indiana Code 36-9-23 as in effect on the date of delivery of the bonds of this issue (collectively, "Act"), the proceeds of which bonds are to be applied to the costs of the refunding and legal defeasance of the Refunded Bonds and expenses incurred in connection therewith[, including premiums for municipal bond insurance and a debt service reserve surety].

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this bond and all other bonds of said issue, [including the Sewage Works Refunding Revenue Bonds of 2017, Series ____ ("Series ____ Bonds),] and any bonds hereafter issued on a parity therewith are payable solely from the Sewage Works Sinking Fund continued by the Ordinance

("Sinking Fund") to be provided from the Net Revenues (defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payments in lieu of property taxes) of the sewage works of the City. This bond and the issue of which it is a part constitute a first charge upon the Net Revenues and shall rank on a parity with the [Series __ Bonds and the] Prior Bonds, as defined in the Ordinance.

Pursuant to the Ordinance and the Escrow Agreement defined therein, the City has set aside securities (purchased from proceeds of the bonds of this issue and funds on hand of the City) and certain cash in a Trust Account to provide payment of principal of and interest [and redemption premium] on the Refunded Bonds by the purchase of obligations of the United States of America.

The City irrevocably pledges the entire Net Revenues of the sewage works to the prompt payment of the principal of and interest on the bonds authorized by the Ordinance, of which this is one, and any bonds ranking on a parity therewith, including the Prior Bonds [and the Series __ Bonds] to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the utility as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the sewage works and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance. If the City or the proper officers thereof shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

The City further covenants that it will set aside and pay into its Sinking Fund monthly, as available, or more often if necessary, a sufficient amount of the Net Revenues of the sewage works for payment of (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying bonds and interest, (c) the principal of all bonds which by their terms are payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount as a margin of safety to [create and] maintain the debt service reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of the sewage works on a parity with the Prior Bonds [and the Series __ Bonds].

The bonds of this issue maturing on and after _____ 1, 20____, are redeemable at the option of the City on _____ 1, 20____, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the City and by lot within a maturity, at face value, together with the following premiums:

____% if redeemed on _____ 1, 20____ or thereafter
on or before _____, 20____;
____% if redeemed on _____ 1, 20____ or thereafter
on or before _____, 20____;
0% if redeemed on _____ 1, 20____ or thereafter

prior to maturity;

plus accrued interest to the date fixed for redemption.

[The bonds maturing on _____ 1, 20____, are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

<u>Term Bond</u>	
<u>Date</u>	<u>Amount</u>
*	

* Final Maturity]

Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional [and mandatory] redemption. If less than an entire maturity is called for redemption, the bonds to be redeemed shall be selected by lot by the Registrar. [If some bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the bonds for optional redemption before selecting the bonds by lot for the mandatory sinking fund redemption.]

Notice of such redemption shall be mailed to the address of the registered owner as shown on the registration records of the City, as of the date which is forty-five (45) days prior to such redemption date, not less than thirty (30) days prior to the date fixed for redemption unless the notice is waived by the registered owner of this bond. The notice shall specify the date and place of redemption and sufficient identification of the bonds called for redemption. The place of redemption may be determined by the City. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with its depository bank an amount sufficient to pay such bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the [principal corporate trust] office of the Registrar by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. This bond may be transferred without cost to the registered owner except for any tax or governmental charge required to be paid with respect to the transfer. The City, the Registrar, the Paying Agent and any other registrar or paying agent for this bond may treat and consider the person in whose name this bond is registered as the

absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

[The bonds shall be initially issued in a Book Entry System (as defined in the Ordinance). The provisions of this bond and of the Ordinance are subject in all respects to the provisions of the Letter of Representations between the City and The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.]

This bond is subject to defeasance prior to redemption or payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the bonds as provided in the Ordinance if the Common Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the bonds.

The bonds maturing in any one year are issuable only in fully registered form in the denomination of [\$5,000 or any integral multiple thereof] **OR** [\$100,000 and any integral multiple of \$5,000 thereafter]. [The sale or transfer of this bond in principal amounts of less than \$100,000 is prohibited other than through a primary offering.]

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Fort Wayne, in Allen County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signature of its Mayor, countersigned by the manual or facsimile signature of the Controller, and its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk.

CITY OF FORT WAYNE, INDIANA

By _____
Mayor

COUNTERSIGNED:

By _____
Controller

[SEAL]

Attest:

Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

_____,
as Registrar

By _____
Authorized Representative

[INSURANCE LEGEND]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ this bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within bond in the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

[EXHIBIT A