

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AUTHORIZING THE ISSUANCE AND SALE OF LOCAL INCOME TAX REFUNDING REVENUE BONDS OF THE CITY TO PROVIDE FUNDS FOR THE REFUNDING PRIOR TO MATURITY OF CERTAIN PREVIOUSLY ISSUED AND CURRENTLY OUTSTANDING BONDS OF THE CITY, TOGETHER WITH EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS, AND OTHER RELATED MATTERS

WHEREAS, the Common Council (the "Common Council") of the City of Fort Wayne, Indiana (the "City") is the legislative and fiscal body of the City; and

WHEREAS, the Allen County Income Tax Council has previously acted to impose the county economic development income tax ("CEDIT") in Allen County pursuant to Indiana Code 6-3.5-7 (repealed); and

WHEREAS, the General Assembly has enacted Indiana Code 6-3.6, as amended (the "Act"), which consolidated the provisions related to various local income tax laws, including, without limitation, CEDIT; and

WHEREAS, pursuant to the Act, a portion of the revenues generated from the local income tax imposed under the Act in Allen County is allocated to economic development purposes (such economic development portion of such revenues (formerly known as CEDIT revenues) shall be referred to herein as the "LIT Revenues"); and

WHEREAS, pursuant to Ordinance No. S-109-08, adopted by the Common Council on December 9, 2008 (the "2009 Bond Ordinance"), the City has heretofore issued its bonds designated "County Economic Development Income Tax Revenue Bonds of 2009," currently outstanding in the aggregate principal amount of Twenty-Two Million Six Hundred Eighty Thousand Dollars (\$22,680,000), bearing interest at per annum rates ranging from 4.000% to 5.125%, and maturing (or subject to mandatory sinking fund redemption) semiannually from December 1, 2018 through and including June 1, 2034 (the "2009 Bonds"), which 2009 Bonds are payable from the LIT Revenues; and

WHEREAS, Indiana Code 5-1-5, as amended (the "Refunding Law"), authorizes the issuance of bonds to refund outstanding bonds and to pay redemption premiums and costs of refunding in order to effect a savings; and

WHEREAS, based upon information provided by H. J. Umbaugh & Associates, Certified Public Accountants, LLP, financial advisor to the City (the "Financial Advisor"), the City has determined that savings will be generated through the refunding of all or a portion of the remaining outstanding 2009 Bonds maturing on and after June 1, 2019 (collectively, the "Refunded Bonds"); and

WHEREAS, the City has determined that in order to generate savings as described above, there exists a necessity for issuing and selling local income tax refunding revenue bonds for the purpose of refunding the Refunded Bonds, together with expenses incurred in connection with the issuance of such refunding bonds; and

WHEREAS, the City desires to provide for the refunding prior to maturity of the Refunded Bonds in order to achieve savings; and

WHEREAS, the City has previously pledged the LIT Revenues to certain bonds, leases or other obligations, as follows: (a) the pledge of LIT Revenues by the City pursuant to Ordinance No. S-31-05, adopted by the Common Council on February 22, 2005 (the "2005 Lease Ordinance"), for the payment of lease rentals pursuant to a lease between the City and the Fort Wayne Municipal Building Corp. (the "Building Corporation") dated as of March 1, 2005, as amended (the "2005 Lease"), which lease rentals are used to pay bonds designated "Fort Wayne Municipal Building Corp. First Mortgage Revenue Bonds of 2005," currently outstanding in the aggregate principal amount of Eight Hundred Ninety-Five Thousand Dollars (\$895,000) with a final maturity date of December 15, 2020; (b) the pledge of LIT Revenues by the City pursuant to Ordinance No. S-55-04, adopted by the Common Council on July 13, 2004 (the "2005 Bond Ordinance"), for the payment of principal of and interest on bonds designated (i) "City of Fort Wayne, Indiana, Redevelopment District Revenue Bonds, Series 2005 A-1 (Southtown Redevelopment Project)" (the "2005A-1 Bonds"), currently outstanding in the aggregate principal amount of Eight Hundred Ninety Thousand Dollars (\$890,000) with a final maturity date of June 1, 2021, and (ii) "City of Fort Wayne, Indiana, Redevelopment District Taxable Revenue Bonds, Series 2005 A-2 (Southtown Redevelopment Project)" (the "2005A-2 Bonds"), currently outstanding in the aggregate principal amount of One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000) with a final maturity date of June 1, 2021; (c) the

pledge of up to \$1,065,000 of LIT Revenues by the City pursuant to Ordinance No. S-20-06, adopted by the Common Council on February 28, 2006 (the "2006 Lease Ordinance"), for the payment of lease rentals pursuant to a lease between the City and the Building Corporation dated as of February 1, 2006, as amended (the "2006 Lease"), which lease rentals are used to pay bonds designated "Fort Wayne Municipal Building Corp. First Mortgage Revenue Bonds, Series 2006," currently outstanding in the aggregate principal amount of Eight Million Nine Hundred Twenty-Five Thousand Dollars (\$8,925,000) with a final maturity date of December 15, 2022; (d) the pledge of LIT Revenues by the City pursuant to Ordinance No. S-100-09, adopted by the Common Council on October 13, 2009 (the "2009 Lease Ordinance"), for the payment of lease rentals pursuant to a lease between the City and the Building Corporation dated as of September 1, 2009, as amended (the "2009 Lease"), which lease rentals are used to pay bonds designated (i) "Fort Wayne Municipal Building Corp. First Mortgage Revenue Bonds, Series 2009A (City Hall Project)," currently outstanding in the aggregate principal amount of Three Million Two Hundred Twenty Thousand Dollars (\$3,220,000) with a final maturity date of December 15, 2022, and (ii) "Fort Wayne Municipal Building Corp. Taxable First Mortgage Revenue Bonds, Series 2009B (Recovery Zone Economic Development Bonds - City Hall Project)," currently outstanding in the aggregate principal amount of Eight Million Eight Hundred Forty Thousand Dollars (\$8,840,000) with a final maturity date of December 15, 2029; (e) the pledge of LIT Revenues by the City (to the extent pledged) pursuant to an Ordinance adopted by the Common Council related to the 2012 Lease (as

hereinafter defined) (the "2012 Lease Ordinance"), for the payment of lease rentals pursuant to a lease between the City of Fort Wayne Redevelopment Commission and the City of Fort Wayne Redevelopment Authority dated as of December 1, 2002, as amended (the "2012 Lease"), which lease rentals are used to pay bonds designated "Fort Wayne Redevelopment Authority Lease Rental Revenue Refunding Bonds, Series 2012," currently outstanding in the aggregate principal amount of Sixteen Million Eight Hundred Forty Thousand Dollars (\$16,840,000) with a final maturity date of February 1, 2028; and (f) the pledge of LIT Revenues by the City pursuant to an Ordinance adopted by the Common Council related to the 2014 Lease (as hereinafter defined) (the "2014 Lease Ordinance," and together with the 2005 Lease Ordinance, the 2005 Bond Ordinance, the 2006 Lease Ordinance, the 2009 Lease Ordinance and the 2012 Lease Ordinance, the "Prior Authorizing Instruments"), for the payment of lease rentals pursuant to a lease (the "2014 Lease," and together with the 2005 Lease, the 2005A-1 Bonds, the 2005A-2 Bonds, the 2006 Lease, the 2009 Lease and the 2012 Lease, the "Prior Obligations"), which lease rentals are used to pay bonds designated "City of Fort Wayne, Indiana, Economic Development Income Tax Lease Rental Bonds of 2014," currently outstanding in the aggregate principal amount of Eighteen Million Eighty-Five Thousand Dollars (\$18,085,000) with a final maturity date of June 1, 2034; and

WHEREAS, pursuant to the Prior Authorizing Instruments, the City reserves the right to authorize and issue additional bonds or other obligations payable out of the LIT Revenues, ranking on a parity with the pledge of the LIT

Revenues to the Prior Obligations, to refund outstanding obligations, provided that certain conditions can be met; and

WHEREAS, in order to accomplish such refunding of the Refunded Bonds, the Common Council has determined that all or a portion of the net proceeds from the sale of local income tax refunding revenue bonds in an aggregate principal amount not to exceed Twenty-Three Million Dollars (\$23,000,000), to be issued on a parity with the outstanding Prior Obligations, will be used to pay the principal of and premium, if any, and interest on the Refunded Bonds to and on their respective maturity or redemption dates, as applicable; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of such local income tax refunding revenue bonds and to provide the necessary funds to be applied to the refunding of the Refunded Bonds and all authorized costs relating thereto, have been complied with in accordance with the provisions of the Prior Authorizing Instruments, the Act and the Refunding Law; and

WHEREAS, the Common Council consequently seeks to authorize the issuance of the local income tax refunding revenue bonds to refund the Refunded Bonds pursuant to the Act and the Refunding Law and the sale of such revenue bonds by public sale or by negotiation to the purchaser or underwriter thereof, as hereinafter described, pursuant to the provisions of the Refunding Law, subject to and dependent upon the terms and conditions hereinafter set forth; and

WHEREAS, the issuance of such local income tax refunding revenue bonds and the refunding of the Refunded Bonds will be to the general benefit of the City and its citizens; and

WHEREAS, the City does not have sufficient funds available or provided for in its existing budgets or tax levies that may be applied to the cost of the refunding of the Refunded Bonds, together with all expenses incurred in connection with or on account of the issuance of such local income tax refunding revenue bonds, making it necessary to authorize the issuance of such local income tax refunding revenue bonds, and an extraordinary emergency and necessity exists for the making of the additional appropriation set out herein; and

WHEREAS, the Controller of the City has caused notice of a hearing on said appropriation to be published as required by law, and such public hearing was held on said appropriation at which all taxpayers and interested persons had an opportunity to appear and express their views as to such additional appropriation;

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

SECTION 1. The City is hereby authorized to make a loan in the amount not to exceed Twenty-Three Million Dollars (\$23,000,000) for the purpose of providing funds to be applied to the refunding of the Refunded Bonds, together with all expenses incurred in connection with or on account of the issuance of the local income tax refunding revenue bonds. Such local income tax refunding revenue bonds authorized herein shall be issued only in the event that the refunding

of the Refunded Bonds achieves net present value savings of at least One Million Two Hundred Thousand Dollars (\$1,200,000).

SECTION 2. In order to procure the loan, the City is hereby authorized and directed to have prepared and to issue local income tax refunding revenue bonds to be designated the "City of Fort Wayne, Indiana, Local Income Tax Refunding Revenue Bonds, Series 2019" (or, to the extent such bonds are issued in a calendar year other than 2019, the series designation shall be appropriately modified), in an aggregate principal amount not to exceed Twenty-Three Million Dollars (\$23,000,000) (the "Bonds"). The Bonds shall be payable solely from the LIT Revenues, provided that the pledge of the LIT Revenues to the payment of the Bonds shall rank on a parity with the pledge of the LIT Revenues to the payment of the Prior Obligations. The final aggregate principal amount of the Bonds shall be certified in writing by the Controller of the City (the "Controller") in the Controller's Certificate (as hereinafter defined) prior to the sale of the Bonds. Such certificate shall be conclusive for purposes of establishing the final aggregate principal amount of the Bonds.

The Bonds shall be issued by and in the name of the City, in fully registered form in the denominations of (a) Five Thousand Dollars (\$5,000) or any integral multiple thereof not exceeding the aggregate principal amount of Bonds maturing on any principal payment date, or (b) One Hundred Thousand Dollars (\$100,000) or any integral multiple of One Thousand Dollars (\$1,000) in excess thereof (*e.g.*, \$100,000, or \$101,000, or \$102,000, etc.), as determined by the Controller. The final authorized denominations of the Bonds shall be set forth in the Controller's

Certificate. The Bonds shall be numbered consecutively from 19R-1 upwards (or, to the extent the Bonds are issued in a calendar year other than 2019, the Bond numbering shall be appropriately modified), and shall bear interest at a rate or rates not exceeding four percent (4.0%) per annum (the exact rate or rates to be determined by bidding or by private negotiated sale, as further described herein). The interest on the Bonds shall be payable semiannually on June 1 and December 1 of each year, commencing no earlier than June 1, 2019. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year. The Bonds shall mature and be payable on June 1 and December 1 of each year (subject to mandatory sinking fund redemption as provided in Section 6 hereof), commencing not earlier than June 1, 2019 and ending not later than June 1, 2034. The initial interest payment date shall be certified by the Controller in the Controller's Certificate prior to the sale of the Bonds.

Any other provisions of this Ordinance to the contrary notwithstanding, (i) the Bonds shall be issued on a parity with the Prior Obligations with respect to the pledge of the LIT Revenues, but only if the conditions precedent to the issuance of such parity obligations as set forth in the Prior Authorizing Instruments are satisfied, and (ii) none of the provisions of this Ordinance shall be construed to affect the rights of the holders of the Prior Obligations.

SECTION 3. The Bonds may, in compliance with all applicable laws, be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the "Clearing Agency"). The City

and the Registrar and Paying Agent (as hereinafter defined) may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form Bonds.

During any time that the Bonds are held in book-entry form on the books of a Clearing Agency (a) any such Bond may be registered upon the books kept by the Registrar and Paying Agent in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (b) the Clearing Agency in whose name such Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such Bond, the receiving of notice and the giving of consent; (c) neither the City nor the Registrar and Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal or premium, if any, or interest on any Bonds, the receiving of notice or the giving of consent; (d) the Clearing Agency is not required to present any Bond called for partial redemption prior to receiving payment so

long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption; and (e) payment of the principal of and interest on the Bonds may be made by wire transfer or other method acceptable to the Clearing Agency, as indicated in a certificate of the Controller executed and delivered at the time of the sale of the Bonds.

If either (i) the City receives notice from the Clearing Agency which is currently the registered owner of the Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Bonds or (ii) the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Bonds, then the City and the Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other Clearing Agency, as the holder of the Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Bonds, shall be paid by the City.

During any time that the Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar and Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owners of the Bonds as of a record date selected by the Registrar and Paying Agent.

For purposes of determining whether the consent, advice, direction or demand of a registered owner of the Bond has been obtained, the Registrar and Paying Agent shall be entitled to treat the beneficial owners of the Bonds as the Bondholders.

During any time that the Bonds are held in book-entry form on the books of a Clearing Agency, the Controller is authorized to enter into a Blanket Letter of Representations agreement with the Clearing Agency, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth herein.

SECTION 4. The Controller may serve as registrar and paying agent or, alternatively, the Controller may appoint a registrar and paying agent for the Bonds (the "Registrar" and the "Paying Agent" and, in both such capacities the "Registrar and Paying Agent"), and is further authorized and directed to enter into such agreements or understandings with the Registrar and Paying Agent as will enable such entity to perform effectively all required services on behalf of the City. The Controller is further authorized and directed to pay the fees and expenses of the Registrar and Paying Agent out of available funds of the City.

The principal of the Bonds shall be payable at the principal office of the Registrar and Paying Agent. Interest on the Bonds shall be paid by check or draft mailed or delivered one (1) business day prior to each interest payment date to the registered owner thereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the fifteenth day of the calendar month immediately preceding the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by such registered owner.

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

The Registrar and Paying Agent, if not the Controller, may at any time resign as Registrar and Paying Agent by giving thirty (30) days' written notice to the City and by first-class mail to each registered owner of Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Such notice to the City may be served personally or be sent by registered mail. The Registrar and Paying Agent may also be removed at any time as Registrar and Paying Agent by the City, in which event the Controller, on behalf of the City, may appoint a successor Registrar and Paying Agent. The City shall cause each registered owner of Bonds then outstanding to be notified by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of 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 and Paying Agent.

Any predecessor Registrar and Paying Agent shall deliver all of the Bonds and cash in its possession with respect thereto, together with the registration books, to the successor Registrar and Paying Agent. The Controller is hereby authorized to act on behalf of the City with regard to any of the aforementioned actions of the City relating to the resignation or removal of the Registrar and Paying Agent and appointment of a successor Registrar and Paying Agent. The Controller is further

authorized and directed, on behalf of the City, to enter into such agreements or understandings with any subsequent Registrar and Paying Agent as will enable it to perform the services required of it. Any such subsequent Registrar and Paying Agent shall be paid for its services out of available funds of the City.

Each Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar and Paying Agent, by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Bond, together with a written instrument of transfer or exchange satisfactory to the Registrar and Paying Agent duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount 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 Registrar and Paying Agent shall not be obligated to make any exchange or transfer of Bonds during the period following the fifteenth day of the calendar month immediately preceding an interest payment date on the Bonds until such interest payment date. The City and the Registrar and Paying Agent may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes, including the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

In the event any Bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar and Paying Agent may authenticate a new Bond of like date, maturity and denomination as the mutilated, lost, stolen or

destroyed Bond, which new Bond shall be marked in a manner to distinguish it from the Bond for which it was issued; provided, that in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the City and the Registrar and Paying Agent, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and Registrar and Paying Agent evidence of such loss, theft or destruction satisfactory to the City and the Registrar and Paying Agent, together with indemnity satisfactory to them. In the event any such lost, stolen or destroyed Bond shall have matured, instead of causing to be issued a duplicate Bond, the City and the Registrar and Paying Agent may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar and Paying Agent may charge the owner of such Bond with their reasonable fees and expenses in connection with the above. Every substitute Bond issued by reason of any Bond being lost, stolen or destroyed shall, with respect to such Bond, constitute a substitute contractual obligation of the City, whether or not the lost, stolen or destroyed 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 Bonds duly issued hereunder.

SECTION 5. The Bonds shall bear an original date which shall be the date of delivery of the Bonds, and each Bond shall also bear the date of its authentication. Any Bond authenticated on or before fifteenth day of the calendar month immediately preceding the first interest payment date shall pay interest from its original date. Any Bond authenticated thereafter shall pay interest from the interest payment date next preceding the date of authentication of such Bond unless

such Bond is authenticated after the fifteenth day of the calendar month preceding an interest payment date and on or before such interest payment date, in which case interest thereon shall be paid from such interest payment date.

SECTION 6. Prior to the sale of the Bonds, the Controller, based upon the advice of the Financial Advisor, shall certify in the Controller's Certificate the terms upon which the Bonds shall be subject to redemption at the option of the City, which redemption may be in whole or in part, upon thirty (30) days written notice to the registered owner or owners of the Bonds to be redeemed, in amounts and maturities to be determined by the City and by lot within any such maturity or maturities, and at a redemption price expressed as a percentage of the principal amount of each Bond to be redeemed in accordance with the Controller's Certificate, plus accrued interest to the date of redemption.

Official notice of redemption shall be mailed by the Registrar and Paying Agent by first class mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to each of the registered owners of the Bonds called for redemption (unless waived by any such registered owner) at the address shown on the registration books of the Registrar and Paying Agent, or at such other address as is furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and, in case of partial redemption, the respective principal amounts) of the Bonds

called for redemption. The place of redemption may be at the principal corporate trust office of the Registrar and Paying Agent or as otherwise determined by the City. Interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue 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 redemption date and when such Bonds (or portions thereof) are presented for payment. Any Bond redeemed in part may be exchanged for a Bond or Bonds of the same maturity in authorized denominations equal to the remaining principal amount thereof.

In addition to the foregoing notice, the City may also direct that further notice of redemption of the Bonds be given, including without limitation and at the option of the City, notice described in paragraph (a) below given by the Registrar and Paying Agent to the parties described in paragraphs (b) and (c) below. No defect in any such further notice and no failure to give all or any portion of any such further notice shall in any manner defeat the effectiveness of any call for redemption of Bonds so long as notice thereof is mailed as prescribed above.

(a) If so directed by the City, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) If so directed by the City, each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) If so directed by the City, each such further notice shall be published one time in The Bond Buyer of New York, New York or, if the Registrar believes such publication is impractical or unlikely to reach a substantial number of the holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least thirty (30) days prior to the date fixed for redemption.

Upon payment of the redemption price of the Bonds (or portions thereof) being redeemed and if so directed by the City, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds (or portions thereof) being redeemed with the proceeds of such check or other transfer.

At the option of the purchaser of the Bonds, all or a portion of the Bonds may be aggregated into one or more term bonds payable from mandatory sinking fund redemption payments (the "Term Bonds") required to be made as set forth

below. The Term Bonds shall have stated maturity or maturities of June 1 and/or December 1 of the years determined by the purchaser.

In the event that the purchaser of the Bonds opts to aggregate certain Bonds into Term Bonds, such Term Bonds shall be subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, but without premium, on June 1 and/or December 1 of each year and in the principal amount corresponding to and consistent with the maturity schedule for the Bonds set forth in the Controller's Certificate.

The Registrar and Paying Agent shall credit against the current mandatory sinking fund redemption requirement for a Term Bond of a particular maturity, any Bonds of such maturity purchased for cancellation by the City and canceled by the Registrar and Paying Agent and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each Bond so delivered or purchased shall be credited by the Registrar and Paying Agent at one hundred percent (100%) of the principal amount thereof against the mandatory sinking fund redemption requirements for the applicable Term Bond in inverse order of mandatory sinking fund redemption (or final maturity) dates, and the principal amount of such Term Bond to be redeemed on such mandatory sinking fund redemption dates by operation of the mandatory sinking fund requirements shall be reduced accordingly.

The Registrar shall determine by lot (treating each \$5,000 principal amount of each Bond as a separate Bond for such purpose) the Bonds within a Term Bond

of a particular maturity to be redeemed pursuant to mandatory sinking fund redemption requirements on June 1 and/or December 1 of each year.

Notice of any such mandatory sinking fund redemption shall be given in the same manner as notice of optional redemption is required to be given pursuant to this Section 6. If 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.

In the event any of the Bonds are issued as Term Bonds, the form of the Bond set forth in Section 8 of this Ordinance shall be modified accordingly.

Any reference to payment or maturity of principal on Bonds shall be deemed to include payment of scheduled mandatory sinking fund redemption payments described in this Section 6.

SECTION 7. All Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Controller of the City, and attested by the manual or facsimile signature of the Clerk of the City, and the official seal of the City shall be impressed or a facsimile thereof shall be printed or affixed on each of the Bonds. In the event that any officer whose signature appears on any Bond shall cease to be such officer for any reason before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had been in such office at the time of such delivery. Subject to the

provisions hereof for registration, the Bonds shall be negotiable under the laws of the State of Indiana.

The Bonds shall be authenticated with the manual signature of an authorized representative of the Registrar and Paying Agent, and no Bond shall be valid or obligatory for any purpose until the certificate of authentication on such Bond shall have been so executed.

SECTION 8. The form and tenor of the Bonds shall be substantially as follows (all blanks to be properly completed prior to the preparation of the Bonds):

[Form of Bond]

UNITED STATES OF AMERICA

State of Indiana

County of Allen

No. 19R-____

\$ _____

CITY OF FORT WAYNE, INDIANA,
LOCAL INCOME TAX REFUNDING REVENUE BOND, SERIES 2019

INTEREST <u>RATE</u>	MATURITY <u>DATE</u>	ORIGINAL <u>DATE</u>	AUTHENTICATION <u>DATE</u>	<u>CUSIP</u>
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REGISTERED OWNER:

PRINCIPAL SUM:

The City of Fort Wayne, Indiana, a municipal corporation duly organized and existing under the laws of the State of Indiana (the "City"), for value received hereby acknowledges itself indebted and promises to pay, to the registered owner (named above) or registered assigns, but solely from the sources hereinafter referred to, the principal amount set forth above on the maturity date set forth above, and to pay interest on such principal sum to the registered owner of this bond until the City's obligation with respect to the payment of such principal sum shall be discharged, at the rate per annum specified above from the interest payment date immediately preceding the date of the authentication of this bond, unless this bond is authenticated on or before fifteenth day of the calendar month immediately preceding the first interest payment date of this bond, in which case interest shall be paid from the original date specified above, or unless this bond is authenticated after the fifteenth day of the calendar month preceding an interest payment date and before such interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be payable commencing on _____ 1, 20____, and on each June 1 and December 1 thereafter to maturity. Interest shall be calculated on the basis of twelve (12) thirty (30) day calendar months for a three hundred sixty (360) day year.

_____, in the _____ of _____, Indiana has been designated as the initial Registrar and Paying Agent for this bond (the "Registrar" and the "Paying Agent" and, in both such capacities, the "Registrar and Paying Agent"). The principal of this bond is payable at the principal office of the Registrar and Paying Agent and interest on this bond shall be paid by check or draft mailed or delivered one (1) business day prior to such payment date to the registered owner hereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the fifteenth day of the calendar month immediately preceding the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by the registered owner. Notwithstanding the foregoing, 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. All payments on the bonds shall be made in any coin or currency of the United States of America which on the dates of such payments shall be legal tender for the payment of public and private debts. Subject to the provisions for registration, this bond is negotiable under the laws of the State of Indiana.

This bond and the bonds of this issue are payable solely from the LIT Revenues (as defined in the hereinafter-defined Ordinance), on a parity with the Prior Obligations (as defined in the Ordinance).

This bond is one of an authorized issue of bonds of the City aggregating _____ Dollars (\$ _____), fully registered and numbered consecutively from 19R-1 upwards, issued pursuant to an Ordinance adopted by the Common Council of the City of Fort Wayne on _____, 2018, entitled "AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA, AUTHORIZING THE ISSUANCE AND SALE OF LOCAL INCOME TAX REFUNDING REVENUE BONDS OF THE CITY TO PROVIDE FUNDS FOR THE REFUNDING PRIOR TO MATURITY OF CERTAIN PREVIOUSLY ISSUED AND CURRENTLY OUTSTANDING BONDS OF THE CITY, TOGETHER WITH EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS, AND OTHER RELATED MATTERS" (the "Ordinance"), and Indiana Code 6-3.6, as amended.

This bond is issued only in fully registered form in denomination of \$ _____ or any integral multiple thereof not exceeding the aggregate principal amount of the bonds of this issue maturing in any one year.

[The bonds of this issue maturing on or after _____ 1, 20____, are subject to redemption prior to maturity, at the option of the City, in whole or in part, on _____ 1, 20____, or at any time thereafter, in amounts and maturities determined by the City and by lot within any such maturity or maturities at a redemption price of _____, plus accrued interest to the date of redemption.]

[Notice of any such redemption shall be sent by first class mail to the registered owner of this bond not more than sixty (60) and not less than thirty (30) days prior to the date fixed for redemption, unless such notice is waived by the registered owner; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any such bond will not affect the validity of any proceedings for redemption of any other such bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and in case of partial redemption, the respective principal amounts) of the bonds called for redemption. Interest on bonds so called for redemption shall cease to accrue on the redemption date fixed in such notice, so long as sufficient funds are available at the place of redemption to pay the redemption price on the redemption date or when presented for payment.]

[Prior to the date fixed for redemption, funds shall be deposited with the Paying Agent to pay, and the Paying Agent is hereby authorized and directed to apply such funds to the payment of, the bonds or portions thereof called, together with accrued interest thereon to the redemption date and any required premium. No payment shall be made by the Paying Agent upon any bond or

portion thereof called for redemption until such bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by the Ordinance with respect to any mutilated, lost, stolen or destroyed bond.]

The City reserves the right pursuant to the terms and conditions of the Ordinance to authorize and hereafter issue additional obligations payable out of the LIT Revenues, ranking on a parity herewith or junior hereto, for the purpose of financing future economic development projects and such other projects as may be permitted by law or to refund obligations payable from the LIT Revenues.

If this bond shall have become due and payable in accordance with its terms and the whole amount of the principal and interest so due and payable upon this bond or such portion hereof shall be paid, or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and the 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 for such purpose, or (iii) time certificates of deposit of a bank or banks, fully secured as to both principal and interest by obligations of the kind described in (ii) above, the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, then and in that case this bond or such portion hereof shall no longer be deemed outstanding or an indebtedness of the City.

This bond is transferable or exchangeable only upon the books of the City kept for such purpose at the principal office of the Registrar and Paying Agent 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 and Paying Agent duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount 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 Registrar and Paying Agent shall not be obligated to make any exchange or transfer of this bond following the fifteenth day of the calendar month immediately preceding an interest payment date on this bond until such interest payment date. The City and the Registrar and 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 thereon.

In the event this bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar and Paying Agent may authenticate a new bond of like date, maturity and denomination as this bond, which new bond shall be marked in a manner to distinguish it from this bond; provided, that in the case of this bond being mutilated, this bond shall first be surrendered to the City and the Registrar and Paying Agent, and in the case of this bond being lost, stolen or destroyed, there shall first be furnished to the City and the Registrar and Paying Agent evidence of such loss, theft or destruction satisfactory to the City and the Registrar and Paying Agent, together with indemnity satisfactory to them. In the event that this bond, being lost, stolen or destroyed, shall have matured, instead of causing to be issued a duplicate bond the City and the Registrar and Paying Agent may, upon receiving indemnity satisfactory to them, pay this bond without surrender hereof. In such event, the City and the Registrar and Paying Agent may charge the owner of this bond with their reasonable fees and expenses in connection with the above. Every substitute bond issued by reason of this bond being lost, stolen or destroyed shall, with respect to this bond, constitute a substitute contractual obligation of the City, whether or not this bond, being lost, stolen or destroyed shall be found at any time, and shall be entitled to all the benefits of the Ordinance, equally and proportionately with any and all other bonds duly issued thereunder.

In the manner provided in the Ordinance, the Ordinance and the rights and obligations of the City and of the owners of the bonds, may (with certain exceptions as stated in the Ordinance) be modified or amended with the consent of the owners of at least a majority in aggregate principal amount of outstanding bonds exclusive of bonds, if any, owned by the City.

Notices to registered owners of bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear in the registration books kept by the Registrar and Paying Agent.

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; that this bond and such total issue of bonds is within every limit of indebtedness provided by the constitution and laws of the State of Indiana; and that the full faith and credit of the City together with all of its taxable property, both real and personal, are hereby irrevocably pledged to the punctual payment of the principal of and interest on this bond according to its terms.

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

IN WITNESS WHEREOF, the City of Fort Wayne, Indiana, by ordinance of its Common Council, has caused this bond to be executed in its name by the manual or facsimile signature of its Mayor, countersigned by the manual or facsimile signature of its Controller, and attested by the manual or facsimile signature of its Clerk, with the corporate seal of the City impressed or a facsimile thereof printed hereon.

CITY OF FORT WAYNE, INDIANA

By: _____
Mayor

By: _____
Controller

(SEAL)

ATTEST:

By: _____
Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

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

_____, as Registrar
and Paying Agent

By: _____
Authorized Representative

ASSIGNMENT

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

Dated: _____

Signature Guarantee: _____

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.

NOTICE: Signature(s) must be guaranteed by a broker-dealer or a commercial bank or trust company.

[End of Bond Form]

SECTION 9.

(a) Public Sale of the Bonds. The provisions of this Section 9(a) shall govern the sale of the Bonds if the Mayor and the Controller elect to sell the Bonds at a public sale. Prior to the sale of the Bonds, the Controller shall cause to be published a notice of intent to sell once each week for two (2) weeks in the Fort Wayne Journal Gazette and in the Court & Commercial Record, a newspaper of general circulation published in the City of Indianapolis, Indiana. The notice of such sale or a summary thereof may also be published in The Bond Buyer, a financial journal published in the City and State of New York and/or in other publications, in the discretion of the Controller. The notice must state that any person interested in submitting a bid for the Bonds may furnish in writing, at the address set forth in the notice, the person's name, address and telephone number, and that any such person may also furnish a telex number. The

notice must also state: (i) the amount of the Bonds to be offered; (ii) the denominations; (iii) the dates of maturity; (iv) the maximum rate or rates of interest; (v) the place of sale; (vi) the time within which the name, address and telephone number must be furnished, which must not be less than seven (7) days after the last publication of the notice of intent to sell; and (vii) such other matters as the Controller shall deem appropriate. Each person so registered shall be notified of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by the person, and also by telex if the person furnishes a telex number. Such notice may also include such other information as the Controller shall deem necessary. A good faith deposit (the "Deposit") in the form of cash, certified check, cashier's check or wire transfer in the amount of one percent (1.0%) of the principal amount of the Bonds made payable to the order of the City is required to be submitted by the successful bidder not later than 3:00 p.m. (local time) on the next business day following the award. If such Deposit is not received by that time, the City may reject the bid. No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied to the purchase price of the Bonds. Such notice shall provide further that, in the event the successful bidder shall fail or refuse to accept delivery of and pay for the Bonds as soon as the Bonds are ready for delivery, or at the time fixed in the notice of intent to sell, then such amount

deposited with the City shall become the property of the City and shall be considered as the City's liquidated damages on account of such default.

All bids for Bonds shall be sealed and shall be presented to the City's Financial Advisor, for and on behalf of the Controller, which shall continue to receive all bids offered until the hour fixed for the sale of the Bonds, at which time and place such bids shall be opened and considered. Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, not exceeding four percent (4.0%) per annum (or such lesser rate as the Controller, with the advice of the Financial Advisor of the City, shall determine prior to the publication of the notice of intent to sell). Such interest rate or rates shall be in multiples of one-eighth ($1/8$) or one-hundredth ($1/100$) of one percent (1%). Bids specifying more than one interest rate shall also specify the amount and maturities of the Bonds bearing each rate, and all Bonds maturing on the same date shall bear the same rate of interest. The interest rate on Bonds of a given maturity must be at least as great as the interest rate on Bonds of any earlier maturity.

Subject to the provisions set forth below, the Controller shall award the Bonds to the bidder offering the lowest net interest cost to the City, to be determined by computing the total interest on all of the Bonds from the date thereof to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount. No bid for less than ninety-seven percent (97.0%) of the par value of the Bonds (or such higher percentage of the par value of the Bonds as the Controller, with the advice

of the Financial Advisor, shall determine prior to the publication of the notice of intent to sell as reflected in the Controller's Certificate), plus accrued interest at the rate or rates named to the date of delivery, will be considered. The Controller shall have full right to reject any and all bids. In the event no acceptable bid is received at the time fixed for the sale of the Bonds, the Controller shall be authorized to continue to receive bids from day to day thereafter for a period not to exceed thirty (30) days, without readvertising, pursuant to Indiana law. During the continuation of the sale, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale.

The Controller is hereby authorized to determine, in his discretion, to sell the Bonds pursuant to the general provisions of Indiana Code 5-1-11 (rather than Section 2(b) thereof), and in the event of such a determination, those portions of this Section 9 which conflict with such provisions shall be deemed inapplicable.

(b) Private, Negotiated Sale of the Bonds. The provisions of this Section 9(b) shall govern the sale of the Bonds if the Mayor and the Controller elect to sell the Bonds by private, negotiated sale. The Bonds may, in the discretion of the Controller, be sold by private sale, by negotiation to the purchaser or underwriter thereof, and in such event, the Mayor and the Controller are hereby authorized to execute and attest, respectively, a purchase agreement or other agreement with such purchaser or underwriter setting forth the terms of the sale of the Bonds, consistent

with the terms of this Ordinance, in such form as such officers may approve. The Bonds shall be sold at a price not less than ninety-seven percent (97.0%) of the par amount thereof.

(c) Legal Opinion. Prior to the delivery of the Bonds, the Controller shall be authorized to obtain a legal opinion as to the validity of the Bonds from Faegre Baker Daniels LLP, bond counsel, of Fort Wayne, Indiana, and to furnish such opinion to the purchaser or purchasers of the Bonds. The cost of such opinion shall be considered as part of the costs incidental to these proceedings and shall be paid out of proceeds of the Bonds.

(d) Bond Insurance; Rating. If the Financial Advisor certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy or other credit enhancement for the Bonds, the Common Council hereby authorizes the Mayor and the Controller to take all such actions as may be necessary or appropriate to obtain such an insurance policy or other credit enhancement. The acquisition of a municipal bond insurance policy or other credit enhancement is hereby deemed economically advantageous if the difference between the present value cost of (i) the total debt service on the Bonds if issued without municipal bond insurance or other credit enhancement and (ii) the total debt service on the Bonds if issued with municipal bond insurance or other credit enhancement, is greater than the cost of the premium on the municipal bond insurance policy or cost of such other

credit enhancement. If deemed economically advantageous as described in this paragraph, the cost of the premium for such municipal bond insurance policy or cost of such other credit enhancement shall be deemed as a proper cost of issuance of the Bonds. The Mayor and the Controller, with the advice of the Financial Advisor, are further authorized to take such actions as may be necessary or appropriate to procure a credit rating or ratings on the Bonds from one or more nationally recognized securities rating agencies.

SECTION 10. The proceeds from the sale of the Bonds shall be deposited and applied as follows:

(a) The accrued interest received at the time of the delivery of the Bonds, if any, shall be deposited in the Sinking Fund hereinafter defined and described.

(b) A sufficient amount of the proceeds from the sale of the Bonds, together with any moneys transferred by the City from any existing funds and accounts of the City, all as provided in the Controller's Certificate, shall be used to pay the principal of and premium, if any, and interest on all of the Refunded Bonds to and on their respective maturity or redemption dates, as the case may be.

(c) The remaining proceeds from the sale of the Bonds shall be deposited in a bank or banks which are legally qualified depositories for the funds of the City, in a special account or accounts to be designated as "City of Fort Wayne, Local Income Tax Refunding Costs of Issuance Account"

(hereafter called the "Costs of Issuance Account"). Amounts in the Costs of Issuance Account shall be expended only for the purpose of paying the costs of issuance of the Bonds and related costs. Any balance or balances remaining unexpended in the Costs of Issuance Account after payment of the costs of issuance of the Bonds shall be paid into the Sinking Fund and shall be used solely for the payment of interest on the Bonds. Pursuant to the Act, the owners of the Bonds shall be entitled to a lien on the proceeds of the Bonds until such proceeds are applied as required by this Ordinance and by Indiana law.

In connection with the refunding of the Refunded Bonds, if determined by the Controller to be necessary, the City is authorized to enter into an irrevocable escrow deposit agreement (the "Escrow Agreement") between the City and an escrow trustee (the "Escrow Trustee") pursuant to which moneys in the amounts required to satisfy the provisions of this Section 10 shall be deposited in an irrevocable escrow account applied to the purposes set forth herein, including, without limitation, the redemption of the Refunded Bonds. The Controller is hereby authorized to appoint an authorized bank or trust company to serve as Escrow Trustee (such appointment to be reflected in the Controller's Certificate) and the Mayor and the Controller are hereby authorized to execute and attest, respectively, the Escrow Agreement between the City and the Escrow Trustee in such form as may be necessary or appropriate to accomplish the purposes of this Ordinance, the issuance of the Bonds, and the refunding of the Refunded Bonds. The execution, by either the Mayor or the Controller or the Financial Advisor on

behalf of the City, of a subscription for United States Treasury Obligations -- State and Local Government Series for investments of proceeds of the Bonds to be held under the Escrow Agreement in a manner consistent with this Ordinance is also hereby approved, if, based on the advice of the Financial Advisor, such subscription is in the best interests of the City.

In the event that the cash and government obligations or other investments held by the Escrow Trustee, together with any increment thereto and interest earned thereon, will not be sufficient to pay when due all principal of and interest and redemption on the Refunded Bonds to and including the first date or dates upon which the Refunded Bonds may be called for redemption, the City covenants and agrees that the claim of the owners of the Bonds is in all respects junior and subordinate to the rights of the holders of the Refunded Bonds.

SECTION 11.

(a) Funds and Accounts. The LIT Revenues received by the City from distributions pursuant to the Act shall be used and applied by the City only as provided in this Ordinance and in strict accordance with the provisions of the Act. All of such revenues shall be segregated and kept in special accounts separate and apart from all other funds of the City and shall be used and applied in payment of bonds and interest thereon which by their terms are payable from such LIT Revenues and to maintain a reasonable reserve, in accordance with this Ordinance, the Prior Authorizing Instruments and the Act. There is hereby continued a fund known as the "Economic Development Income Tax Fund" consisting of a Bond Principal

and Interest Account and a Reserve Account (which two accounts together shall be referred to as the "Sinking Fund," and both of which accounts the City hereby covenants and agrees to cause to be kept and maintained so long as needed for the purposes set forth herein), and a Capital Improvement Fund. All of the LIT Revenues of the City shall be set aside in the following accounts in the following order of priority and to the extent indicated below:

- (1) Bond Principal and Interest Account;
- (2) Reserve Account, if established (as set forth below); and
- (3) Capital Improvement Fund.

(b) Bond Principal and Interest Account. As soon as possible upon receipt by the City of distributions of LIT Revenues, the City shall set apart and pay all of such LIT Revenues into the Bond Principal and Interest Account to be used to pay the interest on and principal of the Bonds; provided, however, that no deposit shall be made into such account when the balance therein is sufficient to pay the principal and interest due on the Bonds on the principal and interest payment date next following such distribution.

(c) Reserve Account. At the option of the City and upon the recommendation of the Financial Advisor, a Reserve Account shall be established. Any such determination shall be set forth in the Controller's Certificate. There shall be held in the Reserve Account, if established, an amount which equals the least of the following with respect to the Bonds: (i) the maximum annual debt service on the Bonds, (ii) one hundred twenty-

five percent (125%) of the average annual debt service on the Bonds, or (iii) ten percent (10%) of the proceeds of the Bonds, all within the meaning of Section 148(d) of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder (the "Debt Service Reserve Requirement"). After making required deposits to the Bond Principal and Interest Account, the LIT Revenues shall next be set apart and paid into the Reserve Account in any amount necessary to restore the balance of the Reserve Account to an amount equal to the Debt Service Reserve Requirement. The Reserve Account shall be used and funds therein shall be withdrawn solely to make deposits into the Bond Principal and Interest Account in the event of any deficiency at any time in such account, or to make the final payments of interest on or principal of the Bonds; provided, however, that as long as there is no default hereunder, any amount in the Reserve Account in excess of the Debt Service Reserve Requirement may be withdrawn at any time and from time to time and deposited in the Bond Principal and Interest Account. Any portion of the Debt Service Reserve Requirement shall be deemed to be satisfied if there is on deposit in the Reserve Account any surety bond, insurance policy, guaranty, letter of credit or other credit facility in any amount equal to such portion, the issuer of which credit facility is rated in one of the two highest long-term rating categories by Standard & Poor's or Moody's Investor Service.

(d) Capital Improvement Fund. Any remaining LIT Revenues of the City shall be deemed excess funds and shall be deposited in the

Capital Improvement Fund for appropriation and use as permitted by law. In the event of any deficiency at any time in the Bond Principal and Interest Account for the purposes of paying the interest on and principal of the Bonds, funds may be withdrawn from the Capital Improvement Fund for deposit into the Bond Principal and Interest Account in the amount of such deficiency.

(e) Investment. All moneys in such funds and accounts described herein shall be segregated and kept separate and apart from all other funds of the City and shall be deposited in lawful depositories of the City and continuously held and secured or invested as provided by law. Interest earned in each such fund or account shall be credited to such fund or account except that the amount held in the Reserve Account shall not exceed the Debt Service Reserve Requirement, and any such excess shall be deposited into the Capital Improvement Fund.

SECTION 12. The Controller is hereby authorized and directed to have the Bonds prepared, and the Mayor and the Controller hereby requested and authorized to execute and countersign, respectively, the Bonds with their manual or facsimile signatures. The Clerk is hereby requested and authorized to attest the Bonds with the Clerk's manual or facsimile signature, and to cause the seal of the City to be impressed or a facsimile thereof to be printed on the Bonds, all in the form and manner herein provided. After the Bonds have been properly executed, the Controller shall deliver or cause to be delivered the Bonds to the purchasers in the manner provided by law.

SECTION 13. The Common Council hereby requests, authorizes and directs the Mayor, the Controller and the Clerk, and each of them, for and on behalf of the City, to prepare, execute and deliver any and all other instruments, letters, certificates, agreements and documents as are determined to be necessary or appropriate to consummate the transactions contemplated by this Ordinance, and such determination shall be conclusively evidenced by the execution thereof. The instruments, letters, certificates, agreements and documents, including the Bonds, necessary or appropriate to consummate the transactions contemplated by this Ordinance shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the City, the full performance and satisfaction of which by the City is hereby authorized and directed.

SECTION 14. If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms and the whole amount of the principal of and interest so due and payable upon on all of the Bonds or a portion 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 for such purpose, 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 for such purpose, shall be held in trust for such purpose, then and in such event the Bonds or such

portion thereof shall no longer be deemed outstanding or an indebtedness of the City.

SECTION 15. In order to preserve the excludability from gross income of interest on the Bonds under federal law, the Common Council, on behalf of the City, represents covenants and agrees that, to the extent necessary to preserve such exclusion:

(a) The City shall satisfy either (i) or (ii) below (or both).

(i) No person or entity or any combination thereof, other than the City or any other governmental unit ("Governmental Unit") within the meaning of Section 141(b)(6) and Section 150(a)(2) of the Internal Revenue Code of 1986, as amended, and as in effect on the date of delivery of the Bonds (the "Code"), will use more than ten percent (10%) of the proceeds of the Bonds or property financed by such proceeds other than as a member of the general public. Not more than five percent (5%) of the proceeds of the Bonds are to be used (A) for any private business use that is unrelated to the governmental use of the proceeds or (B) for a related private business use that is disproportionate to the governmental use of such proceeds within the meaning of Section 141(b)(3)(B) of the Code. No person or entity or any combination thereof other than the City or any other Governmental Unit will own property financed out of more than ten percent (10%) of the proceeds of the Bonds or will have actual or beneficial use of such property pursuant to a lease, a

management or incentive payment contract, an arrangement such as a take-or-pay or other type of output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use of such property by the public at large, except pursuant to a management or similar contract which satisfies the requirements of IRS Revenue Procedure 2017-13.

(ii) Not more than ten percent (10%) of the principal of or interest on the Bonds (under the terms of the Bonds, this Ordinance or any underlying arrangement) is secured, directly or indirectly, by an interest in property used or to be used for 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.

(b) Not more than five percent (5%) of the Bond proceeds will be lent to any entity or person. Not more than five percent (5%) of the Bond proceeds will be transferred directly or indirectly transferred or deemed transferred to a person other than a Governmental Unit in a fashion that would in substance constitute a loan of such Bond proceeds.

(c) The City will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the excludability from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103(a) of the Code, and the Common Council will not

act in any manner or permit any actions by officers or officials of the City that would adversely affect such excludability. The City further covenants that it will not make any investment or do any other act or thing during the period that any Bond is outstanding hereunder which would cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and regulations applicable thereto as in effect on the date of delivery of the Bonds. The City shall comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable.

(d) All officers, employees and agents of the City are hereby authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the City as of the date that the Bonds are issued, and to make covenants on behalf of the City evidencing the City's commitments made herein. In particular, any and all appropriate officers, employees and agents of the City are authorized to certify and/or enter into covenants for the City regarding (i) the facts and circumstances and reasonable expectations of the City on the date that the Bonds are issued and (ii) the representations and covenants made herein by the City regarding the amount and use of the proceeds of the Bonds.

(e) The Controller is hereby authorized and directed to employ consultants and attorneys from time to time to advise the City with respect to the requirements under federal law for the continuing preservation of the excludability of interest on the Bonds from gross income for purposes of federal income taxation.

SECTION 16. Notwithstanding any other provision of this Ordinance, any of the covenants and authorizations contained in this Ordinance (the "Tax Sections") which are designed to preserve the excludability of interest on the Bonds from gross income for purposes of federal income taxation (the "Tax Exemption") need not be complied with if the City receives an opinion of nationally recognized bond counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption. In addition, if bond counsel determines that the Bonds cannot be issued on a tax-exempt basis, the Common Council hereby authorizes the issuance of the Bonds on a taxable basis.

SECTION 17. In the event it shall be hereafter determined that, in order to insure that the constitutional limitation on the indebtedness of the City is not exceeded, it is necessary to reduce the amount of the Bonds authorized by this Ordinance, the Controller shall be authorized to sell and deliver a lesser amount of the Bonds than herein authorized, and the Bonds not issued and sold shall be the Bonds of the latest maturity or maturities.

SECTION 18. The Common Council may, without the consent of, or notice to, any of the owners of the Bonds, adopt a supplemental ordinance for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Ordinance;
- (b) To grant to or confer upon the owners of the Bonds any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds, or to

make any change which, in the judgment of the City, is not to the prejudice of the owners of the Bonds;

(c) To modify, amend or supplement this Ordinance to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America;

(d) To provide for the refunding or advance refunding of the Bonds;

(e) To procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the Bonds; and

(f) Any other purpose which does not adversely impact the interests of the owners of the Bonds.

SECTION 19. This Ordinance, and the rights and obligations of the City and the owners of the Bonds, may be modified or amended at any time by supplemental ordinances adopted by the Common Council with the consent of the owners of the Bonds holding at least a majority in aggregate principal amount of the outstanding Bonds (exclusive of Bonds, if any, owned by the City); provided, however, that no such modification or amendment shall, without the express consent of the owners of the Bonds affected, reduce the principal amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date, extend its maturity or the times for paying interest thereon, permit a privilege or

priority of any Bond or Bonds over any other Bond or Bonds, create a lien securing any Bonds other than a lien ratably securing all of the Bonds outstanding, or change the monetary medium in which principal and interest are payable, nor shall any such modification or amendment reduce the percentage of consent required for amendment or modification to this Ordinance.

Any act done pursuant to a modification or amendment so consented to shall be binding upon all the owners of the Bonds and shall not be deemed an infringement of any of the provisions of this Ordinance or of the Indiana Code, and may be done and performed as fully and freely as if expressly permitted by the terms of this Ordinance, and after such consent relating to such specified matters has been given, no owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the Common Council or any officer thereof from taking any action pursuant thereto.

If the Common Council shall desire to obtain any such consent, it shall cause the Registrar and Paying Agent to mail a notice, postage prepaid, to the respective owners of the Bonds at their addresses appearing on the registration books held by the Registrar and Paying Agent. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar and Paying Agent for inspection by all owners of the Bonds. The Registrar and Paying Agent shall not, however, be subject to any liability to any owners of the Bonds by reason of its failure to mail the notice described in this Section 19, and any such failure shall not affect the

validity of such supplemental ordinance when consented to and approved as provided in this Section 19.

Whenever at any time within one (1) year after the date of the mailing of such notice, the Common Council shall receive an instrument or instruments purporting to be executed by the owners of the Bonds of not less than a majority in aggregate principal amount of the Bonds then outstanding (exclusive of Bonds, if any, owned by the City), which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar and Paying Agent, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the Bonds, whether or not such owner shall have consented thereto.

Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section 19, this Ordinance shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

SECTION 20. The City reserves the right to authorize and issue additional bonds and to authorize and incur lease obligations (which for all purposes of this Ordinance shall be deemed to be required payments of bond principal which mature on the date such lease rental payment obligations are due) (collectively, the "Parity Obligations"), payable from the LIT Revenues, ranking on a parity with the pledge

of the LIT Revenues to the payment of the Bonds, for the purpose of financing the cost of additional economic development projects or to provide for a complete or partial refunding of the Bonds, any Prior Obligations or any Parity Obligations. The authorization and issuance of Parity Obligations shall be subject to the following conditions precedent:

(a) Any such Parity Obligations shall not cause the City to exceed its debt limitation under Article 13, Section 1, of the Indiana Constitution as of the date of issuance.

(b) All interest and principal payments with respect to all bonds and other obligations payable from amounts that the City receives from LIT Revenues shall have been paid in accordance with their terms; provided, however, this condition shall be deemed satisfied if any required amount is to be provided from the proceeds of such additional Parity Obligations or other funds of the City.

(c) All required deposits into the Bond Principal and Interest Account and the Reserve Account shall have been made in accordance with the provisions of this Ordinance; provided, however, this condition shall be deemed satisfied if any required amount is to be provided from the proceeds of such additional Parity Obligations or other funds of the City.

(d) Either: (i) the LIT Revenues of the City in the fiscal year immediately preceding the issuance of any such obligations ranking on a parity with the Bonds shall be not less than one hundred thirty-five percent (135%) of the maximum annual interest and principal requirements of the

then outstanding Bonds, the then outstanding Prior Obligations, any then outstanding previously-issued Parity Obligations, and the additional Parity Obligations proposed to be issued; or (ii) the LIT Revenues of the City for the first full fiscal year immediately succeeding the issuance of any such obligations ranking on a parity with the Bonds shall be projected by a certified public accountant to be at least equal to one hundred thirty-five percent (135%) of the maximum annual interest and principal requirement of the then outstanding Bonds, the then outstanding Prior Obligations, any then outstanding previously-issued Parity Obligations, and the additional Parity Obligations proposed to be issued; provided, however, annual principal and interest requirements of any Bonds may be reduced in inverse order of maturity for purposes of this section by the balance in the Reserve Account allocable thereto. For purposes of this subsection, the records of the City shall be analyzed and all showings prepared by a certified public accountant or independent financial advisor employed by the City for that purpose.

(e) The interest on the additional Parity Obligations shall be payable semiannually on the first days of June and December in the years in which interest is payable and the principal of the additional Parity Obligations shall be payable semiannually on the first days of June and/or December in the years in which principal is payable (provided, if such additional Parity Obligations are issued as capital appreciation bonds, the amounts payable at maturity thereof are payable on the first days of June

and/or December of each year during the periods in which such maturity amounts are payable).

(f) The issuance of the additional Parity Obligations will not result in a violation of Indiana Code 6-3.6-4-3 relating to the minimum rate at which the Allen County Council is required to maintain the local income tax rate.

(g) Any such additional Parity Obligations issued as variable rate debt shall be assumed to bear the maximum interest rate thereon for the purpose of certifying satisfaction of the one hundred thirty-five percent (135%) condition set forth above, and a maximum rate must be set for any such variable rate additional Parity Obligations. Furthermore, any put feature associated with such variable rate debt shall 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 Investor Service or Standard & Poor's.

Except as otherwise provided in this Section 20, so long as any of the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the LIT Revenues of the City shall be authorized, executed or issued by the City except such as shall be made junior and subordinate in all respects to the Bonds, unless all of the Bonds are redeemed and retired coincidentally with the delivery of such additional bonds or other obligations, or as provided in Section 14 hereof, funds sufficient to effect such redemption are available and set aside for that purpose at the time of issuance of such additional bonds or other obligations.

SECTION 21. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the city or town in which the Registrar and Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

SECTION 22. The Controller shall, prior to the sale of the Bonds, set forth in a certificate (the "Controller's Certificate") the aggregate principal amount and maturities of the Bonds, the first interest payment date for the Bonds, the authorized denominations, and any other matters required by this Ordinance to be provided in the Controller's Certificate.

SECTION 23. The Bonds may be offered and sold pursuant to an Official Statement with respect to the Bonds (the "Official Statement"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission (the "Rule") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The Common Council hereby authorizes the Controller (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official

Statement of the City; (b) on behalf of the City, to designate the Preliminary Official Statement a "final" Official Statement with respect to the Bonds, subject to completion as permitted by and otherwise pursuant to the Rule; and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and to enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement under the Rule. The Mayor and the Controller are further authorized to execute and attest, respectively, an agreement in connection with the offering of the Bonds in accordance with the Rule by which the City agrees to undertake such continuing disclosure obligations as may be required under the Rule. In lieu of an Official Statement, the City is authorized to finalize a term sheet, placement memorandum or other disclosure document in connection with the sale of the Bonds.

SECTION 24. The proceeds derived from the sale of the Bonds heretofore authorized to be issued and all investment earnings thereon shall be and the same are hereby appropriated to provide financing for all or a portion of the refunding of the Refunded Bonds, together with expenses incurred in connection with the issuance of the Bonds, all of which is not provided for in the existing budget and tax levy. Such appropriation shall be in addition to all appropriations provided for in the existing budget and levy and shall continue in effect until the completion of the activities described above. Any surplus of such proceeds (including investment earnings thereon) shall be credited to the proper fund as provided by law. The Controller shall be, and hereby is, authorized and directed to certify a copy of this

Ordinance together with such other proceedings and actions as may be necessary to the Indiana Department of Local Government Finance.

SECTION 25. This Ordinance shall be in full force and effect from and after the time it has been adopted by the Common Council, approved by the Mayor, and otherwise executed and delivered in accordance with any and all laws pertaining thereto.

Council Member

APPROVED AS TO FORM AND LEGALITY:

Carol Helton, City Attorney