

## GOSHEN REDEVELOPMENT COMMISSION

### Minutes of the Special Meeting held February 27, 2008 at 4:00 pm

#### Call to Order:

The Goshen Redevelopment Commission met in a special meeting on February 27, 2007 at 4:00 pm in the City Council Chambers, 111 E. Jefferson Street, Goshen, Indiana.

The meeting was called to order by President Stump.

#### Roll Call:

Present: Stephen Oyer, Thomas Stark, Thomas Stump, Jeremy Stutsman

Absent: Laura Coyne

Also present were Mayor Allan Kauffman, City Attorney Larry Barkes, Public Works Administrator Bob McCoige, Todd Samuelson of Umbaugh & Associates, and Redevelopment Director Mike Puro.

#### New Business:

- a. Resolution 14-2008 – Approving a Loan of Funds from the Local Major Moves Construction Fund to Goshen Redevelopment Commission and Approving Intralocal Agreement. City Attorney Barkes explained that this resolution replaces the current loan agreement with the City. It extends the length of the loan and increases the interest rate. The change in the loan agreement will allow the River Race redevelopment to continue to move forward. Upon motion by Commissioner Oyer and second by Commissioner Stark the Resolution passed unanimously.
- b. Resolution 15-2008 – Bond Resolution (River Race TIF) - Director Puro stated that bonds were needed to continue the River Race redevelopment project. In response to Commissioner questions Todd Samuelson of Umbaugh & Associates, the firm that is acting as financial advisor to the City on this bond issue, stated that these bonds would allow for an early call and are Pure TIF bonds as only TIF revenues will be used to pay off the bonds, no City property tax will be pledged. Commissioner Stark moved to pass the resolution, which was seconded by Commissioner Oyer. City Attorney Barkes stated that there were a number of housekeeping corrections that needed to be made to the Resolution. Those changes are as follows:

GOSHEN REDEVELOPMENT COMMISSION  
RESOLUTION NO. 15-2008  
BOND RESOLUTION

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GOSHEN REDEVELOPMENT COMMISSION

RESOLUTION NO.  
BOND RESOLUTION

WHEREAS, IC 36-7-14 and C 36-7-25 and all related and supplemental statutes as in effect on the issue date of the Notes and the Bonds (each defined below) including IC 5-1-14 (collectively, "Act") authorize the Redevelopment Commission ("Commission") of the City of Goshen, Indiana ("City"), to establish an economic development area and to establish an allocation area within an economic development area providing for the distribution of property tax revenues generated within the allocation area;

WHEREAS, the Commission adopted a Declaratory Resolution ([No. 01-2001](#)) ("Declaratory Resolution") on February 13, 2001, which was effective as of that date, and, [after a public hearing](#), was confirmed by a Confirmatory Resolution ([No. 02-2001](#)) ("Confirmatory Resolution") adopted on May 8, 2001;

WHEREAS, the Commission, by the Declaratory Resolution, as confirmed by the Confirmatory Resolution (collectively, "Area Resolution"), established the boundaries of the River Race Corridor Economic Development Area ("Area") and declared this area to be an economic development area, and the Area is more particularly described in the map attached to and incorporated in the Declaratory Resolution;

WHEREAS, pursuant to the Area Resolution, the Commission approved an economic development plan for the Area ("Plan");

WHEREAS, pursuant to the Area Resolution and the Plan, the Commission designated the entire Area as an allocation area ("Allocation Area") for purposes of capturing incremental ad valorem real property tax revenues levied and collected in the Allocation Area;

WHEREAS, the Area Resolution provides for the capture of all Tax Increment (as hereinafter defined) generated in the Allocation Area;

WHEREAS, IC 36-7-14-39.5 provides for an additional credit for property taxes in the Allocation Area payable from Tax Increment, which credit may be eliminated or reduced by resolution of the Common Council upon recommendation of the Commission;

WHEREAS, the Common Council has taken no action to provide that the additional credit under IC 36-7-14-39.5 does not apply in the Allocation Area;

WHEREAS, the Commission, after public hearing on February 10, 2004, adopted its amending declaratory resolution (No. 01-2004) expanding the Area less than 20%;

WHEREAS, the Commission, after public hearing on February 8, 2005, adopted its amending declaratory resolution (No. 01-2005) amending the Plan and further expanding the Area less than 20%;

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WHEREAS, the Commission adopted its amending declaratory resolution (No. 13-2006) on February 27, 2006, further expanding the Area less than 20%, and after public hearing held on February 13, 2007, adopted its amending confirmatory resolution (No. 10-2007);

WHEREAS, the Commission, after public hearing held on December 11, 2007 and continued on January 8, 2008, adopted its amending resolution (No. 1-2008) further amending the Plan to include the Project;

WHEREAS, the Commission finds and determines that: (i) the planning, replanning, development and redevelopment of the Area is a public and governmental function that cannot be accomplished through the ordinary operation of private enterprise; (ii) the planning, replanning, development and redevelopment of the Area would benefit the public health, safety, morals, and welfare, increase the economic well-being of, and serve to protect and increase property values in the City and the State of Indiana and would be of public utility and benefit; and (iii) the planning, replanning, development and redevelopment of the Area are public uses and purposes for which public money may be spent and private property may be acquired;

WHEREAS, the Commission finds and determines that in order to proceed with the planning, replanning, development and redevelopment of the Area, it is necessary for the Commission to issue revenue bonds of the Goshen Redevelopment District ("District"), in the name of the City, payable solely out of Tax Increment allocated and deposited as provided in this Resolution, in the aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) ("Bonds"), and to issue the Notes to provide interim financing for the purpose of procuring funds to be applied on the cost of economic development in, serving or benefiting the Area including the acquisition of certain real property for future developments and the construction of water, sewer, road and street infrastructure improvements (as further described in Exhibit A) ("Project"), including the repayment of the Notes, funding a debt service reserve, incidental expenses incurred in connection with the Project as provided in the Act and costs associated with issuance of the Notes and the Bonds ("Costs of the Project");

WHEREAS, the Commission estimates that the total Costs of the Project will not exceed \$3,500,000, funded from Bond proceeds;

WHEREAS, the Commission hereby finds that it is in the best interests of the District to sell the Notes at a negotiated, private sale to a sophisticated investor or investors and to sell the Bonds at a negotiated sale to the Bond Purchaser;

WHEREAS, the Bonds to be issued under Section 3 of this Resolution are issued pursuant to the authority granted in the Act;

WHEREAS, the Commission will give notice of and will hold a public hearing on the proposed additional appropriation of the Note and Bond proceeds; and

WHEREAS, the Commission has notified the Department of Local Government Finance of the creation and expansion of the Area, will report to the Department of Local Government Finance the appropriation of Note and Bond proceeds, and will obtain all approvals required by law for the issuance of the Notes and the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT COMMISSION OF THE CITY OF GOSHEN, INDIANA, AS FOLLOWS:

SECTION 1. DEFINITIONS. All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. All terms defined elsewhere in this Resolution shall have the meaning given in such definition. In this Resolution, unless a different meaning clearly appears from the context:

"Act" means IC 5-1-14, IC 36-7-14 and IC 36-7-25 and all related and supplemental acts in effect on the issue date of the Notes and the Bonds.

"Allocation Fund" means the special fund established under the Act for the Tax Increment collected in the Area.

"Area" means the River Race Corridor Economic Development Area created by the Declaratory Resolution, as confirmed by the Confirmatory Resolution, and as amended from time to time.

"Bond Principal and Interest Account" means the Bond Principal and Interest Account created under Section 11.

"Bond Purchase Agreement" means the purchase agreement to be entered into between the Bond Purchaser and the City.

"Bond Purchaser" means the original purchaser of the 2008 Bonds.

"Bond Resolution" or "Resolution" means this Bond Resolution, adopted by the Commission on February 27, 2008, authorizing the issuance of the Bonds, as it may be supplemented and amended from time to time in accordance with its provisions.

"Bonds" means, except where the context clearly refers to Bonds authorized by this Resolution, the Bonds and any Parity Obligations.

"Capital Fund" means the Redevelopment District Capital Fund established in Section 10 under the Act.

"City" means the City of Goshen, Indiana.

"Commission" means the Goshen Redevelopment Commission.

"Costs of the Project" means all costs of the Project as set forth in the recitals of this Resolution and in Exhibit A.

"Debt Service" means the principal of and interest on the Bonds and any Parity Obligations that are bonds, lease rentals on any Parity Obligations which are leases and any fiscal agency charges associated with the Bonds and the collection of Tax Increment for the Bonds.

"Debt Service Reserve Account" means the Debt Service Reserve Account created under Section 11.

"Debt Service Reserve Requirement" means the least of: (i) maximum annual principal and interest due on the Bonds; (ii) 125% of average annual debt service on the Bonds; (iii) 10% of the proceeds of the Bonds.

"District" means the Goshen Redevelopment District.

"Note Purchase Agreement" means the purchase agreement for the Notes authorized by Section 7.

"Note Purchaser" means the original purchaser of the Notes.

"Notes" means the notes authorized by Section 3.

"Notice Address" means with respect to the City and the Commission:

City and Commission:

City of Goshen  
202 South Fifth Street  
Goshen, Indiana 46528  
Attention: Clerk-Treasurer

City Attorney:

Mr. Larry A. Barkes  
Barkes Kolbus & Rife, [LLP](#)  
118 North Main Street  
Goshen, Indiana 46526

The notice addresses of the Registrar and Paying Agent, if any, shall be set forth in the Acceptance attached hereto.

"Owner" means a registered owner of the 2008 Bonds.

"Parity Obligations" means any obligations (including leases) of the Commission issued under Section 12, on a parity with the 2008 Bonds (as to the pledge of Tax Increment).

"Paying Agent" means the Clerk-Treasurer of the City or the Paying Agent so designated under Section 3(G) or any successor Paying Agent appointed under this Resolution.

"Project" means the acquisition of certain real property for future developments and the construction of water, sewer, road and street infrastructure improvements as more fully described in [Exhibit A](#).

"Qualified Investments" means any direct obligation of the United States of America or other investment in which the Commission is permitted by Indiana law to invest at the time of investment.

"Registrar" means the Clerk-Treasurer of the City or the Registrar so designated under Section 3(G) or any successor Registrar appointed under Section 3(G) of this Resolution.

"State" means the State of Indiana.

"Tax Increment" means all real property tax proceeds from assessed valuation of real property in the Allocation Area in excess of the assessed valuation described in IC 36-7-14-39(b)(1) minus the additional credit under IC 36-7-14-39.5, as such statutory provision exists on the date of the issuance of the Bonds.

"2008 Bonds" means the Bonds described in Section 3.

## SECTION 2. GRANTING CLAUSES.

(A) The Commission, in consideration of the premises and of the purchase and acceptance of the 2008 Bonds by the Owners, in order to secure the payment of the Debt Service on the 2008 Bonds according to their tenor and effect and to secure the performance and observance by the Commission of all covenants expressed or implied herein and in the 2008 Bonds, does hereby pledge the rights, interests, properties, money and other assets described below ("Trust Estate") for the benefit of the Owners of the 2008 Bonds for the securing of the performance of the obligations of the Commission set forth in this Resolution, such pledge to be effective as set forth in IC 5-1-14-4 without the recording of this Resolution or any other instrument:

(1) All cash and securities now or hereafter held in the Capital Fund and the Allocation Fund, including the Bond Principal and Interest Account, the Debt Service Reserve Account and the General Account and the investment earnings thereon and all proceeds thereof (except to the extent transferred or disbursed from such funds and accounts from time to time in accordance with this Resolution);

(2) All Tax Increment required to be deposited for the benefit of the 2008 Bonds or for the benefit of any subordinate obligations; and

(3) Any money hereinafter pledged to the Owners as security to the extent of that pledge;

provided, however, that if the Commission shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of Debt Service on the 2008 Bonds due, or to become due thereon, at the times and in the manner mentioned in the 2008 Bonds, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the Owners of the outstanding 2008 Bonds of all sums of money due or to become due according to the provisions hereof, then this Resolution and the rights hereby granted shall cease, terminate and be void; otherwise this Resolution shall be and remain in full force and effect.

(B) The Commission, in consideration of the premises and of the purchase and acceptance of the Notes by the Note Purchaser according to their tenor and effect and to secure the performance and observance by the Commission of all covenants expressed or implied herein and in the Notes, does hereby pledge the proceeds of the 2008 Bonds, to the repayment of the Notes for the benefit of the owners of the Notes for the securing of the performance of the obligations of the Commission set forth in this Resolution, such pledge to be effective as set forth in IC 5-1-14-4 without recording of this Resolution or any other instrument; provided, however, that if the Commission shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of debt service on the Notes due, or to become due thereon, at the times and in the manner mentioned in the Notes, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the owners of the outstanding Notes of all sums of money due or to become due according to the provisions hereof, then this Resolution and the rights hereby granted shall cease, terminate and be void; otherwise this Resolution shall be and remain in full force and effect.

(C) This Resolution further witnesseth, and it is expressly declared, that all Notes and 2008 Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all these properties, rights and interests, including, without limitation, the amounts hereby pledged, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the Commission has agreed and covenanted, and does hereby agree and covenant, with the respective Owners, from time to time, of the Notes and the 2008 Bonds, or any part thereof, as provided in this Resolution.

### SECTION 3. THE NOTES AND THE 2008 BONDS.

(A) (1) The Commission, acting in the name of the City, may issue the Notes for the purpose of procuring interim financing to apply to the Costs of the Project. The Commission shall issue the Notes in an aggregate amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) to be designated "Redevelopment District Taxable Bond Anticipation Notes." The Notes shall be dated as of the date of delivery and shall bear interest at a rate or rates not to exceed seven and one-half percent (7.5%) per annum payable at maturity or upon redemption prior to maturity. The Notes shall be sold by negotiated sale at no less than 99% of the par value thereof. The term of the Notes, including any renewals or extensions, may not exceed five (5) years from the date of the original issuance of the Notes. The Notes are subject to prepayment in whole or in part, at the option of the Commission, on any date, upon 7 days' written notice to the registered owners of the Notes, at their face value, plus interest accrued to the redemption date. The Notes shall be issued in fully registered form and shall be lettered and numbered separately from 1 consecutively upward and with such further or alternate designation as the Registrar may determine and shall be issued in minimum denominations of \$1,000 and integral multiples thereof. The principal of and interest on the Notes are payable solely from the proceeds of the Notes and the 2008 Bonds and the Commission, acting in the name of the City, shall have no obligation to repay the principal of or interest on the Notes except from proceeds of the Notes and the Bonds. Principal of the Notes shall be payable at maturity or upon redemption. The Commission may receive payment on the Notes in installments. Interest on the Notes shall be computed on the basis of a 360-day year consisting of twelve (12) thirty day months.

(2) For the purpose of procuring funds to be applied to the Costs of the Project, the Commission, acting in the name of the City, shall borrow the aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) at a purchase price of not less than 99% of the par value thereof. The Clerk-Treasurer is hereby authorized and directed to issue and sell to the Bond Purchaser the 2008 Bonds, payable, as set forth in Sections 2 and 11, solely out of Tax Increment and investment earnings on any cash or securities held in any of the funds or accounts established under this Resolution. The 2008 Bonds shall be issued by the Commission in the name of the City, and shall be designated "Taxable Tax Increment Revenue Bonds of 20\_\_" (to be completed with the year in which issued). The purchase price of the 2008 Bonds, together with investment earnings on the proceeds of the 2008 Bonds, does not exceed the total as estimated by the Commission of all Costs of the Project.

(B) (1) The 2008 Bonds shall be issued in fully registered form and shall be lettered and numbered separately from one consecutively upward in order of maturity preceded by the letter "R" and with such further or alternate designation as the Registrar may determine. The 2008 Bonds shall be issued in multiples of Five Thousand Dollars (\$5,000) or in any integral multiples thereof.

(2) The 2008 Bonds shall be dated and accrue interest as of their date of delivery and shall bear interest at a rate or rates not to exceed 7.5% per annum, the actual rates to be determined through negotiation with the Bond Purchaser. Interest on the 2008 Bonds shall be payable on each February 1 and August 1, beginning on the first February 1 or the first August 1 after the issuance of the 2008 Bonds as determined by the Clerk-Treasurer upon the advice of the Commission's financial advisor, and shall accrue on a basis of twelve 30-day months for a 360-day year. The 2008 Bonds shall mature semiannually on February 1 and August 1 over a period ending no later than February 1, 2029, in such amounts as will retire the 2008 Bonds as soon as feasible while taking into account reasonable projections of available Tax Increment and reasonable coverage to market the 2008 Bonds. The 2008 Bonds may be subject to mandatory sinking fund redemption as determined upon sale of the 2008 Bonds.

(C) The 2008 Bonds are redeemable at the option of the Commission, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Commission and by lot within maturities, at face value, together with a premium not to exceed 1% beginning no later than August 1, 2018, plus accrued interest to the date fixed for redemption.

(D) All or a portion of the Bonds may be issued as one or more term bonds, upon election of the Bond Purchaser. Such term bonds shall have a stated maturity or maturities as determined by the Bond Purchaser. 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 in accordance with the above schedule.

(E) Notice of any redemption identifying the 2008 Bonds to be redeemed in whole or in part shall be given to the Registrar at least 15 days prior to the date fixed for redemption and by the Registrar at least 7 days prior to the date fixed for redemption (unless this notice is waived

by the Owner) by sending written notice by certified or registered mail to the Owner of each 2008 Bond to be redeemed in whole or in part at the address shown on the registration books of the Registrar. Failure to give such notice by mailing, or any defect therein with respect to any 2008 Bond, shall not affect the validity of any proceeding for the redemption of other 2008 Bonds. Such notice shall state the redemption date, the redemption price, the amount of accrued interest, if any, payable on the redemption date, the place at which 2008 Bonds are to be surrendered for payment and, if less than the entire principal amount of a 2008 Bond is to be redeemed, the portion thereof to be redeemed. By the date fixed for redemption, due provision shall be made with the Registrar for the payment of the redemption price of the 2008 Bonds to be redeemed, plus accrued interest, if any, to the date fixed for redemption. When the 2008 Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same as herein provided, the 2008 Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners of such 2008 Bonds to collect interest which would otherwise accrue after the redemption date on any 2008 Bond or portion thereof called for redemption shall terminate on the date fixed for redemption, provided that funds for their redemption are on deposit at the place of payment at that time.

(F) If fewer than all of the 2008 Bonds are to be redeemed, the Registrar will select the particular 2008 Bonds to be redeemed by lot in such manner as it deems fair and appropriate. Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of redemption. If any of the 2008 Bonds are subject to both optional and mandatory sinking fund redemption on the same date, the 2008 Bonds to be redeemed by optional redemption shall be selected first.

(G) (1) The Clerk-Treasurer of the City may serve as the initial Registrar and the Paying Agent for the Notes and the 2008 Bonds. The Clerk-Treasurer may appoint a duly qualified bank as Registrar and Paying Agent, which Registrar and Paying Agent will be charged with the performance of the duties and responsibilities of Registrar and Paying Agent as set forth herein. The Registrar and Paying Agent for the Notes or the 2008 Bonds if other than the Clerk-Treasurer, shall signify its acceptance of its duties by executing the acceptance attached to this Resolution. The Commission is further authorized to pay such fees as the Registrar and Paying Agent may charge for the services provided as Registrar and Paying Agent and such fees may be paid from the Bond Principal and Interest Account as Debt Service in addition to paying the principal of and interest on the Notes and the 2008 Bonds or from the General Account.

(2) The Mayor and the Clerk-Treasurer are hereby authorized, on behalf of the Commission, to enter into such agreements or understandings with the Registrar and Paying Agent as will enable it to perform the services required of it.

(H) (1) The Notes and the 2008 Bonds shall be authenticated with the manual or facsimile signature of an authorized representative of the Registrar. No Note or 2008 Bond shall be valid or become obligatory for any purpose until the Certificate of Authentication on such Note or 2008 Bond shall have been so executed. Subject to the provisions hereof for registration, the Notes and the 2008 Bonds shall be negotiable under the laws of the State of Indiana.

(2) Each Note or 2008 Bond shall be transferable or exchangeable only upon the books of the Commission kept for that purpose at the office of the Registrar by the owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such Note or 2008 Bond, respectively together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the owners or its attorney duly authorized in writing, and thereupon a new fully registered Note or Notes or 2008 Bond or 2008 Bonds, as the case may be, in the same principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the owners, as the case may be, in exchange therefor. The Registrar shall not be obligated to make any exchange or transfer of Notes or 2008 Bonds following the fifteenth day immediately preceding an interest payment date on any Note or 2008 Bonds until such interest payment date. The Registrar shall not be obligated (a) to register, transfer or exchange any Note or 2008 Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of the Notes or 2008 Bonds, respectively, or (b) to register, transfer or exchange the Note or 2008 Bond selected, called or being called for redemption in whole or in part after mailing notice of such call. The City and the Registrar for the Notes or the 2008 Bonds may treat and consider the person in whose name such Note or 2008 Bond, respectively, is registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof. The Notes or the 2008 Bonds may be transferred or exchanged without cost to the owners except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange.

(3) If any Note or 2008 Bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new Note or 2008 Bond, respectively, which in all respects shall be identical to the Note or 2008 Bond, respectively, which was mutilated, lost, stolen or destroyed including like date, maturity, series and denomination, except that such new Note or 2008 Bond, respectively, shall be marked in a manner to distinguish it from the Note or 2008 Bond for which it was issued; provided that in the case of any Note or 2008 Bond being mutilated, such mutilated Note or 2008 Bond shall first be surrendered to the City and the Registrar; and in the case of Notes or 2008 Bonds being lost, stolen or destroyed, there shall be first furnished to the City and the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. If any such lost, stolen or destroyed Note or 2008 Bond shall have matured and be payable in accordance with its terms, instead of issuing a duplicate Note or 2008 Bond, respectively, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of the Note or 2008 Bond, respectively, with their reasonable fees and expenses in connection with the above. Every substitute Note or 2008 Bond issued by reason of the Note or 2008 Bond being lost, stolen or destroyed shall, with respect to such Note or 2008 Bond, respectively, constitute a substitute contractual obligation of the City, whether or not the lost, stolen or destroyed Note or 2008 Bond, respectively, shall be found at any time, and every such Note or 2008 Bond, respectively, shall be entitled to all the benefits of this Resolution, equally and proportionately with any and all other Notes or 2008 Bonds, respectively, duly issued hereunder.

(I) The City has determined that it may be beneficial to the City to have the 2008 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 Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The 2008 Bonds may be initially issued in the form of a separate single authenticated fully registered 2008 Bond for the aggregate principal amount of each separate maturity of the 2008 Bonds. In such case, upon initial issuance, the ownership of such 2008 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 2008 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 2008 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 2008 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 2008 Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the City to make payments of the principal of and premium, if any, and interest on the 2008 Bonds pursuant to this Resolution. 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 2008 Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such 2008 Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such 2008 Bonds; (iii) registering transfers with respect to such 2008 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 2008 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 2008 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 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 2008 Bonds and all notices with respect to such 2008 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 2008 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 2008 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 2008 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 2008 Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the 2008 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 2008 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 2008 Bonds.

If the 2008 Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the 2008 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 2008 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 2008 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 2008 Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the 2008 Bonds and setting for 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 Resolution 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 2008 Bonds, together with the

dollar amount of each Beneficial Owner's interest in the 2008 Bonds and the current addresses of such Beneficial Owners.

(J) The principal of and interest on the Notes and the principal of the 2008 Bonds shall be payable in lawful money of the United States of America upon presentation at the office of the Paying Agent. Interest on the 2008 Bonds shall be paid by check mailed to each owner at the address as it appears on the registration books kept by the Registrar as of the fifteenth day immediately preceding the interest payment date or at such other address as provided to the Registrar in writing by such 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 Trustee shall be instructed to wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York City time).

(K) THE 2008 BONDS DO NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTE AN OBLIGATION OF THE DISTRICT AS A SPECIAL TAXING DISTRICT, IN THE NAME OF THE CITY, PAYABLE SOLELY FROM THE TRUST ESTATE. THE DISTRICT IS NOT OBLIGATED TO PAY THE DEBT SERVICE ON THE 2008 BONDS FROM ANY SOURCE OTHER THAN THE SOURCES DESCRIBED ABOVE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT OR THE CITY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE 2008 BONDS.

(L) THE NOTES DO NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTE AN OBLIGATION OF THE DISTRICT AS A SPECIAL TAXING DISTRICT, PAYABLE SOLELY FROM THE PROCEEDS OF THE 2008 BONDS WHEN, AS, AND IF ISSUED. THE DISTRICT IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE NOTES FROM ANY OTHER SOURCE OTHER THAN THE PROCEEDS OF THE 2008 BONDS.

#### SECTION 4. FORM OF THE NOTES AND THE 2008 BONDS.

(A) Form of the 2008 Bonds. The form and tenor of the 2008 Bonds shall be substantially as follows (all blanks to be properly completed prior to the preparation of the 2008 Bonds):

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Goshen Redevelopment District, 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.]

STATE OF INDIANA UNITED STATES OF AMERICA COUNTY OF ELKHART

GOSHEN REDEVELOPMENT DISTRICT TAXABLE TAX INCREMENT REVENUE BOND OF 20\_\_\_\_\_

INTEREST MATURITY ORIGINAL AUTHENTICATION CUSIP RATE DATE DATE DATE

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Goshen Redevelopment Commission ("Commission"), acting in the name of the City of Goshen, Indiana ("City"), for value received, hereby acknowledges itself indebted and promises to pay, but solely out of Tax Increment (as defined in the hereinafter defined Bond Resolution) and the funds held under the Bond Resolution to the registered owner (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date set forth above (unless paid or redeemed earlier as hereinafter provided), and to pay interest thereon at the rate per annum stated above from the interest date to which interest has been paid next preceding the date of authentication of this Bond from the interest payment date immediately preceding the date of authentication of this Bond unless this Bond is authenticated on or before \_\_\_\_\_, 20\_\_, in which case interest shall be paid from the Original Date, or unless this Bond is authenticated between the fifteenth day preceding an interest payment date and the interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be payable on February 1 and August 1 of each year, commencing \_\_\_\_\_, 20\_\_. Interest shall be calculated on the basis of twelve 30-day months for a 360-day year.

The principal of and premium, if any, on this Bond is payable in lawful money of the United States of America upon presentation at the office of the Paying Agent or at the principal corporate trust office of any successor paying agent appointed under the Bond Resolution. Interest on this Bond shall be paid by check mailed to the registered owner of this Bond at the address as it appears on the registration books kept by the Registrar as of the fifteenth day immediately preceding the interest payment date or at such other address as is provided to the Registrar 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).

THIS BOND DOES NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTES AN OBLIGATION OF THE GOSHEN REDEVELOPMENT

DISTRICT ("DISTRICT") AS A SPECIAL TAXING DISTRICT, IN THE NAME OF THE CITY, PAYABLE SOLELY FROM THE TRUST ESTATE (AS DEFINED IN THE BOND RESOLUTION). NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT OR THE CITY IS PLEDGED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND.

This Bond is one of an authorized issue of bonds of the District of the City with an aggregate principal amount of \$\_\_\_\_\_ designated "Taxable Tax Increment Revenue Bonds of 20\_\_" ("Bonds"). The Bonds are numbered consecutively from R-1 upwards and are issued pursuant to the Bond Resolution adopted by the Goshen Redevelopment Commission ("Commission") on \_\_\_\_\_, 2008 ("Bond Resolution") and in strict compliance with IC 5-1-14, IC 36-7-14, IC 36-7-25 and all related and supplemental acts as in effect on the issue date of the Bonds (collectively, "Act"), to procure funds to be applied to the Costs of the Project (as defined in the Bond Resolution), including issuance expenses of the Bonds [and the repayment of the Redevelopment District Bond Anticipation Notes]. The Project consists of the acquisition of certain real property in, serving or benefiting the River Race Corridor Economic Development Area ("Area"), an economic development area under the Act.

The Bonds are all equally and ratably secured by and entitled to the protection of the Bond Resolution. Additional Bonds and Parity Obligations (as defined in the Bond Resolution) may be issued as described below. To secure payment of the Debt Service (as defined in the Bond Resolution) on the Bonds and performance of all other covenants of the City and the District under the Bond Resolution, the Commission, acting in the name of the City, pursuant to the Bond Resolution, has pledged the Tax Increment and the funds and accounts held under the Bond Resolution to the Bonds. Reference is hereby made to the Bond Resolution for a description of the rights, duties and obligations of the Commission, the District, and the owner of the Bonds, the terms and conditions upon which the Bonds are issued and the terms and conditions upon which the Bonds will be paid at or prior to maturity, or will be deemed to be paid and discharged upon the making of provisions for payment therefor. Copies of the Bond Resolution are on file at the office of the Commission. THE OWNER OF THIS BOND, BY ACCEPTANCE OF THIS BOND, HEREBY AGREES TO ALL OF THE TERMS AND PROVISIONS IN THE BOND RESOLUTION.

The Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_\_\_, are redeemable at the option of the Commission on \_\_\_\_\_ 1, 20\_\_\_\_, in whole or in part, in order of maturity determined by the Commission and by lot within maturities at face value, plus accrued interest to the date fixed for redemption plus the following premiums:

\_\_\_% if redeemed on \_\_\_\_\_ or thereafter  
on or before \_\_\_\_\_;  
0% if redeemed on \_\_\_\_\_ or thereafter  
prior to maturity.

[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>	
<b>DATE</b>	<b>AMOUNT</b>

\*

\* 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 the Registrar in such manner as it deems fair and appropriate. [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 redemption shall be given by the Registrar at least 30 days prior to the date fixed for redemption (unless notice is waived by the Owners of the Bonds) by sending written notice by certified or registered mail to the Owners of the Bonds to be redeemed in whole or in part at the address shown on the registration books of the Registrar. Failure to give such notice by mailing, or any defect therein with respect to any Bond, shall not affect the validity of any proceeding for the redemption of other Bonds. Such notice shall state the redemption date, the redemption price, the amount of accrued interest, if any, payable on the redemption date, the place at which the Bonds are to be surrendered for payment and, if less than the entire principal amount of the Bond is to be redeemed, the portion thereof to be redeemed. By the date fixed for redemption, due provision shall be made with the Registrar for the payment of the redemption price of the Bonds to be redeemed, plus accrued interest, if any, to the date fixed for redemption. When the Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners of such Bonds to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption, provided that funds for their redemption are on deposit at the place of payment at that time.

The Commission reserves the right to authorize and issue additional bonds or enter into leases payable from Tax Increment, ranking on a parity with the Bonds ("Parity Obligations"), for the purpose of raising money for future economic development costs or local public improvements permitted by the Act in the Area or to refund the Bonds, or Parity Obligations as provided in the Bond Resolution. The Bonds, any Parity Obligations are referred to collectively as the "Bonds" as the context may require.

The Commission may, without the consent of, or notice to, the registered owners of this Bond, adopt a supplemental resolution to the Bond Resolution under certain circumstances as described in the Bond Resolution.

The owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in the Bond Resolution to the contrary notwithstanding, to consent to and approve the adoption by the Commission of such supplemental resolutions as shall be deemed necessary and desirable by the Commission for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Resolution or in any supplemental resolution other than those provisions covered by the paragraph above.

This Bond is transferable or exchangeable only upon the books of the Commission kept for that purpose at the office of the Registrar by the Registered Owners as provided in the Bond Resolution.

This Bond shall be issued in fully registered form in the denomination of Five Thousand Dollars (\$5,000) or in any integral multiples thereof.

If this Bond shall have become due and payable in accordance with its terms or shall have been duly called for redemption or irrevocable instructions to call this Bond or a portion thereof for redemption shall have been given, and the whole amount of the principal of and interest so due and payable on this Bond or portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) noncallable, 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case this Bond shall no longer be deemed outstanding or an indebtedness of the District.

It is hereby certified, recited and declared that all acts, conditions and things required to be done precedent to and in the execution, issuance, sale and delivery of this Bond have been properly done, happened and performed in regular and due form as prescribed by law, and that the total indebtedness of the District, including the Bonds, does not exceed any constitutional or statutory limitation of indebtedness.

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

[The Bonds shall be initially in a Book Entry System (as defined in the Bond Resolution). The provisions of this Bond and of the Bond Resolution 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.]

IN WITNESS WHEREOF, the Goshen Redevelopment Commission has caused this Bond to be executed by the manual or facsimile signatures of the Mayor of the City, in the name of the City for and on behalf of the Redevelopment District of the City, and attested by the manual or facsimile signature of the Clerk-Treasurer of the City, who has caused the seal of the City to be impressed or a facsimile thereof to be printed hereon.

CITY OF GOSHEN, INDIANA

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution.

\_\_\_\_\_  
as Registrar and Paying Agent

\_\_\_\_\_  
Authorized Representative

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with  
right of survivorship and  
not as tenants in common

UNIF TRANS MIN ACT - \_\_\_\_\_  
(Cust) (Minor)  
under Uniform Transfers to Minors  
Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

---

(insert name, address and federal tax identification number)

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.

Signature Guaranteed:

---

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.

(End of Bond Form)

(B) Form of Parity Obligations. The form of any Parity Obligations shall be set forth in the resolution approving the issuance of such Parity Obligations.

(C) Form of Notes. The form of the Notes shall be set forth in the Note Purchase Agreement.

SECTION 5. SALE OF THE NOTES AND THE 2008 BONDS.

(A) The Clerk-Treasurer is hereby authorized and directed to sell the Notes to the Note Purchaser at a negotiated sale upon receipt of the purchase price or the initial draw in immediately available funds.

Prior to the delivery of the Notes, the Clerk-Treasurer shall obtain a legal opinion addressed to the Commission as to the validity of the Notes from Ice Miller LLP of Indianapolis, Indiana, bond counsel, and shall furnish such opinion to the Note Purchaser. The cost of such opinion shall be considered as a part of the cost incidental to these proceedings and shall be paid out of the proceeds of the Notes. The Notes shall be sold to the Note Purchaser at a price of not less than 99% of the par value thereof.

All proceeds of the Notes shall be deposited in the Capital Fund and applied to the Costs of the Project.

(B) After completion of all necessary legal requirements for the marketing of the 2008 Bonds, the Clerk-Treasurer is hereby authorized and directed to sell the 2008 Bonds to the Bond Purchaser at a negotiated sale, upon receipt of the purchase price in immediately available funds, pursuant to the terms of the Bond Purchase Agreement. The 2008 Bonds shall be sold to the Bond Purchaser at a price of not less than 99% of par. The Clerk-Treasurer is hereby authorized and directed to deliver the 2008 Bonds to the Bond Purchaser thereof after sale made in accordance with the provisions of this Resolution, provided that at the time of the delivery, the Clerk-Treasurer shall collect the purchase price. The proceeds derived from the sale of the 2008 Bonds shall be and are hereby set aside for application on the Costs of the Project including deposit to the Capital Fund, issuance expenses and the Debt Service Reserve Account.

(C) Prior to the delivery of the 2008 Bonds, the Clerk-Treasurer shall obtain a legal opinion addressed to the Commission as to the validity of the 2008 Bonds from Ice Miller LLP of Indianapolis, Indiana, bond counsel, and shall furnish such opinion to the Bond Purchaser. 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 2008 Bonds.

(D) Accrued interest, if any, received from the sale of the 2008 Bonds shall be deposited in the Bond Principal and Interest Account established under Section 11. Proceeds of the 2008 Bonds in an amount not to exceed the Debt Service Reserve Requirement may at the direction of the Mayor or the Clerk-Treasurer upon advice of the City's financial advisor, be deposited in the Debt Service Reserve Account. An amount sufficient to repay the Notes shall be immediately applied to the payment of the Notes. The remaining proceeds of the 2008 Bonds shall be deposited in the Capital Fund.

SECTION 6. DELIVERY OF INSTRUMENTS. The Commission hereby authorizes and directs the Mayor, the Clerk-Treasurer, and the President and Secretary of the Commission, and each of them, for and on behalf of the City, the Commission and the District, to prepare, execute and deliver any and all instruments, letters, certificates, agreements and documents as the executing official or Ice Miller LLP determines is necessary or appropriate to consummate the transactions contemplated by this Resolution, including the Bond Purchase Agreement and

such determination shall be conclusively evidenced by the execution thereof. The instruments, letters, certificates, agreements and documents, including the Notes and the 2008 Bonds, necessary or appropriate to consummate the transactions contemplated by this Resolution shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission are hereby authorized and directed.

SECTION 7. NOTE PURCHASE AGREEMENT AND BOND PURCHASE AGREEMENT.

(A) The Commission hereby approves the Note Purchase Agreement with terms consistent with this Resolution, by which the Notes are to be sold to the Note Purchaser. The President or Vice President of the Commission is hereby authorized and directed to execute, and the Secretary of the Commission is hereby directed to attest and affix the seal of the City to, the Note Purchase Agreement, with such changes and revisions thereto as they deem necessary or appropriate to consummate the transactions contemplated thereby. Such execution and attestation shall be conclusive evidence of their approval of such changes and revisions. Each Note Purchase Agreement in the form executed shall constitute the valid and binding obligation of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission is hereby authorized and directed.

(B) The Mayor is hereby authorized and directed to execute, and the Clerk-Treasurer of the City is hereby authorized and directed to attest and affix the seal of the City to, the Bond Purchase Agreement, in a form consistent with this Resolution. The Bond Purchase Agreement in the form executed shall constitute the valid and binding obligation of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission is hereby authorized and directed.

SECTION 8. INVESTMENT LETTERS, OFFICIAL STATEMENT AND CONTINUING DISCLOSURE.

(A) The Mayor and the President or Vice President of the Commission are authorized and directed to obtain an investment letter from the Note Purchaser to the effect that by acceptance of the Notes, the Note Purchaser is deemed to have consented to all the terms and provisions of this Resolution and represents that:

(1) [It is a bank as defined in Section (3)(a)(2) of the Securities Act of 1933, as amended.] It is a sophisticated investor and is familiar with securities such as the Notes.

(2) It is familiar with the City, the Commission and the District; it has received and read such information concerning the City, the Commission, the District, the Notes, the 2008 Bonds and the Tax Increment as it deems to be necessary in connection with investment in the Notes. It has received, read and had an opportunity to comment upon this Resolution. Prior to the purchase of the Notes, it has been provided with the opportunity to ask questions of and receive answers from the representatives of the City, the District and the Commission concerning the terms and conditions of the Notes, legal

opinions and enforceability of remedies and the security therefor, pending litigation concerning property tax assessment issues and the tax status of the Notes, and the security therefor, and to obtain any additional information needed in order to verify the accuracy of the information obtained to the extent that the City, the District or the Commission possesses such information or can acquire it without unreasonable effort or expense. It is not relying on Ice Miller LLP, Barkes Kolbus & Rife, LLP or H.J. Umbaugh & Associates, Certified Public Accountants, LLP for information concerning the financial status of the City or the Commission or the ability of the City or the Commission to honor their respective obligations or other covenants under this Bond Resolution.

(3) It is acquiring the Notes for its own account with no present intent to resell, and that it will not sell, convey, pledge or otherwise transfer the Notes without prior compliance with applicable requirements of state and federal laws, including laws concerning disclosure. It acknowledges and understands that the owners of the Notes cannot reasonably rely on the repayment of the Notes from any source other than proceeds of the 2008 Bonds and that it understands that the 2008 Bonds are payable solely from Tax Increment and funds held under this Bond Resolution. It also understands that the Commission has reserved the right to issue additional bonds or enter into leases on a parity with the 2008 Bonds.

(4) It has investigated the security for the Notes, including the availability of the proceeds of the 2008 Bonds and the Tax Increment to its satisfaction and it understands that neither the City, the District nor the Commission has the authority to levy a tax to pay the principal of or interest on the 2008 Bonds and that there is no debt service reserve securing the Notes.

(5) It understands that interest on the Notes is taxable for federal income tax purposes.

(B) Distribution of an Official Statement (preliminary and final) prepared by H.J. Umbaugh & Associates, Certified Public Accountants, LLP on behalf of the Commission and the City, is hereby approved and the President or Vice President of the Commission is authorized and directed to execute the Official Statement on behalf of the Commission and City in the form consistent with this resolution. The Mayor or the Clerk-Treasurer 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.

If an Official Statement is not required, upon delivery of the 2008 Bonds, the City shall obtain an investment letter from the Bond Purchaser which satisfies the federal and state securities laws applicable to the 2008 Bonds.

(C) The President of the Commission is hereby authorized to execute and deliver a continuing disclosure undertaking agreement upon delivery of the 2008 Bonds ("Continuing Disclosure Agreement"). The Commission covenants, to the extent permitted by law, that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution, failure of the Commission to comply

with the Continuing Disclosure Agreement shall not be considered an event of default hereunder. If the Commission fails to comply with the Continuing Disclosure Agreement, the sole remedy available for such failure shall be for the specific performance of the Commission's obligations under this section and the Continuing Disclosure Agreement and there shall be not remedies for money damages of any kind or in any amount. This remedy shall be available solely to owners of the Bonds. The Commission's failure to honor its covenant herein shall not constitute a breach or default under this Resolution or any other agreement to which the Commission is party. The remedy set forth in this Section 8(C) may be exercised by any holder of the Bonds in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person in a holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy. Prior to pursuing any remedy under this Section 8(C), a holder of Bonds shall give notice to the Commission, via registered or certified mail, of such breach and its intent to pursue such remedy. Fifteen (15) days after mailing of such notice, and not before, a holder of Bonds may pursue such remedy under this Section 8(C).

Deleted: (B)(2)

Deleted: (B)(2)

Deleted: (B)(2)

**SECTION 9. EXECUTION OF THE NOTES AND THE 2008 BONDS.** The Mayor of the City is hereby authorized and directed to execute the Notes and the 2008 Bonds with his or her manual or facsimile signature and the Clerk-Treasurer is hereby authorized and directed to have the Notes and the 2008 Bonds prepared, attest the Notes and the 2008 Bonds with his or her manual or facsimile signature, and cause the seal of the City to be impressed or a facsimile thereof to be printed on the Notes and the 2008 Bonds, respectively, all in the form and manner herein provided. If any officers whose signature or facsimile signature shall appear on the Notes or the 2008 Bonds shall cease to be such officer before the delivery of the Notes or the 2008 Bonds, respectively, such signature shall nevertheless be used and sufficient for all purposes the same as if such officer had remained in office until the date of delivery of the Notes or the 2008 Bonds, respectively, even though such officer may not have been so authorized or have held such office. Upon the consummation of the sale of the Notes or the 2008 Bonds, the Clerk-Treasurer shall receive from the Bond Purchaser the amount to be paid for the Notes or the 2008 Bonds, respectively, and deliver the Notes or the 2008 Bonds to the Note Purchaser or the Bond Purchaser, respectively.

**SECTION 10. REDEVELOPMENT DISTRICT CAPITAL FUND.**

(A) The Redevelopment District Capital Fund is established pursuant to IC 36-7-14-26. Proceeds of the 2008 Bonds deposited in the Capital Fund shall be deposited in a separate account of the Commission, acting in the name of the City, and kept separate and apart from all other funds of the City, the Commission and the District and may be invested only in Qualified Investments as permitted by law. The Clerk-Treasurer shall administer the moneys in the Capital Fund in accordance with this Resolution. The proceeds in the Capital Fund and investment earnings on amounts in the Capital Fund shall be expended only to pay the Costs of the Project and Debt Service on the 2008 Bonds.

(B) Before the eleventh day of each calendar month, the Clerk-Treasurer shall notify the Commission of the amount in the Capital Fund at the close of business on the last day of the preceding month.

(C) The Clerk-Treasurer shall disburse from the Capital Fund the amount required for the payment of the remaining Costs of the Project upon the receipt of duly authorized claims filed in accordance with Indiana law and approved by the Commission.

(D) If, after payment of all claims tendered under the provisions of this Section, any funds shall remain in the Capital Fund, the Clerk-Treasurer shall transfer all moneys then in the Capital Fund (except moneys reserved to pay any disputed or unpaid claims), as directed by the Mayor and the Commission, to the Bond Principal and Interest Account to pay principal and interest on the Notes, Debt Service on the 2008 Bonds, to fund or replenish the Debt Service Reserve Account, or, as directed by the Commission, for the same purpose or type of project for which the 2008 Bonds were issued, in accordance with IC 5-1-13, as amended from time to time.

#### SECTION 11. FLOW OF FUNDS.

##### (A) Creation of Funds and Accounts.

(1) The Allocation Fund created by the Act is hereby created and within which the Bond Principal and Interest Account, the Debt Service Reserve Account and the General Account are hereby created. The Allocation Fund and the Accounts created thereunder shall be held by the Clerk-Treasurer. All Tax Increment shall immediately upon receipt by the City be set aside in the following Funds and Accounts, in the following order of priority and to the extent indicated below:

- (a) Bond Principal and Interest Account;
- (b) Debt Service Reserve Account; and
- (c) General Account.

Tax Increment shall be held in trust and pledged for the benefit of the owners of the Bonds, and shall be applied, used and withdrawn only for the purposes authorized in this Section 11.

(2) The Tax Increment and amounts in the Allocation Fund shall be invested in Qualified Investments at the direction of the Clerk-Treasurer. Interest earned in each fund or account shall be credited to such fund or account.

##### (B) Bond Principal and Interest Account.

(1) Upon each distribution of Tax Increment, there shall immediately be set aside from the Allocation Fund and deposited into the Bond Principal and Interest Account, an amount sufficient, taking into account moneys already on deposit in the Bond Principal and Interest Account, to pay interest and principal due on the Bonds on the next February 1 or August 1. No deposit need be made to the Bond Principal and Interest Account to the extent that the amount contained therein is at least equal to the principal and interest becoming due and payable on all outstanding Bonds on the next February 1 or August 1. All money in the Bond Principal and Interest Account shall be used and withdrawn solely for the purpose of paying Debt Service on the 2008 Bonds as

they shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(C) Debt Service Reserve Account. Upon issuance of the Bonds, proceeds of the Bonds, surety bond, funds on hand or a combination thereof, in an amount not to exceed the Debt Service Reserve Requirement shall be deposited in the Debt Service Reserve Account. After making the deposits to the Bond Principal and Interest Account described in (B), any remaining Tax Increment shall be deposited in the Debt Service Reserve Account over a period not to exceed five (5) years until the balance equals the Debt Service Reserve Requirement. Moneys deposited and maintained in the Debt Service Reserve Account shall be applied to the payment of the principal of and interest on the Bonds to the extent that amounts in the Bond Principal and Interest Account and the General Account are insufficient to pay Debt Service when due and payable. If moneys in the Debt Service Reserve Account are transferred to the Bond Principal and Interest Account to pay Debt Service on the Bonds, the depletion of the balance in the Debt Service Reserve Account shall be made up from any moneys in the General Account and from the next available Tax Increment after the required deposits to the Bond Principal and Interest Account are made. Any moneys in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement shall be deposited in the General Account and applied as set forth in subsection (D).

The Commission, upon the advice of its financial advisor, hereby finds that funding the Debt Service Reserve Account is reasonably required and that the Debt Service Reserve Requirement is no larger than necessary to market the Bonds. The Commission further finds that the Debt Service Reserve Requirement is directly related to the Project because the Bonds could not be issued to fund the Project without the Debt Service Reserve Account.

The debt service reserve requirement, if any, for any Parity Obligations shall be set forth in the resolution authorizing the Parity Obligations.

(D) General Account. After making the deposits described in (A), (B) and (C) any remaining Tax Increment shall be deposited in the General Account of the Allocation Fund and shall be available in the following order of priority:

- (1) to pay Debt Service due on the Bonds;
- (2) to fund or replenish the Debt Service Reserve Account;
- (3) to pay debt service due on any subordinate obligations;
- (4) at the option of the Commission, to pay, or reimburse the City for, the costs of acquiring or constructing additional local public improvements in serving or benefiting the Areas;
- (5) at the option of the Commission, to redeem or purchase the Bonds prior to maturity; or
- (6) for any other purposes permitted by the Act, including distributions to the taxing units as provided under the Act.

(E) No Prior Liens. The Commission, acting in the name of the City, represents and warrants that, there are no prior liens, encumbrances or other restrictions on the Tax Increment, or on the City's ability to pledge the Tax Increment for the benefit of the owners of the Notes or Owners of the Bonds.

## SECTION 12. ISSUANCE OF ADDITIONAL BONDS.

(A) Parity Notes. The Commission reserves the right to authorize and issue Notes on a parity with the Notes for the purpose of raising money to complete the Project, to refund the Notes or for any other purposes permitted by the Act. Except as provided in this Resolution, the terms and conditions of any parity notes shall be set forth in the resolution authorizing the issuance of such parity notes.

(B) Parity Obligations. The Commission reserves the right to authorize and issue Parity Obligations of the Commission, acting in the name of the City, payable from Tax Increment, for the purpose of raising money for future local public improvements or redevelopment projects in, serving or benefiting the Area or to refund the Bonds or other Parity Obligations. If any Parity Obligations are issued pursuant to this Section 12, the term "Bonds" in this Bond Resolution shall, unless the context otherwise requires, be deemed to refer to the Bonds and such Parity Obligations. The authorization and issuance of such Parity Obligations, which shall be payable from Tax Increment, shall be subject to the following conditions precedent:

(1) All interest and principal payments with respect to all obligations payable from the Tax Increment shall be current to date in accordance with the terms thereof, with no payment in arrears.

(2) For Parity Obligations payable from Tax Increment without a special benefits tax levy under IC 36-7-14-27, other property tax levy or a pledge of local option income taxes, the Commission shall have received a certificate prepared by an independent, qualified accountant ("Certifier") certifying the amount of Tax Increment estimated to be received in each succeeding year, adjusted as provided below, which estimated amount shall be at least equal to one hundred twenty-five percent (125%) of the lease rental and debt service requirements with respect to the outstanding Bonds and the proposed Parity Obligations for each respective year during the term of the outstanding Bonds. In estimating the Tax Increment to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or estimated to be assessed as of the assessment date immediately preceding the issuance of the Parity Obligations; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real property tax abatements granted to property owners in the Allocation Area. If the Parity Obligations are also payable from a special benefits tax levy, another property tax levy or a pledge of local option income taxes, the test in this paragraph (2) does not need to be met.

(3) Principal of any Parity Obligations or junior obligations and lease rentals on Parity Obligations that are leases shall be payable semiannually on February 1 and August 1 and interest shall be payable semiannually on February 1 and August 1.

(C) Subordinate Obligations. The Commission, acting in the name of the City, may issue bonds or other obligations or enter into leases which are junior and subordinate to the Bonds as to the pledge of Tax Increment. The terms and conditions of such subordinate obligations will be set forth in a resolution adopted by the Commission. Principal of and interest on any subordinate obligations and lease rentals shall be payable on January 15 and July 15 or February 1 and August 1 out of Tax Increment as set forth in Section 11.

#### SECTION 13. CONTRACTUAL NATURE OF THIS RESOLUTION.

(A) The provisions of this Resolution shall constitute a contract by and between the Commission, acting in the name of the City, and the Owners of the 2008 Bonds and the owners of the Notes. After the issuance of the 2008 Bonds, this Resolution, and the definition of, or the manner of determining, allocating or collecting the Tax Increment or the lien created by this Resolution, shall not be repealed, amended or impaired in any respect which will adversely affect the rights of Owners of the 2008 Bonds or the owners of the Notes (except as specifically permitted in Sections 15 and 16), nor shall the Commission adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Notes or the 2008 Bonds remains unpaid.

(B) (1) The Commission, acting in the name of the City, covenants not to impair the pledge of the Tax Increment to the payment of the 2008 Bonds, so long as any of the Notes or the 2008 Bonds are outstanding, or to impair any other pledge or covenant under this Resolution during that period.

(2) The Commission further covenants not to change, alter or diminish the Allocation Area in any way that would adversely affect the Owners of the 2008 Bonds or the owners of the Notes so long as any of the Notes or the 2008 Bonds remain outstanding or to grant any tax abatements on property in the Allocation Area on any property used in the projections of Tax Increment prepared at the time of the issuance of the Notes or the 2008 Bonds other than tax abatements shown in those projections.

#### SECTION 14. DEFEASANCE OF THE BONDS.

(A) If, when the 2008 Bonds or a portion 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 2008 Bonds or a portion thereof for redemption shall have been given, and the whole amount of the Debt Service so due and payable upon the 2008 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of, and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case the

2008 Bonds or such portion thereof shall no longer be deemed outstanding or an indebtedness of the Commission, acting in the name of the City. If no principal of or interest on the 2008 Bonds or any subordinate obligations is outstanding, any remaining funds (including Tax Increment) shall be used as provided in IC 36-7-14-39 or any successor provision.

(B) No deposit under this Section shall be made or accepted under this Section and no use made of any such deposit unless the Commission shall have received a verification from an accountant or firm of accountants appointed by the Clerk-Treasurer and acceptable to the Commission verifying the sufficiency of the deposit to pay the principal of the 2008 Bonds to the due date, whether such due date be by reason of maturity or upon redemption.

SECTION 15. AMENDING SUPPLEMENTAL RESOLUTION. The Commission may, without the consent of, or notice to, the Owners of the 2008 Bonds or owners of the Notes, adopt a supplemental resolution for any one or more of the following purposes:

(A) To cure any ambiguity or formal defect or omission in this Resolution;

(B) To grant to or confer upon the Owners of the 2008 Bonds any additional benefits, security, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the owners of the Owners of the 2008 Bonds;

(C) To modify, amend or supplement this Resolution 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 or the qualification of this Resolution under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect if such modification, amendment or supplement will not have a material adverse effect on the Owners of the 2008 Bonds;

(D) To provide for the refunding or advance refunding of all or a portion of the 2008 Bonds;

(E) To amend the Resolution to permit the Commission, acting in the name of the City, to comply with any future federal tax law or any covenants contained in any supplemental resolution with respect to compliance with future federal tax law;

(F) To provide for the issuance of Parity Obligations or subordinate obligations;

(G) To subject to the Bond Resolution additional revenues, security, properties or collateral; and

(H) To amend the Resolution for any other purpose which in the judgment of the Commission does not adversely affect the interests of the Owners of the 2008 Bonds in any material way.

SECTION 16. CONSENT TO SUPPLEMENTAL RESOLUTIONS.

(A) The owners of the Notes or the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time,

anything contained in the Resolution to the contrary notwithstanding, to consent to and approve the adoption by the Commission of such supplemental resolutions as shall be deemed necessary and desirable by the Commission for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any supplemental resolution other than those provisions covered by Section 14; provided however, that nothing in this Section contained shall permit, or be construed as permitting, without the consent of the owners of all the then outstanding Bonds affected, (a) an extension of the maturity of the principal of and interest on any Bonds payable from Tax Increment, or (b) a reduction in the principal amount of any Bond or change in the rate of interest or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, or (e) a change in the provisions regarding the collection, deposit, and allocation of Tax Increment as set forth in IC 36-7-14-39 as in effect on the date of the issuance of the Bonds and in the Bond Resolution or in the lien on the Tax Increment for any Bonds, or (f) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds at any time outstanding hereunder, or (g) a reduction in the Debt Service Reserve Requirement, or (h) a change in the method of accrual of interest on any Bonds.

(B) If at any time the Commission desires to adopt a supplemental resolution for any of the purposes permitted in this Section, the Commission shall cause notice of the proposed adoption of such supplemental resolution to be mailed by registered or certified mail to each owner of the Notes or Owners of the Bonds at the address shown on the registration books maintained by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that copies of it are on file at its office for inspection by all owners of the Notes or Owners of the Bonds. If, within 60 days, or such longer period as shall be prescribed by the Commission, following the mailing of such notice, the owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental resolution shall have consented to and approved the execution of such supplemental resolution, no subsequent owners of the Notes or Owners of the Bonds shall have any right 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 Commission from adopting the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any such supplemental resolution as is permitted and provided by this Section, this Resolution shall be and be deemed to be modified and amended in accordance therewith.

(C) Any consent, request, direction, approval, objection or other instrument required by this Resolution to be signed and executed by the owners of the Notes or Owners of the Bonds, may be in any number or concurrent writings of similar tenor and may be signed or executed by the owners of the Notes or Owners of the Bonds, in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of the Notes or the Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, and shall be conclusive in favor of the City with regard to any action taken by it or them under such request or other instrument, namely:

(1) The fact and date of the execution by any person of any such writing may be proved (a) by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or (b) by an affidavit of any witness to such execution.

(2) The fact of ownership of the Notes and the Bonds or the amount or amounts, numbers and other identification of the Notes and the Bonds, and the date of holding the same shall be proved by the registration books maintained by the Registrar.

#### SECTION 17. EVENTS OF DEFAULT.

(A) If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(1) Default in the due and punctual payment of any interest on any Note or Bond;

(2) Default in the due and punctual payment of the principal of any Note or Bond at its stated maturity or mandatory redemption date; or

(B) (1) Upon the occurrence of an Event of Default, the Clerk-Treasurer shall notify the owners of the Notes or the Owners of all Bonds then outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies:

(a) The Owners of the Bonds may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Notes or Bonds then outstanding.

(b) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Owners under this Resolution, the Owners of the Bonds will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Tax Increment and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

(c) If the Paying Agent certifies that there is sufficient money on deposit in the funds and accounts under this Resolution to pay principal and interest on the Notes or Debt Service on all the outstanding Bonds, the Clerk-Treasurer may declare the principal of and accrued interest on all Notes or Bonds to be due and payable immediately in accordance with this Resolution.

(d) The Clerk-Treasurer may use any money in the Capital Fund or the Allocation Fund to pay principal and interest on the Notes or Debt Service on the 2008 Bonds if there is an Event of Default.

(2) No right or remedy by the terms of this Resolution conferred upon or reserved to the owners of the Notes or the Owners of the Bonds is intended to be

exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the owners of the Notes or the Owners of the Bonds hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

(3) No delay or omission to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

(4) No waiver of any Event of Default shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

(C) Anything in this Resolution to the contrary notwithstanding, the owners of a majority in aggregate principal amount of the outstanding Notes and the Owners of a majority in aggregate principal amount of the outstanding Bonds shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Clerk-Treasurer, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Resolution.

(D) (1) All money received hereunder pursuant to any right or remedy given or action taken upon occurrence of an Event of Default under this Resolution shall, after payment of the costs and expenses of the proceedings resulting in the collection of such money and of the expenses, liabilities and advances incurred or made hereunder, be deposited in the Bond Principal and Interest Account and all such money shall be applied to the Notes or the Bonds as follows, as the case may be:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due on the Notes or the Bonds, including interest on any past due principal of any Bond at the rate borne by such Note or Bond, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto without any discrimination or privilege;

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Notes or the Bonds which shall have become due at maturity, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of the Notes or Bonds due on any particular date, together with such interest, then to such payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD, to be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Notes or the Bonds which may thereafter become due at maturity and, if the amount available shall not be sufficient to pay in full the principal of and interest on the Notes or the Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege.

(2) Whenever moneys are to be applied pursuant to the provisions of this subsection, such money shall be applied at such times, and from time to time, as the Clerk-Treasurer shall determine, having due regard for the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. Whenever the Clerk-Treasurer shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Registrar shall establish a special record date for such payments and shall mail, at least 15 days prior to such special record date, such notice as it may deem appropriate of the deposit with it of any such money and of the fixing of any such date. The Paying Agent shall not be required to make payment of principal to the owner of any Notes or the Owner of any Bond until such Bond shall be presented to the Paying Agent for appropriate endorsement or for cancellation if fully paid.

(3) Whenever all principal of and interest on all Notes and all Bonds have been paid under the provisions of this subsection and all expenses and charges have been paid, any balance remaining in the Bond Principal and Interest Account, the Debt Service Reserve Account or the General Account of the Notes or Owner of the Bonds shall be paid as provided in Section 11.

(E) Any recovery of judgment shall be for the equal and ratable benefit of the owners of all the outstanding Notes and Bonds.

Nothing in this Section contained shall, however, affect or impair the right of any owner, which is absolute and unconditional, to enforce the payment of the principal of and redemption premium, if any, and interest on its Notes or Bonds out of the Tax Increment and the funds and accounts under this Resolution, or the obligation of the Commission to pay the same, at the time and place expressed in the Notes or Bonds.

SECTION 18. NOTICES. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed to the appropriate Notice Addresses. The City, the Commission, or the Registrar and Paying Agent may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 19. BUSINESS DAYS. In any case where the date of a principal payment of the Bonds or the date fixed for redemption of any portion of the Bonds shall be a Saturday, Sunday or a day on or the city in which the office of the Registrar and Paying Agent is located

are required or authorized by law to close, then payment of principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption.

SECTION 20. SEVERABILITY. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 21. REPEAL OF CONFLICTING PROVISIONS. All resolutions, ordinances and orders, or parts thereof, in conflict with the provision of this Resolution, are, to the extent of such conflict, hereby repealed or amended.

SECTION 22. EFFECTIVE DATE. This Resolution shall be in full force and effect immediately upon its passage and signing. The Secretary of the Commission is hereby directed to deliver a certified copy of this Resolution to the Clerk-Treasurer.

Adopted at the meeting of the Goshen Redevelopment Commission held on the 27<sup>th</sup> day of February, 2008, at Goshen, Indiana.

GOSHEN REDEVELOPMENT COMMISSION

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

## EXHIBIT A

### Project Description

1. Real estate acquisition in an area between Douglas Street on the south, the mill race to the west, Third Street to the east and Washington Street to the north. Also the NIPSCO property located at 315W. Washington Street.
2. Environmental assessments of real estate that the Redevelopment Commission seeks to acquire.
3. Remediation of contamination on real estate acquired.
4. Engineer and construct repairs to the Mill Race to stabilize the race, to increase water flow through the race and to improve aesthetics of the race, race bank and the surrounding area.
5. Design and construct infrastructure improvements as follows:
  - a. streets and roads
  - b. intersection improvements
  - c. traffic control devices
  - d. bridges
  - e. water and sewer mains
  - f. lift stations
  - g. underground utility conduits
  - h. street lighting
  - i. sidewalks
  - j. fire hydrants
  - k. storm drainage facilities
  - l. landscaping
6. Professional fees and expenses connected with the projects
7. Parking facilities located in or serving the River Race allocation area.

Commissioner Stark moved to amend the Resolution as requested by City Attorney Barkes. Second by Commissioner Oyer and the motion passed unanimously. The motion to approve the resolution was then passed unanimously.

- c. Resolution 16-2008 - Bond Resolution (Keystone I, Keystone II & Century Drive. Director Puro stated that the bond issue was needed to complete the construction projects in the Keystone I, Keystone II and Century Drive TIFS on a timely basis. Todd Samuelson stated that the

provisions in this bond issue mirror the provisions in the River Race bond resolution. Commissioner Oyer moved to pass the resolution which was seconded by Commissioner Stutsman. City Attorney Barkes noted that housekeeping changes needed to be made to this resolution as follows:

GOSHEN REDEVELOPMENT COMMISSION

RESOLUTION NO. 16-2008  
BOND RESOLUTION

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GOSHEN REDEVELOPMENT COMMISSION

RESOLUTION NO. 16-2008

BOND RESOLUTION

WHEREAS, IC 36-7-14 and IC 36-7-25 and all related and supplemental statutes as in effect on the issue date of the Notes (defined below) and the Bonds (defined below) including IC 5-1-14 (collectively, "Act") authorize the Redevelopment Commission ("Commission") of the City of Goshen, Indiana ("City") to establish an economic development area and to establish an allocation area within an economic development area providing for the distribution of property tax revenues generated within the allocation area;

WHEREAS, the Commission, on February 10, 2003, adopted a Declaratory Resolution (No. 3-2003) ("2003 Keystone I Declaratory Resolution"), establishing an economic development area and an allocation area coterminous with the economic development area known as the Keystone Economic Development Area ("Keystone I Area"), and, after a public hearing on May 12, 2003, the 2003 Keystone I Declaratory Resolution was confirmed by a Confirmatory Resolution (No. 9-2003) adopted by the Commission ("2003 Keystone I Confirmatory Resolution");

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WHEREAS, the Commission, on August 10, 2004 adopted an Amending Declaratory Resolution (No. 8-2004) ("2004-2005 Keystone I Amending Declaratory Resolution"), enlarging the Keystone I Area by more than 20% and amending the economic development plan, and, after a public hearing on February 8, 2005, the 2004-2005 Keystone I Amending Declaratory Resolution was confirmed by an Amending Confirmatory Resolution (No. 02-2005) adopted by the Commission ("2004-2005 Keystone I Amending Confirmatory Resolution");

WHEREAS, the Commission, after a public hearing on May 10, 2005, adopted an Amending Resolution amending the economic development plan for the Keystone I Area (No. 13-2005) ("2005 Keystone I Amending Resolution");

WHEREAS, the Commission, on February 13, 2007, adopted an Amending Declaratory Resolution (No. 13-2007) ("2007 Keystone I Amending Declaratory Resolution") enlarging the Keystone I Area by less than 20% and amending the economic development plan, and, after a public hearing on March 13, 2007, the 2007 Keystone I Amending Declaratory Resolution was confirmed by an Amending Confirmatory Resolution (No. 18-2007) adopted by the Commission ("2007 Keystone I Amending Confirmatory Resolution");

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WHEREAS, the 2003 Keystone I Declaratory Resolution, the 2003 Keystone I Confirmatory Resolution, the 2004-2005 Keystone I Amending Declaratory Resolution, the 2004-2005 Keystone I Amending Confirmatory Resolution, the 2005 Keystone I Amending Resolution, the 2007 Keystone I Amending Declaratory Resolution, and the 2007 Keystone I Amending Confirmatory Resolution are hereinafter collectively referred to as the "Keystone I Resolution";

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WHEREAS, pursuant to the Keystone I Resolution, the Commission approved an economic development plan for the Keystone I Area ("Keystone I Area Plan");

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WHEREAS, pursuant to the Keystone I Resolution and the Keystone I Area Plan, the Commission designated the entire Keystone I Area as an allocation area ("Keystone I Allocation Area") for purposes of capturing incremental ad valorem real property tax revenues levied and collected in the Keystone I Allocation Area to pay lease rentals and debt service on bonds issued to finance the economic development projects described below and to pay certain other costs permitted by the Act and this Resolution;

WHEREAS, the Keystone I Resolution provides for the capture of all property taxes on the incremental assessed value of real property in the Keystone I Allocation Area ("Keystone I Tax Increment");

WHEREAS, the Commission selected an economic development area within the jurisdiction of the Elkhart County ("County") Redevelopment Commission ("County Area");

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WHEREAS, the Board of Commissioners of the County did on February 18, 2003 assign the County Area to the jurisdiction of the Commission;

WHEREAS, the Commission, on February 25, 2003, adopted a Declaratory Resolution (No. 05-2003) ("2003 Keystone II Declaratory Resolution") establishing an economic development area and an allocation area coterminous with the economic development area consisting of the County Area known as the Keystone Economic Development Area, County of Elkhart, Indiana ("Keystone II Area"), and after a public hearing on May 12, 2003, the 2003 Keystone II Declaratory Resolution was confirmed by a Confirmatory Resolution (No. 10-2003) adopted by the Commission ("2003 Keystone II Confirmatory Resolution");

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WHEREAS, the Commission, after a public hearing on June 28, 2004, adopted an Amending Resolution amending the economic development plan for the Keystone II Area (No. 07-2004) ("2004 Keystone II Amending Resolution");

WHEREAS, the Commission, after a public hearing on May 10, 2005, adopted an Amending Resolution amending the economic development plan for the Keystone II Area (No. 14-2005) ("2005 Keystone II Amending Resolution");

WHEREAS, the 2003 Keystone II Declaratory Resolution, the 2003 Keystone II Confirmatory Resolution, the 2004 Keystone II Amending Resolution, and the 2005 Keystone II Amending Resolution, are hereinafter collectively referred to as the "Keystone II Resolution";

WHEREAS, pursuant to the Keystone II Resolution, the Commission approved an economic development plan for the Keystone II Area ("Keystone II Area Plan");

WHEREAS, pursuant to the Keystone II Resolution and the Keystone II Area Plan, the Commission designated the entire Keystone II Area as an allocation area ("Keystone II Allocation Area") for purposes of capturing incremental ad valorem real property tax revenues levied and collected in the Keystone II Allocation Area ("Keystone II Tax Increment") to pay lease rentals and debt service on bonds issued to finance the economic development projects described below and to pay certain other costs permitted by the Act and this Resolution;

WHEREAS, the Keystone II Resolution provides for the capture of all Keystone II Tax Increment in the Keystone II Allocation Area;

WHEREAS, the Commission, on February 10, 2003 adopted a Declaratory Resolution (No. 2-2003) ("2003 Century Drive Declaratory Resolution"), establishing an economic development area and an allocation area coterminous with the economic development area known as the Century Drive Economic Development Area ("Century Drive Area"), and, after a public hearing on May 12, 2003, the 2003 Century Drive Declaratory Resolution was confirmed by a Confirmatory Resolution (No. 8-2003) adopted by the Commission ("2003 Century Drive Confirmatory Resolution");

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WHEREAS, the Commission, on July 13, 2004 adopted an Amending Declaratory Resolution (No. 9-2004) ("2004-2005 Century Drive Amending Declaratory Resolution"), enlarging the Century Drive Area by more than 20% and amending the economic development plan, and, after a public hearing on February 8, 2005, the 2004-2005 Century Drive Amending Declaratory Resolution was confirmed by an Amending Confirmatory Resolution (No. 03-2005) adopted by the Commission ("2004-2005 Century Drive Amending Confirmatory Resolution");

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WHEREAS, the Commission, after a public hearing on May 10, 2005, adopted an Amending Resolution amending the economic development plan for the Century Drive Area (No. 12-2005) ("2005 Century Drive Amending Resolution");

WHEREAS, the Commission, on February 27, 2006, adopted an Amending Declaratory Resolution (No. 12-2006) ("2006-2007 Century Drive Amending Declaratory Resolution") further enlarging the Century Drive Area by less than 20% and, after a public hearing on February 13, 2007, the 2006-2007 Century Drive Amending Declaratory Resolution was confirmed by an Amending Confirmatory Resolution (No. 11-2007) adopted by the Commission ("2006-2007 Century Drive Amending Confirmatory Resolution");

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WHEREAS, the 2003 Century Drive Declaratory Resolution, the 2003 Century Drive Confirmatory Resolution, the 2004-2005 Century Drive Amending Declaratory Resolution, the 2004-2005 Century Drive Amending Confirmatory Resolution, the 2005 Century Drive Amendatory Resolution, the 2006-2007 Century Drive Amending Declaratory Resolution, and the 2006-2007 Century Drive Amending Confirmatory Resolution are hereinafter collectively referred to as the "Century Drive Resolution";

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WHEREAS, pursuant to the Century Drive Resolution, the Commission approved an economic development plan for the Century Drive Area ("Century Drive Plan");

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WHEREAS, pursuant to the Century Drive Resolution and the Century Drive Plan, the Commission designated the entire Century Drive Area as an allocation area ("Century Drive Allocation Area") for purposes of capturing incremental ad valorem real property tax revenues levied and collected in the Century Drive Allocation Area ("Century Drive Tax Increment") to pay lease rentals and debt service on bonds issued to finance the economic development projects described below and to pay certain other costs permitted by the Act and this Resolution;

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WHEREAS, the Century Drive Resolution provides for the capture of all Century Drive Tax Increment in the Century Drive Allocation Area;

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WHEREAS, the Keystone I Area, the Keystone II Area and the Century Drive Area are hereinafter collectively referred to as the "Areas":

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WHEREAS, the Keystone I Allocation Area, the Keystone II Allocation Area and the Century Drive Allocation Area are hereinafter collectively referred to as the "Allocation Areas":

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WHEREAS, Keystone I Tax Increment, Keystone II Tax Increment and Century Drive Tax Increment are hereinafter collectively referred to as "Tax Increment":

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WHEREAS, IC 36-7-14-39.5 provides for an additional credit for property taxes in the Allocation Areas payable from Tax Increment, which credit may be eliminated or reduced by resolution of the Common Council upon recommendation of the Commission;

WHEREAS, the Common Council has taken no action to provide that the additional credit under IC 36-7-14-39.5 does not apply in the Allocation Areas;

WHEREAS, the Commission has found and determined that: (i) the planning, replanning, development, and redevelopment of the Areas is a public and governmental function that cannot be accomplished through the ordinary operations of private enterprise; (ii) the planning, replanning, development and redevelopment of the Areas would benefit the public health, safety, morals, and welfare in, increase the economic well-being of, and serve to protect and increase property values in the City and the State of Indiana and would be of public utility and benefit; and (iii) the planning, replanning, development and redevelopment of the Areas are public uses and purposes for which money may be spent;

WHEREAS, the Commission finds that there are now outstanding bonds of the City payable out of Tax Increment designated: (i) "Sewage Works Revenue Bonds of 2003," dated September 24, 2003 ("Sewage Works Bonds"), now outstanding in the amount of \$685,000, and maturing annually over a period ending January 1, 2018 authorized by ordinance ("Sewage Works Ordinance"); (ii) "Waterworks Revenue Bond of 2003" dated September 24, 2003 ("Waterworks Bonds"), now outstanding in the amount of \$500,000, and maturing annually over a period ending January 1, 2018 authorized by ordinance ("Waterworks Ordinance"), which Waterworks Bonds rank on a parity with the Sewage Works Bonds; (iii) "Redevelopment District Bonds of 2005, Series A," dated September 14, 2005 ("2005 Bonds"), now outstanding in the amount of \$2,620,000, and maturing annually over a period ending January 1, 2025 authorized by resolution ("2005 Bond Resolution"); and (iv) "Redevelopment District Bonds of 2006, Series B," dated June 27, 2006 ("2006 Bonds"), now outstanding in the amount of \$3,180,000, and maturing annually over a period ending January 1, 2019 authorized by the 2005 Bond Resolution;

WHEREAS, the Sewage Works Ordinance and the Waterworks Ordinance are hereinafter collectively referred to as the "Existing Ordinances":

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WHEREAS, the 2005 Bond Resolution permits the issuance of additional obligations on a parity with the 2005 Bonds and the 2006 Bonds under certain conditions and the City, based on the advice of its financial advisors, has determined that such conditions can be met;

WHEREAS, the Commission adopted a resolution on August 12, 2004 pledging Keystone I Tax Increment and Keystone II Tax Increment to the Sewage Works Bonds and the Waterworks Bonds ("Pledge Resolution");

WHEREAS, the Pledge Resolution permits the issuance of additional obligations on a parity with the pledge of Keystone I Tax Increment and Keystone II Tax Increment to the Sewage Works Bonds and the Waterworks Bonds under certain conditions and the Commission, based on the advice of its financial advisors, has determined that such conditions can be met;

WHEREAS, the Sewage Works Bonds, the Waterworks Bonds, the 2005 Bonds and the 2006 Bonds are hereinafter collectively referred to as the "Outstanding Bonds";

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WHEREAS, the Commission finds and determines that in order to proceed with the planning, replanning, development and redevelopment of the Areas, it is necessary for the Commission to issue revenue bonds of the Goshen Redevelopment District ("District"), in the name of the City, payable from Tax Increment, on a parity with the Outstanding Bonds allocated and deposited as provided in this Resolution, in the aggregate principal amount not to exceed Six Million Dollars (\$6,000,000) ("Bonds"), and to issue the Notes to provide interim financing for the purpose of procuring funds to be applied on the cost of certain road improvements in, serving or benefiting the Areas (as described in Exhibit A) ("Project"), including the repayment of the Notes, funding a debt service reserve, incidental expenses incurred in connection with the Project as provided in the Act and costs associated with issuance of the Notes and the Bonds ("Costs of the Project");

WHEREAS, the Commission hereby finds that it is in the best interests of the District to sell the Notes at a negotiated, private sale to a sophisticated investor or investors and to sell the Bonds at a negotiated sale to the Bond Purchaser;

WHEREAS, the Bonds to be issued under Section 3 of this Resolution are issued pursuant to the authority granted in the Act;

WHEREAS, the Commission will give notice of and hold a public hearing on the proposed additional appropriation of the Bond proceeds; and

WHEREAS, the Commission has notified the Department of Local Government Finance of the creation and expansion of the Areas, will report to the Department of Local Government Finance the appropriation of the Note and Bond proceeds, and will obtain all approvals required by law for the issuance of the Notes and the Bonds;

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NOW, THEREFORE, BE IT RESOLVED BY THE GOSHEN REDEVELOPMENT COMMISSION, AS FOLLOWS:

SECTION 23. DEFINITIONS. All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. All terms defined elsewhere in this Resolution shall have the meaning given in such definition. In this Resolution, unless a different meaning clearly appears from the context:

"Act" means IC 5-1-14, IC 36-7-14 and IC 36-7-25 and all related and supplemental acts in effect on the issue date of the Notes and the Bonds.

"Allocation Fund" means the special funds established under the Act for the Tax Increment collected in the Allocation Areas.

"Bond Principal and Interest Account" means the Bond Principal and Interest Account continued under Section 11.

"Bond Purchase Agreement" means the purchase agreement to be entered into between the Bond Purchaser and the City.

"Bond Purchaser" means the original purchaser of the Bonds.

"Bond Resolution" or "Resolution" means this Bond Resolution, adopted by the Commission on February 27, 2008, and authorizing the issuance of the Bonds, as it may be supplemented and amended from time to time in accordance with its provisions.

"Bonds" means the Bonds and any Parity Obligations.

"Capital Fund" means the Redevelopment District Capital Fund established under the Act as described in Section 10 under the Act.

"City" means the City of Goshen, Indiana.

"Code" means the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds, and the applicable judicial decisions and published rulings and any applicable regulations promulgated thereunder.

"Commission" means the Goshen Redevelopment Commission.

"Costs of the Project" means all costs of the Project as set forth in the recitals of this Resolution and in Exhibit A.

"Debt Service" means the principal of and interest on the Bonds, lease rentals on any Parity Obligations which are leases, and any fiscal agency charges associated with the Bonds and the collection of Tax Increment for the Bonds.

"Debt Service Reserve Requirement" means the least of: (i) maximum annual principal and interest due on the Bonds; (ii) 125% of average annual debt service on the Bonds; or (iii) 10% of the proceeds of the Bonds.

"District" means the Goshen Redevelopment District.

"General Account" means the General Account created under Section 11.

"Note Purchase Agreement" means the purchase agreement for the Notes authorized by Section 7.

"Note Purchaser" means the original purchaser of the Notes.

"Notes" means the notes authorized by Section 3.

"Notice Address" means with respect to the City and the Commission:

City and Commission:

City of Goshen, City Hall  
202 South Fifth Street  
Goshen, Indiana 46528  
Attention: Clerk-Treasurer

City Attorney:

Mr. Larry A. Barks  
Barks Kolbus & Rife, [LLP](#)  
118 North Main Street  
Goshen, Indiana 46526

The notice addresses of the Registrar and Paying Agent, if any, shall be set forth in the Acceptance attached hereto.

"Owner" means a registered owner of the Bonds.

"Parity Obligations" means any obligations (including leases) of the Commission issued on a parity with the 2008 Bonds under Section 12.

"Paying Agent" means the Clerk-Treasurer of the City or the Paying Agent so designated under Section 3(G) or any successor Paying Agent appointed under this Resolution.

"Project" means the construction of certain road improvements as more fully described in [Exhibit A](#).

"Qualified Investments" means any direct obligation of the United States of America or other investment in which the Commission is permitted by Indiana law to invest at the time of investment.

"Registrar" means the Clerk-Treasurer of the City or the Registrar so designated under Section 3(G) or any successor Registrar appointed under Section 3(G) of this Resolution.

"State" means the State of Indiana.

"Tax Increment" means all real property tax proceeds from assessed valuation of real property in the Allocation Areas in excess of the assessed valuation described in IC 36-7-14-39(b)(1) minus the additional credit under IC 36-7-14-39.5, as such statutory provision exists on the date of the issuance of the Bonds.

"2008 Bonds" means the Bonds described in Section 3.

"2008 Debt Service Reserve Account" means the 2008 Debt Service Reserve Account created under Section 11.

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#### SECTION 24. GRANTING CLAUSES.

(A) The Commission, in consideration of the premises and of the purchase and acceptance of the 2008 Bonds by the Owners, in order to secure the payment of the Debt Service on the 2008 Bonds, according to their tenor and effect and to secure the performance and observance by the Commission of all covenants expressed or implied herein and in the Bonds, does hereby pledge the rights, interests, properties, money and other assets described below ("Trust Estate") for the benefit of the Owners of the 2008 Bonds for the securing of the performance of the obligations of the Commission set forth in this Resolution, such pledge to be effective as set forth in IC 5-1-14-4 without the recording of this Resolution or any other instrument:

(1) All cash and securities now or hereafter held in the Capital Fund and the Allocation Fund, including the Bond Principal and Interest Account, the Debt Service Reserve Account and the General Account and the investment earnings thereon and all proceeds thereof (except to the extent transferred or disbursed from such funds and accounts from time to time in accordance with this Resolution);

(2) All Tax Increment (on a parity with the Outstanding Bonds) required to be deposited for the benefit of the 2008 Bonds or for the benefit of any subordinate obligations; and

(3) Any money hereinafter pledged to the Owners as security to the extent of that pledge;

provided, however, that if the Commission shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of Debt Service on the 2008 Bonds due, or to become due thereon, at the times and in the manner mentioned in the 2008 Bonds, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the Owners of the outstanding Bonds of all sums of money due or to become due according to the provisions hereof, then this Resolution and the rights hereby granted shall cease, terminate and be void; otherwise this Resolution shall be and remain in full force and effect.

(B) The Commission, in consideration of the premises and of the purchase and acceptance of the Notes by the Note Purchaser according to their tenor and effect and to secure the performance and observance by the Commission of all covenants expressed or implied herein and in the Notes, does hereby pledge the proceeds of the 2008 Bonds to the repayment of the Notes for the benefit of the owners of the Notes for the securing of the performance of the

obligations of the Commission set forth in this Resolution, such pledge to be effective as set forth in IC 5-1-14-4 without recording of this Resolution or any other instrument; provided, however, that if the Commission shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of debt service on the Notes due, or to become due thereon, at the times and in the manner mentioned in the Notes, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the owners of the outstanding Notes of all sums of money due or to become due according to the provisions hereof, then this Resolution and the rights hereby granted shall cease, terminate and be void; otherwise this Resolution shall be and remain in full force and effect.

(C) This Resolution further witnesseth, and it is expressly declared, that all Notes and 2008 Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all these properties, rights and interests, including, without limitation, the amounts hereby pledged, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the Commission has agreed and covenanted, and does hereby agree and covenant, with the respective Owners, from time to time, of the Notes and 2008 Bonds, or any part thereof, as provided in this Resolution.

SECTION 25. THE NOTES AND THE 2008 BONDS.

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(A) (1) The Commission, acting in the name of the City, may issue the Notes for the purpose of procuring interim financing to apply to the Costs of the Project. The Commission shall issue the Notes in an aggregate amount not to exceed Six Million Dollars (\$6,000,000) to be designated "Redevelopment District Bond Anticipation Notes" (to be completed with the year in which issued). The Notes shall be dated as of the date of delivery and shall bear interest on the amount borrowed at a rate or rates not to exceed six and one-half percent (6.5%) per annum payable at maturity or upon redemption prior to maturity. Interest shall be calculated on the basis of a 360 day year consisting of twelve thirty day months. The Notes shall be sold at no less than 99% of the par value thereof. The term of the Notes, including any renewals or extensions, may not exceed five (5) years from the date of the original issuance of the Notes. The Notes are subject to prepayment in whole or in part at the option of the Commission on any date upon 7 days' written notice to the registered owners of the Notes at their face value plus interest accrued to the redemption date. The Notes shall be issued in fully registered form and shall be lettered and numbered separately from 1 consecutively upward and with such further or alternate designation as the Registrar may determine and shall be issued in denominations of \$1,000 or any integral multiple thereof. The principal of and interest on the Notes are payable solely from the proceeds of the Notes and the Bonds, and the Commission, acting in the name of the City, shall have no obligation to repay the principal of or interest on the Notes except from proceeds of the Notes and the 2008 Bonds. Principal of the Notes shall be payable at maturity or upon redemption. The Commission may receive payment on the Notes in installments. Interest on the Notes shall be computed on the basis of a 360-day year consisting of twelve (12) thirty day months.

(2) For the purpose of procuring funds to be applied to the Costs of the Project, the Commission, acting in the name of the City, shall borrow the principal amount not to exceed Six Million Dollars (\$6,000,000) at a purchase price of not less

than 99% of the par value thereof, and shall be issued in the denomination of Five Thousand Dollars (\$5,000) each or integral multiples thereof. The Clerk-Treasurer is hereby authorized and directed to issue and sell to the Bond Purchaser the 2008 Bonds, payable, as set forth in Sections 2 and 11, from Tax Increment (on a parity with the Outstanding Bonds), and investment earnings on any cash or securities held in any of the funds or accounts established under this Resolution. The 2008 Bonds shall be issued by the Commission in the name of the City and shall be designated "Tax Increment Revenue Bonds of 200\_\_" (to be completed with the year in which issued). The purchase price of the 2008 Bonds, together with investment earnings on the proceeds of the 2008 Bonds, does not exceed the total as estimated by the Commission of all Costs of the Project.

(B) (1) The 2008 Bonds shall be issued in fully registered form and shall be lettered and numbered separately from one consecutively upward in order of maturity preceded by the letter "R" and with such further or alternate designation as the Registrar may determine.

(2) The 2008 Bonds shall be dated and accrue interest as of their date of delivery, at the rate or rates of not to exceed 6.5% per annum (as determined through negotiation with the Bond Purchaser). Interest on the 2008 Bonds shall be payable on each January 1 and July 1, beginning on the first January 1 or the first July 1 after the date of issuance of the 2008 Bonds, as determined by the Clerk-Treasurer, with the advice of the City's financial advisor, and shall accrue on a basis of twelve 30-day months for a 360-day year. The 2008 Bonds shall mature annually on January 1 over a period ending no later than January 1, 2029 in such amounts as will retire the 2008 Bonds as soon as feasible while taking into account reasonable projections of available Tax Increment and reasonable coverage to market the 2008 Bonds. The 2008 Bonds may be subject to mandatory sinking fund redemption as determined upon sale of the 2008 Bonds.

(C) The 2008 Bonds are redeemable at the option of the Commission, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Commission and by lot within maturities, at face value, together with a premium not to exceed 1% beginning no later than January 1, 2019, plus accrued interest to the date fixed for redemption.

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(D) If any of the 2008 Bonds are subject to mandatory sinking fund redemption, the Paying Agent shall credit against the mandatory sinking fund requirement for the 2008 Bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any 2008 Bonds maturing on the same date and subject to mandatory sinking fund redemption which have previously been redeemed (other 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 previously applied as a credit against any redemption obligation. Each Bond so delivered or cancelled shall be credited by the Paying Agent at 100% of its principal amount against the mandatory sinking fund obligation on such mandatory sinking fund date, any excess of such amount shall be credited on future redemption obligations, and the principal amount of 2008 Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced. However, the Paying Agent shall credit the 2008 Bonds subject to mandatory sinking fund redemption only to the extent received by the Paying Agent at least forty-five (45) days preceding the applicable mandatory redemption date as stated above.

(E) Notice of any redemption identifying the 2008 Bonds to be redeemed in whole or in part shall be given to the Registrar at least 45 days prior to the date fixed for redemption and by the Registrar at least 30 days prior to the date fixed for redemption (unless this notice is waived by the Owner) by sending written notice by certified or registered mail to the Owner of each 2008 Bond to be redeemed in whole or in part at the address shown on the registration books of the Registrar. Failure to give such notice by mailing, or any defect therein with respect to any 2008 Bond, shall not affect the validity of any proceeding for the redemption of other 2008 Bonds. Such notice shall state the redemption date, the redemption price, the amount of accrued interest, if any, payable on the redemption date, the place at which 2008 Bonds are to be surrendered for payment and, if less than the entire principal amount of a Bond is to be redeemed, the portion thereof to be redeemed. 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. By the date fixed for redemption, due provision shall be made with the Registrar for the payment of the redemption price of the 2008 Bonds to be redeemed, plus accrued interest, if any, to the date fixed for redemption. When the 2008 Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same as herein provided, the 2008 Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners of such 2008 Bonds to collect interest which would otherwise accrue after the redemption date on any 2008 Bond or portion thereof called for redemption shall terminate on the date fixed for redemption, provided that funds for their redemption are on deposit at the place of payment at that time.

(F) If fewer than all of the 2008 Bonds of a maturity are to be redeemed, the Registrar will select the particular 2008 Bonds to be redeemed by lot in such manner as it deems fair and appropriate. If any of the 2008 Bonds are subject to both optional and mandatory sinking fund redemption on the same date, the Bonds to be redeemed by optional redemption shall be selected first.

(G) (1) The Clerk-Treasurer of the City may serve as the initial Registrar and the Paying Agent for the Notes and the 2008 Bonds. The Clerk-Treasurer may appoint a duly qualified bank as Registrar and Paying Agent, which Registrar and Paying Agent will be charged with the performance of the duties and responsibilities of Registrar and Paying Agent as set forth herein. The Registrar and Paying Agent for the Notes and the 2008 Bonds if other than the Clerk-Treasurer, shall signify its acceptance of its duties by executing the acceptance attached to this Resolution. The Commission is further authorized to pay such fees as the Registrar and Paying Agent may charge for the services provided as Registrar and Paying Agent and such fees may be paid from the Bond Principal and Interest Account as Debt Service in addition to paying the principal of and interest on the Notes and the 2008 Bonds or from the General Account.

(2) The Mayor and the Clerk-Treasurer are hereby authorized, on behalf of the Commission, to enter into such agreements or understandings with the Registrar and Paying Agent as will enable it to perform the services required of it.

(H) (1) The Notes and the 2008 Bonds shall be authenticated with the manual or facsimile signature of an authorized representative of the Registrar. No Note or 2008 Bond shall

be valid or become obligatory for any purpose until the Certificate of Authentication on such Note or 2008 Bond, respectively, shall have been so executed. Subject to the provisions hereof for registration, the Notes and the 2008 Bonds shall be negotiable under the laws of the State of Indiana.

(2) Each Note or 2008 Bond shall be transferable or exchangeable only upon the books of the Commission kept for that purpose at the office of the Registrar by the owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such Note or 2008 Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the owners or its attorney duly authorized in writing, and thereupon a new fully registered Note, Notes, 2008 Bond or 2008 Bonds, as the case may be, in the same principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the owners, as the case may be, in exchange therefor. The Registrar shall not be obligated to make any exchange or transfer of 2008 Bonds following the fifteenth day immediately preceding an interest payment date on any Bonds until such interest payment date. The Registrar shall not be obligated (a) to register, transfer or exchange any Note or any 2008 Bond during a period of fifteen (15) days next preceding mailing of a notice of redemption of the Notes or 2008 Bonds, as the case may be, or (b) to register, transfer or exchange the Note or 2008 Bond selected, called or being called for redemption in whole or in part after mailing notice of such call. The City and the Registrar for the Notes and 2008 Bonds may treat and consider the person in whose name such Note or 2008 Bond is registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof. The Notes and 2008 Bonds may be transferred or exchanged without cost to the owners except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange.

(3) If any Note or 2008 Bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new Note or 2008 Bond, respectively, which in all respects shall be identical to the Note or 2008 Bond which was mutilated, lost, stolen or destroyed including like date, maturity, series and denomination, except that such new Note or 2008 Bond shall be marked in a manner to distinguish it from the Note or 2008 Bond for which it was issued; provided that in the case of any Note and 2008 Bond being mutilated, such mutilated Note or 2008 Bond shall first be surrendered to the City and the Registrar; and in the case of Notes or 2008 Bonds being lost, stolen or destroyed, there shall be first furnished to the City and the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. If any such lost, stolen or destroyed Note or 2008 Bond shall have matured and be payable in accordance with its terms, instead of issuing a duplicate Note or 2008 Bond, respectively, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of the Note or 2008 Bond, as the case may be, with their reasonable fees and expenses in connection with the above. Every substitute Note or 2008 Bond issued by reason of the Note or 2008 Bond being lost, stolen or destroyed shall, with respect to such Note or 2008 Bond, constitute a substitute contractual obligation of the City, whether or not the lost, stolen or destroyed Note or

2008 Bond shall be found at any time, and every such Note or 2008 Bond shall be entitled to all the benefits of this Resolution, equally and proportionately with any and all other Notes or 2008 Bonds duly issued hereunder.

(I) The City has determined that it may be beneficial to the City to have the 2008 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 2008 Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The 2008 Bonds may be initially issued in the form of a separate single authenticated fully registered 2008 Bond for the aggregate principal amount of each separate maturity of the Bonds. In such case, upon initial issuance, the ownership of such 2008 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 2008 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 2008 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 2008 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 2008 Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated 2008 Bond evidencing an obligation of the City to make payments of the principal of and premium, if any, and interest on the 2008 Bonds pursuant to this Resolution. 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 2008 Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such 2008 Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such 2008 Bonds; (iii) registering transfers with respect to such 2008 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 2008 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 2008 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 2008 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 2008 Bonds and all notices with respect to such 2008 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 2008 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 2008 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 2008 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 2008 Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the 2008 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 2008 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 2008 Bonds.

If the 2008 Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the 2008 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 2008 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 2008 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 2008 Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the 2008 Bonds and setting for 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 Resolution 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 2008 Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

(J) The final principal payment of each 2008 Bond and Note shall be payable in lawful money of the United States of America upon presentation at the office of the Paying Agent. Principal (except for the final payment) and interest on the 2008 Bonds and the Notes shall be paid by check mailed to each owner at the address as it appears on the registration books kept by the Registrar as of the fifteenth day immediately preceding the interest payment date or at such other address as provided to the Registrar in writing by such 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 Trustee 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).

(K) THE NOTES DO NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTE AN OBLIGATION OF THE DISTRICT AS A SPECIAL TAXING DISTRICT, PAYABLE SOLELY FROM THE PROCEEDS OF THE 2008 BONDS WHEN, AS, AND IF ISSUED. THE DISTRICT IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE NOTES FROM ANY SOURCE OTHER THAN THE PROCEEDS OF THE BONDS.

(L) THE BONDS DO NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTE AN OBLIGATION OF THE DISTRICT AS A SPECIAL TAXING DISTRICT, IN THE NAME OF THE CITY, PAYABLE SOLELY FROM THE TRUST ESTATE. THE DISTRICT IS NOT OBLIGATED TO PAY THE DEBT SERVICE ON THE 2008 BONDS FROM ANY SOURCE OTHER THAN THE SOURCES DESCRIBED ABOVE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OR THE DISTRICT IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE 2008 BONDS.

## SECTION 26. FORM OF THE NOTES AND BONDS.

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(A) Form of the Bonds. 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):

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Goshen Redevelopment District, acting in the name of the City of Goshen, 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. R-\_\_\_\_

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF ELKHART

GOSHEN REDEVELOPMENT DISTRICT  
TAX INCREMENT REVENUE BOND OF 200\_\_\_\_

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

PRINCIPAL AMOUNT:

The Goshen Redevelopment Commission ("Commission"), acting in the name of the City of Goshen, Indiana ("City"), for value received, hereby acknowledges itself indebted and promises to pay, but solely from Tax Increment, on a parity with the Outstanding Bonds (as defined in the Bond Resolution defined below) and the funds held under the Bond Resolution to the registered owner (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date set forth above (unless paid or redeemed earlier as hereinafter provided), and to pay interest thereon at the rate per annum stated above from the interest date to which interest has been paid next preceding the date of authentication of this Bond from the interest payment date immediately preceding the date of authentication of this Bond unless this Bond is authenticated on or before \_\_\_\_\_, 20\_\_, in which case interest shall be paid from the Original Date, or unless this Bond is authenticated between the fifteenth day preceding an interest payment date and the interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be payable on January 1 and July 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_. Interest shall be calculated on the basis of twelve 30-day months for a 360-day year.

The principal of and premium, if any, on this Bond is payable in lawful money of the United States of America upon presentation at the office of the Paying Agent or at the principal corporate trust office of any successor paying agent appointed under the Bond Resolution hereinafter defined. Interest on this Bond shall be paid by check mailed to the registered owner of this Bond at the address as it appears on the registration books kept by the Registrar as of the fifteenth day immediately preceding the interest payment date or at such other address as is provided to the Registrar 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).

[The Bonds shall be initially issued in a Book Entry System (as defined in the Bond Resolution). The provisions of this Bond and of the Bond Resolution 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 DOES NOT CONSTITUTE A CORPORATE OBLIGATION OF THE CITY, BUT CONSTITUTES AN OBLIGATION OF THE GOSHEN REDEVELOPMENT DISTRICT ("DISTRICT") AS A SPECIAL TAXING DISTRICT, IN THE NAME OF THE CITY, PAYABLE SOLELY FROM THE TRUST ESTATE (AS DEFINED IN THE BOND RESOLUTION). THE DISTRICT IS NOT OBLIGATED TO PAY THE DEBT SERVICE ON THESE BONDS FROM ANY SOURCE OTHER THAN THE SOURCES DESCRIBED ABOVE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OR THE DISTRICT IS PLEDGED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS BOND.

This Bond is one of an authorized issue of bonds of the District with an aggregate principal amount of \$\_\_\_\_\_, designated "Tax Increment Revenue Bonds of 20\_\_" ("Bonds"). The Bonds are numbered consecutively from R-1 upwards and are issued pursuant to the Bond Resolution adopted by the Goshen Redevelopment Commission ("Commission") on \_\_\_\_\_, 2008 ("Bond Resolution") and in strict compliance with IC 5-1-14-4, IC 36-7-14, IC 36-7-25 and all related and supplemental acts as in effect on the issue date of the Bonds (collectively, "Act"), to procure funds to be applied to the Costs of the Project (as defined in the Bond Resolution), including issuance expenses of the Bonds and funding a debt service reserve, [and the repayment of the Redevelopment District Bond Anticipation Notes]. The Project consists of the construction of certain road improvements in, serving or benefiting the | Keystone I Economic Development Area, the Keystone II Economic Development Area, and the Century Drive Economic Development Area (collectively, "Areas"), economic development areas under the Act.

Deleted: County of Elkhart, Indiana

The Bonds are all equally and ratably secured by and entitled to the protection of the Bond Resolution. Additional Bonds and Parity Obligations (each as defined in the Bond Resolution) may be issued as described in the Bond Resolution. To secure payment of the Debt Service (as defined in the Bond Resolution) on the Bonds and performance of all other covenants of the City and the District under the Bond Resolution, the Commission, acting in the name of the City, pursuant to the Bond Resolution, has pledged Tax Increment, on a parity with the Outstanding Bonds and the funds and accounts held under the Bond Resolution to the Bonds. Reference is hereby made to the Bond Resolution for a description of the rights, duties and obligations of the Commission, the District, and the owner of the Bonds, the terms and conditions upon which the Bonds are issued and the terms and conditions upon which the Bonds will be paid at or prior to maturity, or will be deemed to be paid and discharged upon the making of provisions for payment therefor. Copies of the Bond Resolution are on file at the office of the Commission. THE OWNER OF THIS BOND, BY ACCEPTANCE OF THIS BOND, HEREBY AGREES TO ALL OF THE TERMS AND PROVISIONS IN THE BOND RESOLUTION.

The Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_\_\_, are redeemable at the option of the Commission on \_\_\_\_\_ 1, 20\_\_\_\_, in whole or in part, in order of maturity determined by the Commission and by lot within maturities at face value, plus accrued interest to the date fixed for redemption plus the following premiums:

\_\_\_\_% if redeemed on \_\_\_\_\_ or thereafter  
on or before \_\_\_\_\_;  
0% if redeemed on \_\_\_\_\_ or thereafter  
prior to maturity.

[The Bonds maturing on January 1, \_\_\_\_\_ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on January 1 in the years and amounts set forth below:

\_\_\_\_\_ Term Bonds

Year                      Amount

\*

\* 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 any redemption shall be given by the Registrar at least 7 days prior to the date fixed for redemption (unless notice is waived by the Owners of the Bonds) by sending written notice by certified or registered mail to the Owners of the Bonds to be redeemed in whole or in part at the address shown on the registration books of the Registrar. Failure to give such notice by mailing, or any defect therein with respect to any Bond, shall not affect the validity of any proceeding for the redemption of other Bonds. Such notice shall state the redemption date, the redemption price, the amount of accrued interest, if any, payable on the redemption date, the place at which the Bonds are to be surrendered for payment and, if less than the entire principal amount of the Bond is to be redeemed, the portion thereof to be redeemed. By the date fixed for redemption, due provision shall be made with the Registrar for the payment of the redemption price of the Bonds to be redeemed, plus accrued interest, if any, to the date fixed for redemption. When the Bonds have been called for redemption, in whole or in part, and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners of such Bonds to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called

for redemption shall terminate on the date fixed for redemption, provided that funds for their redemption are on deposit at the place of payment at that time.

If fewer than all of the Bonds are to be redeemed, the Registrar will select the particular Bonds to be redeemed by lot in such manner as it deems fair and appropriate. Each principal amount shall be considered a separate bond for purposes of redemption.

The Commission reserves the right to authorize and issue additional bonds or enter into leases payable from Tax Increment, ranking on a parity with the Bonds ("Parity Obligations"), for the purpose of raising money for future economic development costs or local public improvements permitted by the Act in the Areas or to refund the Bonds, or Parity Obligations as provided in the Bond Resolution. The Bonds and the Parity Obligations are referred to collectively as the "Bonds" as the context may require.

The Commission may, without the consent of, or notice to, the registered owners of this Bond, adopt a supplemental resolution to the Bond Resolution under certain circumstances as described in the Bond Resolution.

The owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in the Bond Resolution to the contrary notwithstanding, to consent to and approve the adoption by the Commission of such supplemental resolutions as shall be deemed necessary and desirable by the Commission for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Resolution or in any supplemental resolution other than those provisions covered by the paragraph above.

This Bond is transferable or exchangeable only upon the books of the Commission kept for that purpose at the office of the Registrar by the Registered Owners as provided in the Bond Resolution.

This Bond shall be issued in fully registered form in \$5,000 denominations or any integral multiple thereof.

If this Bond shall have become due and payable in accordance with its terms or shall have been duly called for redemption or irrevocable instructions to call this Bond or a portion thereof for redemption shall have been given, and the whole amount of the principal of and interest so due and payable on this Bond or portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) noncallable, 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the

redemption, then and in that case this Bond shall no longer be deemed outstanding or an indebtedness of the District.

It is hereby certified, recited and declared that all acts, conditions and things required to be done precedent to and in the execution, issuance, sale and delivery of this Bond have been properly done, happened and performed in regular and due form as prescribed by law, and that the total indebtedness of the District, including the Bonds, does not exceed any constitutional or statutory limitation of indebtedness.

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

The Commission has designated the Bonds as a qualified obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IN WITNESS WHEREOF, the Goshen Redevelopment Commission has caused this Bond to be executed by the manual or facsimile signature of the Mayor, in the name of the City of Goshen for and on behalf of the Redevelopment District of the City, and attested by the manual or facsimile signature of the Clerk-Treasurer of the City, who has caused the seal of City of Goshen to be impressed or a facsimile thereof to be printed hereon.

CITY OF GOSHEN, INDIANA

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution.

\_\_\_\_\_, as Registrar

\_\_\_\_\_  
Authorized Representative

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with  
right of survivorship and  
not as tenants in common

UNIF TRANS MIN ACT - \_\_\_\_\_ Custodian  
(Cust) (Minor)  
under Uniform Transfers to Minors  
Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers  
unto \_\_\_\_\_  
(insert name, address and federal tax identification number)

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.

Signature Guaranteed:

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

particular, without alteration or enlargement or any change whatsoever.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every

(End of Bond Form)

(B) Form of Notes. The form of the Notes shall be set forth in the Note Purchase Agreement.

(C) Form of Parity Obligations. The form of any Parity Obligations shall be set forth in the resolution approving the issuance of such Parity Obligations.

SECTION 27. SALE OF THE NOTES AND THE 2008 BONDS.

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(A) The Mayor is hereby authorized and directed to sell the Notes to the Note Purchaser at a negotiated sale upon receipt of the purchase price or the initial draw in immediately available funds.

Prior to the delivery of the Notes, the Mayor shall obtain a legal opinion addressed to the Commission as to the validity of the Notes from Ice Miller LLP of Indianapolis, Indiana, bond counsel, and shall furnish such opinion to the Note Purchaser. The cost of such opinion shall be considered as a part of the cost incidental to these proceedings and shall be paid out of the proceeds of the Notes. The Notes shall be paid to the Note Purchaser at a price of not less than 99% of par.

All proceeds of the Notes shall be deposited in the Capital Fund and applied to the Costs of the Project.

(B) After completion of all necessary legal requirements for the marketing of the 2008 Bonds, the Clerk-Treasurer is hereby authorized and directed to sell the 2008 Bonds to the Bond Purchaser at a negotiated sale, upon receipt of the purchase price in immediately available funds, pursuant to the terms of the Bond Purchase Agreement. The 2008 Bonds shall be sold to the Bond Purchaser at a price of not less than 99% of par. The Clerk-Treasurer is hereby authorized and directed to deliver the 2008 Bonds to the Bond Purchaser thereof after sale made in accordance with the provisions of this Resolution, provided that at the time of the delivery, the Clerk-Treasurer shall collect the purchase price. The proceeds derived from the sale of the 2008 Bonds shall be and are hereby set aside for application on the Costs of the Project including deposit to the Capital Fund, issuance expenses and the Debt Service Reserve Account.

(C) Prior to the delivery of the 2008 Bonds, the Clerk-Treasurer shall obtain a legal opinion addressed to the Commission as to the validity of the 2008 Bonds from Ice Miller LLP of Indianapolis, Indiana, bond counsel, and shall furnish such opinion to the Bond Purchaser. 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 2008 Bonds.

(D) Accrued interest, if any, received from the sale of the 2008 Bonds shall be deposited in the Bond Principal and Interest Account established under Section 11. Proceeds of the 2008 Bonds in an amount not to exceed the Debt Service Reserve Requirement may at the

direction of the Mayor or the Clerk-Treasurer upon advice of the City's financial advisor, be deposited in the Debt Service Reserve Account. An amount sufficient to repay the Notes shall be immediately applied to the payment of the Notes. The remaining proceeds of the 2008 Bonds shall be deposited in the Capital Fund.

SECTION 28. DELIVERY OF INSTRUMENTS.

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The Commission hereby authorizes and directs the Mayor, the Clerk-Treasurer and the President of the Commission, and each of them, for and on behalf of the City, the Commission and the District, to prepare, execute and deliver any and all instruments, letters, certificates, agreements and documents as the executing official or Ice Miller LLP determines is necessary or appropriate to consummate the transactions contemplated by this Resolution, including the Note Purchase Agreement and the Bond Purchase Agreement and such determination shall be conclusively evidenced by the execution thereof. The instruments, letters, certificates, agreements and documents, including the Notes and the 2008 Bonds, necessary or appropriate to consummate the transactions contemplated by this Resolution shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission are hereby authorized and directed.

SECTION 29. NOTE PURCHASE AGREEMENT AND BOND PURCHASE AGREEMENT.

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(A) The Commission hereby approves the Note Purchase Agreement by which the Notes are to be sold to the Note Purchaser. The President or Vice President of the Commission are hereby authorized and directed to execute, and the Secretary of the Commission is hereby authorized and directed to attest and affix the seal of the City to, the Note Purchase Agreement, with such changes and revisions thereto as they deem necessary or appropriate to consummate the transactions contemplated thereby. Such execution and attestation shall be conclusive evidence of their approval of such changes and revisions. The Note Purchase Agreement in the form executed shall constitute the valid and binding obligation of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission are hereby authorized and directed.

(B) The Mayor is hereby authorized and directed to execute, and the Clerk-Treasurer of the City is hereby authorized and directed to attest and affix the seal of the City to, the Bond Purchase Agreement, in a form consistent with this Resolution. The Bond Purchase Agreement in the form executed shall constitute the valid and binding obligation of the Commission, acting in the name of the City, the full performance and satisfaction of which by the Commission is hereby authorized and directed.

SECTION 30. INVESTMENT LETTERS, OFFICIAL STATEMENT AND CONTINUING DISCLOSURE.

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(A) The Mayor and the President or Vice President of the Commission are authorized and directed to obtain an investment letter from the Note Purchaser to the effect that by

acceptance of the Notes, the Note Purchaser is deemed to have consented to all the terms and provisions of this Resolution and represents that:

(1) [It is a bank as defined in Section (3)(a)(2) of the Securities Act of 1933, as amended.] It is a sophisticated investor and is familiar with securities such as the Notes.

(2) It is familiar with the City, the Commission and the District. It has received and read such information concerning the City, the Commission, the District, the Notes, the 2008 Bonds, the Tax Increment and the Outstanding Bonds as it deems to be necessary in connection with investment in the Notes. It has received, read and commented upon this Resolution. Prior to the purchase of the Notes, it has been provided with the opportunity to ask questions of and receive answers from the representatives of the City, the District and the Commission concerning the terms and conditions of the Notes and the tax status of the Notes, and the security therefor, and to obtain any additional information needed in order to verify the accuracy of the information obtained to the extent that the City, the District or the Commission possesses such information or can acquire it without unreasonable effort or expense. It is not relying on Ice Miller LLP, Barkes Kolbus & Rife, LLP or H.J. Umbaugh & Associates, Certified Public Accountants, LLP for information concerning the financial status of the Commission or the ability of the Commission to honor its obligations or other covenants under this Resolution.

(3) It is acquiring the Notes for its own account with no present intent to resell and that it will not sell, convey, pledge or otherwise transfer the Notes without prior compliance with applicable requirements of state and federal laws, including laws concerning disclosure. It acknowledges and understands that the owners of the Notes cannot reasonably rely on the repayment of the Notes from any source other than proceeds of the 2008 Bonds, and that it understands that the 2008 Bonds are payable solely from Tax Increment (on a parity with the Outstanding Bonds).

(4) It has investigated the security for the Notes, including the availability of the proceeds of the 2008 Bonds to its satisfaction and it understands that neither the City, the District nor the Commission has the authority to levy a tax to pay the principal of or interest on the 2008 Bonds and that there is no debt service reserve securing the Notes.

(B) Distribution of an Official Statement (preliminary and final) prepared by H.J. Umbaugh & Associates, Certified Public Accountants, LLP on behalf of the Commission and the City, is hereby approved and the President or Vice President of the Commission is authorized and directed to execute the Official Statement on behalf of the Commission and City in the form consistent with this resolution. The Mayor or the Clerk-Treasurer 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.

If an Official Statement is not required, upon delivery of the 2008 Bonds, the City shall obtain an investment letter from the Bond Purchaser which satisfies the federal and state securities laws applicable to the 2008 Bonds.

(C) The President of the Commission is hereby authorized to execute and deliver a continuing disclosure undertaking agreement upon delivery of the 2008 Bonds ("Continuing Disclosure Agreement"). The Commission covenants, to the extent permitted by law, that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution, failure of the Commission to comply with the Continuing Disclosure Agreement shall not be considered an event of default hereunder. If the Commission fails to comply with the Continuing Disclosure Agreement, the sole remedy available for such failure shall be for the specific performance of the Commission's obligations under this section and the Continuing Disclosure Agreement and there shall be no remedies for money damages of any kind or in any amount. This remedy shall be available solely to owners of the Bonds. The Commission's failure to honor its covenant herein shall not constitute a breach or default under this Resolution or any other agreement to which the Commission is party. The remedy set forth in this Section 8(C) may be exercised by any holder of the Bonds in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy. Prior to pursuing any remedy under this Section 8(C), a holder of Bonds shall give notice to the Commission, via registered or certified mail, of such breach and its intent to pursue such remedy. Fifteen (15) days after mailing of such notice, and not before, a holder of Bonds may pursue such remedy under this Section 8(C).

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**SECTION 31. EXECUTION OF THE NOTES AND THE 2008 BONDS.** The Mayor of the City is hereby authorized and directed to execute the Notes and the 2008 Bonds with his or her manual or facsimile signature, and the Clerk-Treasurer is hereby authorized and directed to have the Notes and the 2008 Bonds prepared, attest the Notes and the 2008 Bonds with his or her manual or facsimile signature, and cause the seal of the City to be impressed or a facsimile thereof to be printed on the Notes and the 2008 Bonds, all in the form and manner herein provided. If any officers whose signature or facsimile signature shall appear on the Notes or the 2008 Bonds shall cease to be such officer before the delivery of the Notes and the 2008 Bonds such signature shall nevertheless be used and sufficient for all purposes the same as if such officer had remained in office until the date of delivery of the Notes or the 2008 Bonds even though such officer may not have been so authorized or have held such office. Upon the consummation of the sale of the Notes and the 2008 Bonds, the Clerk-Treasurer shall receive from the Note Purchaser the amount to be paid for the Notes and deliver the Notes to the Note Purchaser and shall receive from the Bond Purchaser the amount to be paid for the Notes and the 2008 Bonds and deliver the Bonds to the Bond Purchaser.

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**SECTION 32. REDEVELOPMENT DISTRICT CAPITAL FUND.**

(A) The Redevelopment District Capital Fund is established pursuant to IC 36-7-14-26. Proceeds of the Notes and the 2008 Bonds deposited in the Capital Fund shall be deposited in a separate account of the Commission, acting in the name of the City, and kept separate and apart from all other funds of the City, the Commission and the District and may be invested only in Qualified Investments as permitted by law. The Clerk-Treasurer shall administer the moneys in the Capital Fund in accordance with this Resolution. The proceeds in the Capital Fund and investment earnings on amounts in the Capital Fund shall be expended only to pay the Costs of the Project and Debt Service on the 2008 Bonds.

(B) Before the eleventh day of each calendar month, the Clerk-Treasurer shall notify the Commission of the amount in the Capital Fund at the close of business on the last day of the preceding month.

(C) The Clerk-Treasurer shall disburse from the Capital Fund the amount required for the payment of the remaining Costs of the Project upon the receipt of duly authorized claims filed in accordance with Indiana law and approved by the Commission.

(D) If, after payment of all claims tendered under the provisions of this Section, any funds shall remain in the Capital Fund, the Clerk-Treasurer shall transfer all moneys then in the Capital Fund (except moneys reserved to pay any disputed or unpaid claims), as directed by the Mayor and the Commission, to the Bond Principal and Interest Account to pay principal and interest on the Notes, Debt Service on the 2008 Bonds, to fund or replenish the 2008 Debt Service Reserve Account, or, as directed by the Commission, for the same purpose or type of project for which the Bonds were issued, in accordance with IC 5-1-13, as amended from time to time.

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### SECTION 33. FLOW OF FUNDS.

#### (A) Funds and Accounts.

(1) There is hereby continued in the Allocation Fund a Bond Principal and Interest Account and a General Account. There is hereby created a 2008 Debt Service Reserve Account. The Allocation Fund and the Accounts continued and created thereunder shall be held by the Clerk-Treasurer. All Tax Increment shall immediately upon receipt by the City be set aside in the following Accounts, in the following order of priority and to the extent indicated below:

- (a) Bond Principal and Interest Account;
- (b) 2008 Debt Service Reserve Account; and
- (c) General Account.

Tax Increment shall be held in trust and pledged for the benefit of the owners of the Bonds and shall be applied, used and withdrawn only for the purposes authorized in this Section 11.

(2) The Tax Increment and amounts in the Allocation Fund shall be invested in Qualified Investments at the direction of the Clerk-Treasurer. Interest earned in each fund or account shall be credited to such fund or account.

(B) Bond Principal and Interest Account. Upon each distribution of Tax Increment, there shall immediately be set aside from the Allocation Fund and deposited into the Bond Principal and Interest Account, an amount of money sufficient, to pay the principal of and interest on the Bonds on the next January 1 or July 1, on a parity with the Outstanding Bonds as provided in the Existing Ordinances and the 2005 Bond Resolution. No deposit need be made to the Bond Principal and Interest Account to the extent that the amount contained therein is at least

equal to the principal of and interest becoming due and payable on all outstanding Bonds on the next January 1 or July 1. All money in the Bond Principal and Interest Account shall be used and withdrawn solely for the purpose of paying Debt Service (and the redemption premium, if any) on the Bonds as they shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(C) 2008 Debt Service Reserve Account. There is hereby continued, within the Bond Principal and Interest Account, the Debt Service Reserve Account ("2005 Reserve Account") for the 2005 Bonds and the 2006 Bonds. The reserve requirement for the 2005 Reserve Account will be satisfied by maintaining a balance in the 2005 Reserve Account equal to the 2005 Reserve Requirement. Funds in the 2005 Reserve Account will be used solely for the 2005 Bonds and the 2006 Bonds.

The 2008 Debt Service Reserve Account hereby created may be satisfied with bond proceeds, funds on hand, a qualified surety bond or any combination thereof. If the City determines to deposit any proceeds of the Bonds in the 2008 Debt Service Reserve Account, such proceeds shall be deposited in the 2008 Debt Service Reserve Account upon issuance of the Bonds. After making the deposits to the Bond Principal and Interest Account described in (B) and as described in the Existing Ordinances and 2005 Bond Resolutions, Tax Increment shall be deposited in the 2008 Debt Service Reserve Account over a period not to exceed five years until the balance equals the Debt Service Reserve Requirement. If, at the end of such five-year period, the balance is less than the Debt Service Reserve Requirement, all Tax Increment not required for the Bond Principal and Interest Account shall be deposited in the 2008 Debt Service Reserve Account until the balance equals the Debt Service Reserve Requirement. Moneys deposited and maintained in the 2008 Debt Service Reserve Account shall be applied to the payment of the principal of and interest on the Bonds to the extent that amounts in the Bond Principal and Interest Account and the General Account are insufficient to pay Debt Service when due and payable. If moneys in the 2008 Debt Service Reserve Account are transferred to the Bond Principal and Interest Account to pay Debt Service on the Bonds, the depletion of the balance in the 2008 Debt Service Reserve Account shall be made up from any moneys in the General Account and from the next available Tax Increment after the required deposits to the Bond Principal and Interest Account and as required by the Existing Ordinances and Bond Resolution are made. Any moneys in the 2008 Debt Service Reserve Account in excess of the Debt Service Reserve Requirement shall be deposited in the General Account and applied as set forth in subsection (D). Funds in the 2008 Debt Service Reserve Account shall be used solely for the 2008 Bonds.

The Commission, upon the advice of its financial advisor, hereby finds that funding the Debt Service Reserve Account is reasonably required and that the Debt Service Reserve Requirement is no larger than necessary to market the Bonds. The Commission further finds that the Debt Service Reserve Requirement is directly related to the Project because the Bond Purchaser would not purchase the Bonds without the Debt Service Reserve Account.

The debt service reserve requirement, if any, for any Parity Obligations shall be set forth in the resolution authorizing the Parity Obligations. Such resolution may amend the definition of the Debt Service Reserve Requirement to include the Parity Obligations without obtaining the consent of the owners of the outstanding Bonds.

(D) General Account. After making the deposits described in (A), (B) and (C), any remaining Tax Increment shall be deposited in the General Account of the Allocation Fund and shall be available in the following order of priority:

- (1) to pay Debt Service due on the Bonds;
- (2) to fund or replenish the 2008 Debt Service Reserve Account;
- (3) to pay debt service due on any subordinate obligations;
- (4) at the option of the Commission, to pay, or reimburse the City for, the costs of acquiring or constructing additional local public improvements in serving or benefiting the Areas;
- (5) at the option of the Commission, to redeem or purchase the Bonds prior to maturity; or
- (6) for any other purposes permitted by the Act, including distributions to the taxing units as provided under the Act.

(E) No Prior Liens. The Commission, acting in the name of the City, represents and warrants that, there are no prior liens, encumbrances or other restrictions on the Tax Increment (except for the Outstanding Bonds) or on the City's ability to pledge the Tax Increment for the benefit of the Owners of the Bonds.

#### SECTION 34. ISSUANCE OF ADDITIONAL BONDS.

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(A) Parity Notes. The Commission reserves the right to authorize and issue Notes on a parity with the Notes for the purpose of raising money to complete the Project, to refund the Notes or for any other purposes permitted by the Act. Except as provided in this Resolution, the terms and conditions of any parity notes shall be set forth in the resolution authorizing the issuance of such parity notes.

(B) Parity Obligations. The Commission reserves the right to authorize and issue Parity Obligations of the Commission, acting in the name of the City, payable from Tax Increment, for the purpose of raising money for future local public improvements or redevelopment projects in, serving or benefiting the Area or to refund the Bonds or other Parity Obligations. If any Parity Obligations are issued pursuant to this Section 12, the term "Bonds" in this Bond Resolution shall, unless the context otherwise requires, be deemed to refer to the Bonds and such Parity Obligations. The authorization and issuance of such Parity Obligations, which shall be payable from Tax Increment, shall be subject to the following conditions precedent:

- (1) All interest and principal payments with respect to all obligations payable from Tax Increment shall be current to date in accordance with the terms thereof, with no payment in arrears;

(2) For Parity Obligations payable from Tax Increment without a special benefits tax levy under IC 36-7-14-27, another property tax levy, a pledge of local option income taxes, or net revenues of the City utility, the Commission shall have received a certificate prepared by an independent, qualified accountant ("Certifier" ) certifying the amount of Tax Increment estimated to be received in each succeeding year, adjusted as provided below, which estimated amount shall be at least equal to one hundred twenty-five percent (125%) of the lease rental and debt service requirements with respect to the outstanding Bonds and the proposed Parity Obligations for each respective year during the term of the outstanding Bonds. In estimating the Tax Increment to be received in any future year, the Certifier shall base the calculation on assessed valuation actually assessed or estimated to be assessed as of the assessment date immediately preceding the issuance of the Parity Obligations; provided, however, the Certifier shall adjust such assessed values for the current and future reductions of real property tax abatements granted to property owners in the Allocation Areas. If the Parity Obligations are secured by a special benefits tax levy, another property tax levy, a pledge of local option income taxes or net revenues of the City utility, the test in this paragraph (2) does not need to be met.

(3) Principal of any Parity Obligations or junior obligations and lease rentals on Parity Obligations that are leases shall be payable annually on January 1 and interest on shall be payable semiannually on January 1 and July 1.

(C) Subordinate Obligations. The Commission, acting in the name of the City, may issue bonds or other obligations or enter into leases which are junior and subordinate to the Bonds as to the pledge of Tax Increment; provided that the Commission shall not issue any subordinate obligations as long as the Notes remain outstanding. The terms and conditions of such subordinate obligations will be set forth in a resolution adopted by the Commission. Principal of and interest on any subordinate obligations and lease rentals shall be payable on June 15 and December 15 or January 1 and July 1 out of Tax Increment as set forth in Section 11.

SECTION 35. TAX COVENANTS. (A) In order to preserve the exclusion from gross income of interest on the Notes and the 2008 Bonds under the Code and as an inducement to the Bond Purchaser, the Commission represents, covenants and agrees that:

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(1) The Project 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. No person or entity, other than the Commission, the City or another state or local government unit, will use more than 10% of the proceeds of the Notes or the 2008 Bonds or property financed by proceeds of the Notes or the 2008 Bonds other than as a member of the general public. The Project consists of the construction of certain road improvements in, serving or benefiting the Areas and will be available for general public use. No person or entity, other than the Commission, the City or another state or local governmental unit, will own property financed by bond proceeds 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 output contract 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 the use by the general public, unless such

uses in the aggregate relate to no more than 10% of the proceeds of the Notes or the 2008 Bonds. If the City or the Commission enters into a management contract for the Project, the terms of the contract will comply with IRS Revenue Procedure 97-13, as it may be amended, supplemented or superseded from time to time, so that the contract will not give rise to private business use under the Code unless such use in aggregate relates to no more than 10% of the proceeds of the Notes or the 2008 Bonds.

(2) No more than 10% of the payment of the principal of or interest on the Notes or the 2008 Bonds will be (under the terms of the Notes, the 2008 Bonds, this Resolution or any underlying arrangement), directly or indirectly, (i) secured by any interest in bond-financed property used or to be used for a private business use or payments in respect of such property or (ii) derived from payments (whether or not to the Commission) in respect of such bond-financed property or borrowed money used or to be used for a private business use. The Commission acknowledges that taxpayers in the Areas will pay the City and the other taxing units in the Areas all taxes levied on real and personal property in accordance with Indiana law. These taxes of general applicability and the taxpayers in the Areas have not entered into any agreements, contracts, guarantees or other arrangements with the Commission with respect to the payment of property taxes or the Notes or the 2008 Bonds.

(3) No more than 5% of the Note or 2008 Bond proceeds will be loaned to any entity or person. No more than 5% of the Note or the 2008 Bond proceeds will be transferred, directly or indirectly, or deemed transferred to any person or entity other than another state or local governmental unit in any manner that would in substance constitute a loan of the Note or the 2008 Bond proceeds.

(4) The Commission reasonably expects, as of the date hereof, that the Notes and the 2008 Bonds will not meet either the private business use test described in paragraph (1) and (2) above or the private loan test described in paragraph (3) above during the entire term of the Notes and the 2008 Bonds.

(5) No more than 5% of the proceeds of the Notes or the 2008 Bonds will be attributable to private business use as described in (1) and private security or payments described in (2) 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).

(6) The Commission and the City will not take any action or fail to take any action with respect to the Notes or the 2008 Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the Notes or the 2008 Bonds under Section 103 of the Code, nor will it act in any other manner which would adversely affect such exclusion; and the Commission and the City will not make any investment or do any other act or thing during the period that the Notes or the 2008 Bonds are outstanding which would cause any of the Notes or the 2008 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Commission and

the City covenant and agree not to enter into any contracts or arrangements which would cause the Notes or the 2008 Bonds to be treated as private activity bonds under Section 141 of the Code.

(7) The Notes and the 2008 Bonds are not private activity bonds as defined in Section 141 of the Code.

(8) The Notes and the 2008 Bonds are not federally guaranteed under Section 149(b) of the Code.

(9) The Commission and the City hereby designate the Notes and the 2008 Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Code. The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which may be issued by the City and all entities which may issue bonds on behalf of the City during 2008 does not exceed \$10,000,000. The City and the Commission have not and will not designate more than \$10,000,000 of qualified tax-exempt obligations during 2008.

(10) The covenants in this Section 13 are based solely on current law in effect and in existence on the date of issuance of the Notes or the 2008 Bonds. It shall not be an event of default under this Resolution if interest on the Notes or the 2008 Bonds is not excludable from gross income pursuant to any provision of the Code which is not in existence and in effect on the issue date of such Notes or 2008 Bonds.

(11) All officers, members, employees and agents of the Commission and the City are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Commission as of the dates the Notes and the 2008 Bonds are issued, and to enter into covenants evidencing the Commission's commitments made in this Resolution. In particular, all or any officers of the Commission and the City are authorized to certify and enter into covenants for the Commission regarding the facts and circumstances and reasonable expectations of the Commission on the dates the Notes and the 2008 Bonds are issued and the commitments made by the Commission regarding the amount and use of the proceeds of the Notes and the 2008 Bonds.

(B) Notwithstanding any other provisions of this Resolution, the covenants and authorizations contained in this Resolution ("Tax Sections") which are designed to preserve the exclusion of interest on the Notes and the 2008 Bonds from gross income for federal tax purposes ("Tax Exemption") need not be complied with if the Commission receives an opinion of nationally recognized bond counsel satisfactory to the Commission that any Tax Section is unnecessary to preserve the Tax Exemption.

(C) Any Parity Obligations will be subject to the tax covenants set forth in the resolution authorizing the issuance of such Parity Obligations.

SECTION 36. CONTRACTUAL NATURE OF THIS RESOLUTION.

(A) The provisions of this Resolution shall constitute a contract by and between the Commission, acting in the name of the City, and the owners of the Notes and the Owners of the 2008 Bonds. After the issuance of the 2008 Bonds, this Resolution, and the definition of, or the manner of determining, allocating or collecting the Tax Increment or the lien created by this Resolution, shall not be repealed, amended or impaired in any respect which will adversely affect the rights of Owners of the Bonds (except as specifically permitted in Sections 16 and 17), nor shall the Commission adopt any law, ordinance or resolution which in any way adversely affects the rights of such Owners so long as any of the 2008 Bonds remains unpaid.

(B) (1) The Commission, acting in the name of the City, covenants not to impair the pledge of Tax Increment to the payment of the Notes or the Bonds, so long as any of the Notes or the 2008 Bonds are outstanding, or to impair any other pledge or covenant under this Resolution during that period.

(2) The Commission further covenants not to change, alter or diminish the Allocation Areas in any way that would adversely affect the owners of the Notes or the Owners of the 2008 Bonds so long as any of the 2008 Bonds remain outstanding or to grant any tax abatements on property in the Allocation Areas on any property used in the projections of Tax Increment prepared at the time of the issuance of the 2008 Bonds other than tax abatements shown in those projections.

(C) The Commission or the City shall continue to own the Project as long as the Notes or the 2008 Bonds are outstanding.

SECTION 37. DEFEASANCE OF THE 2008 BONDS.

(A) If, when the 2008 Bonds or a portion 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 2008 Bonds or a portion thereof for redemption shall have been given, and the whole amount of the Debt Service so due and payable upon the 2008 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of, and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case the Bonds or such portion thereof shall no longer be deemed outstanding or an indebtedness of the Commission, acting in the name of the City. If no principal of or interest on the 2008 Bonds or any subordinate obligations is outstanding, any remaining funds (including Tax Increment) shall be used as provided in IC 36-7-14-39 or any successor provision.

(B) No deposit under this Section shall be made or accepted under this Section and no use made of any such deposit unless the Commission shall have received a verification from an accountant or firm of accountants appointed by the Clerk-Treasurer and acceptable to the Commission verifying the sufficiency of the deposit to pay the principal of the 2008 Bonds to the due date, whether such due date be by reason of maturity or upon redemption.

SECTION 38. AMENDING SUPPLEMENTAL RESOLUTION. The Commission may, without the consent of, or notice to, the Owners of the 2008 Bonds, adopt a supplemental resolution for any one or more of the following purposes:

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(A) To cure any ambiguity or formal defect or omission in this Resolution;

(B) To grant to or confer upon the owners of the Notes or the Owners of the 2008 Bonds any additional benefits, security, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the owners of the Notes or the Owners of the 2008 Bonds;

(C) To modify, amend or supplement this Resolution to permit the qualification of the Notes or the 2008 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 or the qualification of this Resolution under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect if such modification, amendment or supplement will not have a material adverse effect on the owners of the Notes or the Owners of the 2008 Bonds;

(D) To provide for the refunding or advance refunding of all or a portion of the Notes or the 2008 Bonds;

(E) To amend the Resolution to permit the Commission, acting in the name of the City, to comply with any future federal tax law or any covenants contained in any supplemental resolution with respect to compliance with future federal tax law;

(F) To provide for the issuance of parity Notes, Parity Obligations or subordinate obligations;

(G) To subject to the Bond Resolution additional revenues, security, properties or collateral; and

(H) To amend the Resolution for any other purpose which in the judgment of the Commission does not adversely affect the interests of the owners of the Notes or the Owners of the 2008 Bonds in any material way.

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SECTION 39. CONSENT TO SUPPLEMENTAL RESOLUTIONS.

(A) The owners of the Notes or the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the 2008 Bonds then outstanding shall have the right, from time to time, anything contained in the Resolution to the contrary notwithstanding, to consent to and approve the adoption by the Commission of such supplemental resolutions as shall be deemed necessary and desirable by the Commission for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this

Resolution or in any supplemental resolution other than those provisions covered by Section 16; provided however, that nothing in this Section contained shall permit, or be construed as permitting, without the consent of the owners of all the then outstanding 2008 Bonds affected, (a) an extension of the maturity of the principal of and interest on any 2008 Bonds payable from Tax Increment, or (b) a reduction in the principal amount of any 2008 Bond or change in the rate of interest or (c) a privilege or priority of any 2008 Bond or 2008 Bonds over any other 2008 Bond or 2008 Bonds, or (d) a reduction in the aggregate principal amount of the 2008 Bonds required for consent to such supplemental resolution, or (e) a change in the provisions regarding the collection, deposit, and allocation of Tax Increment as set forth in IC 36-7-14-39, as in effect on the date of the issuance of the 2008 Bonds and in the Resolution or in the lien on the Tax Increment for any 2008 Bonds, or (f) the creation of any lien securing any 2008 Bonds other than a lien ratably securing all of the 2008 Bonds at any time outstanding hereunder, or (g) a reduction in the Debt Service Reserve Requirement, or (h) a change in the method of accrual of interest on any 2008 Bonds.

(B) If at any time the Commission desires to adopt a supplemental resolution for any of the purposes permitted in this Section, the Commission shall cause notice of the proposed adoption of such supplemental resolution to be mailed by registered or certified mail to each owner of the Notes or Owners of the 2008 Bonds at the address shown on the registration books maintained by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that copies of it are on file at its office for inspection by all owners of the Notes or Owners of the 2008 Bonds. If, within 60 days, or such longer period as shall be prescribed by the Commission, following the mailing of such notice, the owners of the Notes or the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the 2008 Bonds outstanding at the time of the execution of any such supplemental resolution shall have consented to and approved the execution of such supplemental resolution, no subsequent owners of the 2008 Bonds shall have any right 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 Commission from adopting the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any such supplemental resolution as is permitted and provided by this Section, this Resolution shall be and be deemed to be modified and amended in accordance therewith.

(C) Any consent, request, direction, approval, objection or other instrument required by this Resolution to be signed and executed by the owners of the Notes or Owners of the 2008 Bonds, may be in any number or concurrent writings of similar tenor and may be signed or executed by the owners of the Notes or Owners of the 2008 Bonds, respectively, in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of the Notes or the 2008 Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, and shall be conclusive in favor of the City with regard to any action taken by it or them under such request or other instrument, namely:

(1) The fact and date of the execution by any person of any such writing may be proved (a) by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing

acknowledged before him the execution thereof, or (b) by an affidavit of any witness to such execution.

(2) The fact of ownership of the Notes and the 2008 Bonds or the amount or amounts, numbers and other identification of the Notes or the 2008 Bonds, and the date of holding the same shall be proved by the registration books maintained by the Registrar.

SECTION 40. EVENTS OF DEFAULT.

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(A) If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(1) Default in the due and punctual payment of any interest on any Note or 2008 Bond; or

(2) Default in the due and punctual payment of the principal of any Note or 2008 Bond at its stated maturity or mandatory redemption date.

(B) (1) Upon the occurrence of an Event of Default, the Clerk-Treasurer shall notify the owners of the Notes or the Owners of all 2008 Bonds then outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies:

(a) The Owners of the 2008 Bonds may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Notes or the 2008 Bonds then outstanding.

(b) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Owners under this Resolution, the Owners of the 2008 Bonds will be entitled, as a matter of right, to the appointment of a receiver or receivers of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

(c) If the Paying Agent certifies that there is sufficient money on deposit in the funds and accounts under this Resolution to pay Debt Service on all the Notes or the outstanding 2008 Bonds, the Clerk-Treasurer may declare the principal of and accrued interest on all Notes or 2008 Bonds to be due and payable immediately in accordance with this Resolution.

(d) The Clerk-Treasurer may use any money in the Capital Fund or the Allocation Fund to pay debt service on the Notes or Debt Service on the 2008 Bonds if there is an Event of Default.

(2) No right or remedy by the terms of this Resolution conferred upon or reserved to the owners of the Notes or the Owners of the 2008 Bonds is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the owners of

the Notes or the Owners of the 2008 Bonds hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

(3) No delay or omission to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

(4) No waiver of any Event of Default, the owners of the Notes or by the Owners, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

(C) Anything in this Resolution to the contrary notwithstanding, the owners of a majority in aggregate principal amount of the outstanding Notes and the Owners of a majority in aggregate principal amount of the outstanding Bonds shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Clerk-Treasurer, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Resolution, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Resolution.

(D) (1) All money received hereunder pursuant to any right or remedy given or action taken upon occurrence of an Event of Default under this Resolution shall, after payment of the costs and expenses of the proceedings resulting in the collection of such money and of the expenses, liabilities and advances incurred or made hereunder, be deposited in the Bond Principal and Interest Account and all such money shall be applied to the Notes or the 2008 Bonds, as the case may be, as follows:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due on the Notes or the 2008 Bonds, including interest on any past due principal of any Note or 2008 Bond at the rate borne by such Note or 2008 Bond, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto without any discrimination or privilege;

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Notes or the 2008 Bonds which shall have become due at maturity, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of the Notes or the 2008 Bonds due on any particular date, together with such interest, then to such payment ratably,

according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD, to be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Notes or the 2008 Bonds which may thereafter become due at maturity and, if the amount available shall not be sufficient to pay in full the principal of and interest on the Notes or the 2008 Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege.

(2) Whenever moneys are to be applied pursuant to the provisions of this subsection, such money shall be applied at such times, and from time to time, as the Clerk-Treasurer shall determine, having due regard for the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. Whenever the Clerk-Treasurer shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Registrar shall establish a special record date for such payments and shall mail, at least 15 days prior to such special record date, such notice as it may deem appropriate of the deposit with it of any such money and of the fixing of any such date. The Paying Agent shall not be required to make payment of principal to the owner of any Note or the Owner of any 2008 Bond until such Note or 2008 Bond shall be presented to the Paying Agent for appropriate endorsement or for cancellation if fully paid.

(3) Whenever all principal of and interest on all Notes and all 2008 Bonds have been paid under the provisions of this subsection and all expenses and charges have been paid, any balance remaining in the Bond Principal and Interest Account, the Debt Service Reserve Account or the General Account shall be paid as provided in Section 11.

(E) Any recovery of judgment shall be for the equal and ratable benefit of the owners of all the outstanding Notes and 2008 Bonds.

Nothing in this Section contained shall, however, affect or impair the right of any owner of the Notes or Owner of the 2008 Bonds, which is absolute and unconditional, to enforce the payment of the principal of and redemption premium, if any, and interest on its Notes or 2008 Bonds out of the Tax Increment and the funds and accounts under this Resolution, or the obligation of the Commission to pay the same, at the time and place expressed in the Notes or 2008 Bonds.

SECTION 41. NOTICES. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed to the appropriate Notice Addresses. The City, the Commission, or the Registrar and Paying Agent may, by notice given hereunder, designate

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any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

| SECTION 42. BUSINESS DAYS. In any case where the date of a principal payment of the Notes or 2008 Bonds or the date fixed for redemption of any portion of the Notes or the 2008 Bonds shall be a Saturday, Sunday or a day on or the city in which the office of the Registrar and Paying Agent is located are required or authorized by law to close, then payment of principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption.

| SECTION 43. SEVERABILITY. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

| SECTION 44. REPEAL OF CONFLICTING PROVISIONS. All resolutions, ordinances and orders, or parts thereof, in conflict with the provision of this Resolution, are, to the extent of such conflict, hereby repealed or amended.

| SECTION 45. EFFECTIVE DATE. This Resolution shall be in full force and effect immediately upon its passage and signing. The Secretary of the Commission is hereby directed to deliver a certified copy of this Resolution to the Clerk-Treasurer.

Adopted at the meeting of the Goshen Redevelopment Commission held on the 27<sup>th</sup> day of February, 2008, at Goshen, Indiana.

GOSHEN REDEVELOPMENT  
COMMISSION

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

ACCEPTANCE OF OFFICE OF REGISTRAR AND PAYING AGENT

The undersigned hereby accepts the duties and obligations of Registrar and Paying Agent imposed by the foregoing Resolution.

\_\_\_\_\_, as Registrar  
and Paying Agent

By: \_\_\_

Title: \_\_

ATTEST:

\_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_

(SEAL)

Notice Address of Registrar and Paying Agent:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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EXHIBIT A

Description of Project

1. Eisenhower Drive extension project;
2. Kercher Road/CR 38 road reconstruction and widening project;
3. Link Road construction project;
4. Dierdorff Road reconstruction and widening project; and
5. Right of way acquisition and engineering design for the above projects.

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Commissioner Oyer moved to amend the Resolution per City Attorney Barkes's recommendation. Second by Commissioner Stark and the motion passed unanimously. The motion to approve the Resolution was then passed unanimously.

**Adjournment:**

The regular meeting ended at 5:00 pm.

Approved on this 11th day of March, 2008.

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Thomas Stump, President

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Jeremy Stutsman, Secretary

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