

## ORDINANCE NO. 6-99

An Ordinance concerning the construction and installation of improvements and extensions to the sewage works owned and operated by the Town of Plainfield, Indiana, the issuance and sale of additional revenue bonds to provide funds for the payment of costs thereof and for the redemption of prior bonds, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said bonds, and other matters connected therewith.

WHEREAS, The Town of Plainfield, Indiana (the "Town"), has heretofore established and now owns and operates sewage works pursuant to Indiana Code Sections 36-9-23 et seq. (the "Act"); and

WHEREAS, the Town Council of the Town of Plainfield (the "Town Council") now finds that said sewage works is in need of certain improvements and extensions; that plans, specifications and estimates for the necessary improvements and extensions to the sewage works have been prepared by Samuel L. Moore & Associates; and

WHEREAS, the Town Council has received engineering estimates and other confirming data fixing the estimated cost of acquisition and construction of the Project (as described herein), and on the basis of said estimates and date, the cost of said project has been determined to be approximately One Million Three Hundred Eighty-Two Thousand Dollars (\$1,382,000) for all of the construction contemplated, including the incidental costs of financing; and

WHEREAS, because the Town does not have sufficient funds on hand to defray the costs of such construction and incidental costs of undertaking a financing, said project expenditures must be financed by the issuance of revenue bonds under the provisions of I.C. 36-9-23-18 and, if necessary, bond anticipation notes (the "BANs"); and

WHEREAS, the Town Council has, by its Ordinance No.4-99, authorized the redemption of the bonds designated as the "Sewage Works Revenue Bonds of 1986", authorized by Ordinance No. 4-86, adopted February 24, 1986, presently outstanding in the amount of Six Hundred Thousand Dollars (\$600,000.00), issued under date of March 1, 1986 (the "1986 Bonds"), from the proceeds of the Series 1999B Bonds (as described herein); and

WHEREAS, the Town Council finds that, after the redemption of the 1986 Bonds described above, there is now one outstanding bond issue payable out of the revenues of the Town's sewage works, designated "Sewage Works Revenue Bonds of 1994," authorized by Ordinance No. 5-94, adopted January 31, 1994, presently outstanding in the amount of Three Million Eighty Thousand Dollars (\$3,080,000.00), issued under date of March 1, 1994, maturing annually over a period ending January 1, 2014, and bearing interest at various rates, depending upon the maturities (the "Prior Bonds"); and that the Series 1999 Bonds shall be parity bonds with an equal and pro rata charge upon the net revenues of the sewage works; and

WHEREAS, IC 5-1 (the "Refunding Act") authorizes the refunding of the 1986 Bonds prior to the time such 1986 Bonds are subject to redemption in order to effect a savings by providing for payment and defeasance of the 1986 Bonds from proceeds of the Series 1999B Bonds (as described herein) and such refunding is not prohibited by Ordinance No. 4-86 authorizing the 1986 Bonds, nor will the refunding adversely affect owners of the 1986 Bonds; and

WHEREAS, the Town Council now finds that the issuance of the Series 1999 Bonds, one purpose of which is to refund and defease the 1986 Bonds, will effect a substantial monetary savings to the Town and its citizens without causing an increase in sewage works utility rates and charges; and

WHEREAS, the Series 1999 Bonds shall be issued in the aggregate principal amount of not to exceed One Million Nine Hundred Ninety Thousand Dollars (\$1,990,000), designated as "Sewage Works Revenue Bonds of 1999, Series \_\_\_\_" (to be completed with the year in which issued and appropriate series designation) and issued for the purpose of procuring funds to be applied on the cost of the Project, to pay for the redemption of the 1986 Bonds, incidental expenses incurred in connection with said sewage facilities and improvements, costs associated with the issuance of the Series 1999 Bonds, and capitalized interest on the Series 1999 Bonds, all as permitted by the Act (the "Series 1999 Bonds");

WHEREAS, the Town Council desires to authorize the issuance of BANs hereunder, if necessary, payable solely from the proceeds of sewage works revenue bonds issued to finance the Project, and to authorize the refunding of said BANs, if issued; and

WHEREAS, the Town has determined that it will be possible to issue the Series 1999 Bonds for said purposes in a manner that will not by itself result in a rate increase; and

WHEREAS, the Town Council finds that all conditions precedent to the adoption of an Ordinance authorizing the issuance of said additional bonds on a parity with the Prior Bonds have been complied with in accordance with the provisions of the Act; now, therefore,

BE IT ORDAINED by the Town Council of the Town of Plainfield, Indiana:

Section 1. That the actions of the Town Council in and about the making of additions and improvements to the sewage works of the Town and the refunding and defeasance of the 1986 Bonds be and the same are hereby approved, ratified and confirmed, and that said Town Council be and it is hereby authorized and directed to proceed with the construction of the Project, provided that the cost of construction of the Project and acquisition of necessary property therefor payable from revenue bonds and funds on hand shall not exceed the sum of One Million Three Hundred Eighty-Two Thousand Dollars (\$1,382,000.00) (plus investment earnings on the Series 1999A Bonds (as described herein) and BAN proceeds). The terms "sewage works," "works," and other like terms where used in this Ordinance shall be construed to amend and include all existing structures and property and all additions, extensions and improvements thereto hereafter constructed or acquired, whether from the proceeds of the Series 1999 Bonds herein authorized or otherwise. The additions

and improvements to said works shall be constructed and the Series 1999 Bonds herein authorized shall be issued pursuant to and in accordance with the provisions of the Act.

The Town of Plainfield shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply to the cost of said construction project. The Town shall issue its BANs in an amount not to exceed One Million Three Hundred Seventy Thousand Dollars (\$1,370,000.00) to be designated "Sewage Works Bond Anticipation Notes." Said BANs shall be numbered consecutively from 1 upward, shall be in multiples of \$1,000, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed 5% per annum (the exact rate or rates to be determined through negotiation) payable upon maturity. Said BANs shall be issued and sold at not less than 99.5% of their par value. The BANs will mature six (6) months after their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to exceed 5% per annum (the exact rate or rates to be negotiated) . The term of the BANs and all renewal BANs may not exceed five years from the date of delivery of the initial BANs. The BANs shall be registered in the name of the purchasers thereof.

The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank or pursuant to IC 5-1-14-5 if sold to a financial institution or any other purchaser. The principal of and interest on the BANs shall be payable solely from the issuance of the Series 1999 Bonds pursuant to and in the manner prescribed by the Act. The revenue bonds will be payable solely out of and constitute a charge against the Net Revenues of the sewage works of the Town, including the works heretofore constructed and all additions and improvements thereto and replacements thereof presently or subsequently constructed or acquired, on a parity with the payment of the Prior Bonds.

Section 2. Said additions and improvements shall consist of the construction and installation of sanitary sewers and related improvements consisting of approximately 6,906 lineal feet of 8", 10" and 18" collection sewers, 10,776 lineal feet of 8" force main, and two (2) lift stations, all servicing the "U.S. 40 Project Service Area" (the "Project").

The cost of issuance of the Series 1999 Bonds will also be payable from the proceeds of the Series 1999 Bonds authorized herein.

Section 3. (a) In accordance with the Act and for the purpose of providing funds with which to pay the costs of the Project, together with all authorized costs relating thereto including the costs of issuance of the Series 1999A Bonds, as hereinafter defined, on account thereof, and refunding the BANs described below, the Town shall issue and sell its sewage works revenue bonds in the aggregate principal amount not to exceed One Million Three Hundred Seventy Thousand Dollars (\$1,370,000) (the "Series 1999A Bonds"). The principal of, redemption premium, if any, and interest on the Series 1999A Bonds shall be payable solely out of the Sewage Works Sinking Fund referred to below.

The Series 1999A Bonds shall be designated as the "Town of Plainfield, Indiana, Sewage Works Revenue Bonds, Series 1999A." The Series 1999A Bonds shall be issued as fully registered bonds in denomination or denominations of Five Thousand Dollars (\$5,000) and any integral

multiples thereof not exceeding the aggregate principal amount of such Series 1999A Bonds maturing in any one year. The Series 1999A Bonds shall be numbered consecutively from 99AR-1 upward and shall bear interest at a rate or rates not exceeding six percent (6.0%) per annum, the exact rate or rates to be determined by negotiation or by bidding. Said interest rate or rates shall be in multiples of one-eighth ( $\frac{1}{8}$ ) or one-twentieth ( $\frac{1}{20}$ ) of one percent (1%). All Series 1999A Bonds maturing on the same date shall bear the same rate of interest, and the interest rate on Series 1999A Bonds of a given maturity must be at least as great as the interest rate on Series 1999A Bonds of any earlier maturity. Interest on the Series 1999A Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year and shall be payable semiannually on January 1 and July 1 in each year (each an "Interest Payment Date"), commencing on July 1, 1999, until principal is fully paid. The principal of the Series 1999A Bonds shall mature serially and annually on January 1 of each year, beginning no later than January 1, 2015, and ending no later than January 1, 2020, and in the amounts to be determined by the Clerk-Treasurer with the advice of the Town's financial advisor, as reflected in the Clerk-Treasurer's Certificate (as described herein).

The Series 1999A Bonds shall bear an original issue date which shall be the date of issuance of the Series 1999A Bonds or the first day of the month in which the Series 1999A Bonds are delivered, as determined by the Clerk-Treasurer and each Series 1999A Bond shall also bear the date of its authentication. Any Series 1999A Bond authenticated on or before the fifteenth (15<sup>th</sup>) day of the calendar month immediately preceding the first Interest Payment Date, shall pay interest from its original issue date. Any Series 1999A Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Series 1999A Bond is authenticated after the day which is fifteen (15) days prior to the Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date. The Series 1999A Bonds shall initially be issued and held in book-entry form on the books of The Depository Trust Company, its successors or any successor central depository system appointed by the Town from time to time. The Town and the Registrar and Paying Agent (as hereinafter defined) may, in connection herewith, do or perform or cause to be done or performed any acts or things, not adverse to the rights of the holders of the Series 1999A Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form Series 1999A Bonds.

(b) In accordance with the Refunding Act, and for the purpose of providing funds with which to currently refund the 1986 Bonds, together with all authorized costs relating thereto including the costs of issuance of the Series 1999B Bonds, on account thereof, the Town shall issue and sell its sewage works revenue bonds in the aggregate principal amount not to exceed Six Hundred Twenty Thousand Dollars (\$620,000) (the "Series 1999B Bonds"). The principal of, redemption premium, if any, and interest on the Series 1999B Bonds shall be payable solely out of the Sewage Works Sinking Fund.

The Series 1999B Bonds shall be designated as the "Town of Plainfield, Indiana, Sewage Works Bonds, Series 1999B." The Series 1999B Bonds shall be issued as fully registered bonds in denomination or denominations of Five Thousand Dollars (\$5,000) and any integral multiples thereof not exceeding the aggregate principal amount of such Series 1999B Bonds maturing in any

one year. The Series 1999B Bonds shall be numbered consecutively from 99BR-1 upward and shall bear interest at a rate or rates not exceeding six percent (6.0%) per annum, the exact rate or rates to be determined by negotiation or by bidding. Said interest rate or rates shall be in multiples of one-eighth ( $\frac{1}{8}$ ) or one-twentieth ( $\frac{1}{20}$ ) of one percent (1%). All Series 1999B Bonds maturing on the same date shall bear the same rate of interest, and the interest rate on Series 1999B Bonds of a given maturity must be at least as great as the interest rate on Series 1999B Bonds of any earlier maturity. Interest on the Series 1999B Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360) day year and shall be payable semiannually on January 1 and July 1 in each year (each an "Interest Payment Date"), commencing on July 1, 1999, until principal is fully paid. The principal of the Series 1999B Bonds shall mature serially and annually on January 1 of each year, beginning no later than January 1, 2000, and ending no later than January 1, 2005, in the amounts to be determined by the Clerk-Treasurer with the advice of the Town's financial advisor, as reflected in the Clerk-Treasurer's Certificate (as described herein).

The Series 1999B Bonds shall bear an original issue date which shall be the date of issuance of the Series 1999B Bonds or the first day of the month in which the Series 1999B Bonds are delivered, as determined by the Clerk-Treasurer with the advice of the Town's financial advisor. Any Series 1999B Bond authenticated on or before the fifteenth (15<sup>th</sup>) day of the calendar month immediately preceding the first Interest Payment Date, shall pay interest from its original issue date. Any Series 1999B Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Series 1999B Bond to which interest thereon has been paid or duly provided for, unless such Series 1999B Bond is authenticated after the day which is fifteen (15) days prior to the Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date. The Series 1999B Bonds shall initially be issued and held in book-entry form on the books of The Depository Trust Company, its successors or any successor central depository system appointed by the Town from time to time. The Town and the Registrar and Paying Agent (as hereinafter defined) may, in connection herewith, do or perform or cause to be done or performed any acts or things, not adverse to the rights of the holders of the Series 1999B Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form Series 1999B Bonds.

(c) The principal of the Series 1999 Bonds is payable at the principal Corporate Trust office of Bank One, Indianapolis, NA, the Paying Agent, in the City of Indianapolis, Indiana, which bank shall also serve as Registrar for the Series 1999 Bonds. The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such institution as will enable it to perform the services required for Registrar and Paying Agent. The Clerk-Treasurer is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent and such fees may be paid from the Sewage Works Sinking Fund. As to the BANs, upon agreement of the Town and the purchaser, the Clerk-Treasurer will be designated the Registrar and Paying Agent and will be charged with the performance of all of the duties and responsibilities of Registrar and Paying Agent. The Series 1999A Bonds shall mature serially in numerical order on January 1 in the year and amounts as follows:

Year	Amount
2015	\$370,000
2016	385,000
2017	405,000
2018	210,000

The Series 1999B Bonds shall mature serially in numerical order on January 1 in the year and amounts as follows:

Year	Amount
2000	\$120,000
2001	140,000
2002	145,000
2003	150,000
2004	65,000

Notwithstanding anything in this Ordinance to the contrary, all or a portion of the Series 1999 Bonds may be issued as one or more term Bonds, upon election of the successful bidder. Such term Bonds shall have a stated maturity or maturities of January 1, \_\_\_\_\_ through January 1, 20\_\_ as determined by the successful bidder. The term Bonds shall be subject to mandatory sinking fund redemption and final payment(s) at a maturity of 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates in accordance with the above schedule.

(d) The Series 1999A Bonds and the Series 1999B Bonds shall rank on a parity basis, one series with the other, regardless of when each series is issued.

Section 4.(a) The BANs are prepayable by the Town, in whole or in part, at any time upon seven days, notice to the owner of the BANs without any premium. The Series 1999A Bonds maturing on January 1, 2009 and thereafter, shall be redeemable at the option of the Town, in whole or in part, on July 1, 2008, or any date thereafter, in inverse order of maturity and by lot within a maturity, at face value, together with the following premiums:

- 1% if redeemed on July 1, 2008, or thereafter on or before June 30, 2009;
- .5% if redeemed on July 1, 2009, or thereafter on or before June 30, 2010;
- 0% if redeemed on July 1, 2010, or thereafter prior to maturity;

plus in each case accrued interest to the date fixed for redemption. Each Five Thousand Dollars (\$5,000.00) principal amount shall be considered a separate Bond for purposes of redemption.

If any Bond is issued as a term Bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Series 1999 Bonds maturing as term Bonds, and corresponding mandatory redemption obligation, in the order determined by the Town, any Series 1999 Bonds maturing as term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Bond maturing as a term Bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Series 1999 Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided however, the Paying Agent shall credit only such Series 1999 Bonds maturing as term Bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date as stated above.

(b) Notice of any redemption shall be mailed by certified mail to the address of each registered owner as shown on the registration records of the Registrar as of the date which is forty-five (45) days prior to such redemption date. Said notice shall be mailed not less than thirty (30) days prior to the date fixed for redemption unless such redemption notice is waived. The place of redemption may be named by the Town. The notice shall specify the date of redemption and the serial numbers and dates of maturity of the Series 1999 Bonds called for redemption. Interest on the Series 1999 Bonds so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the date so named and thereafter when presented for payment.

Section 5. Interest on Series 1999 Bonds authenticated on or before the Record Date (defined below) which precedes the first Interest Payment Date shall be paid from the original date as specified in Section 3. Interest on Series 1999 Bonds authenticated subsequent to the Record Date which precedes the first Interest Payment Date thereon shall be paid from the Interest Payment Date to which interest has been paid as of the date on which such Series 1999 Bonds are authenticated, unless a Bond is authenticated between the Record Date and the Interest Payment Date in which case the interest shall be paid from such Interest Payment Date. Principal of the Series 1999 Bonds shall, subject to prior prepayment as hereinabove provided, fall due on such dates in such amounts as correspond to the amounts and dates of maturities set forth in Section 3 hereof. Interest on unpaid installments of principal of Series 1999 Bonds shall be payable semiannually on the first days of January and July in each year until the principal amount thereof has been paid. Interest shall be payable to the owner appearing as "Registered Owner" thereof on said Bond and on the registration record of the Registrar, by check or draft, mailed or delivered one day prior to the payment date to such owner at the address as it appears on the registration books of the Registrar as of the fifteenth calendar day prior to an Interest Payment Date ("Record Date"), unless otherwise directed in writing by the owner. The party in whose name said Series 1999 Bonds shall be registered shall be deemed the absolute owner for all purposes, and payments to such owner shall completely discharge the Town's obligations. All payments on the Series 1999 Bonds shall be made in any coin or currency of the United States of America, which on the date of such payments shall be legal tender for the

payment of public and private debts.

The Series 1999 Bonds may be transferred upon proper execution of an assignment by the owner and presentation of the Bond and the executed assignment to the Registrar for notation of the transfer upon the Bond and upon the registration record maintained by the Registrar. Upon surrender for transfer of any fully registered Bond at the principal office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by the owner or his attorney duly authorized in writing, the Town shall execute and the Registrar shall endorse and deliver in the name of the transferee or transferees a new fully registered Series 1999 Bond or Bonds of the same series and the same maturity for a like aggregate principal amount. Series 1999 Bonds may be exchanged at said office of the Registrar for a like aggregate principal amount of Series 1999 Bonds of other authorized denominations of the same series and the same maturity. Series 1999 Bonds may be exchanged without cost to the owner, except for any tax or governmental charge required to be paid with respect to the exchange. The execution by the Town of any Bond of any denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to endorse and deliver such Bond. The Registrar shall not be required to transfer or exchange any Bond during the period from the fifteenth day of any calendar month next preceding an interest payment date of such Bond to such interest payment date, nor to transfer or exchange any Bond after the publication of or mailing of notice calling such Bond for redemption has been made, nor during a period of fifteen days next preceding publication of a notice of redemption of any Series 1999 Bonds.

Section 6. The Series 1999 Bonds and BANs shall be signed in the name of the Town by manual or facsimile signature of the President of the Town Council, and attested by the manual or facsimile signature of the Clerk-Treasurer who shall cause the seal of the Town to be impressed or reproduced by facsimile thereon. The Series 1999 Bonds must be authenticated by an authorized officer of the Registrar. In case any officer whose signature appears on the Series 1999 Bonds shall cease to be such officer before the delivery of such Series 1999 Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until the delivery thereof. The Series 1999 Bonds shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana.

The Series 1999 Bonds are payable from and secured by an irrevocable pledge of and constitute a charge upon all the Net Revenues (herein defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the Town (including the existing works, the improvements and extensions herein authorized to be acquired and constructed, and all additions and improvements therein and replacements thereof subsequently constructed or acquired). The Town shall not be obligated to pay the Series 1999 Bonds or the interest thereon except from the Net Revenues of said works, and said Series 1999 Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 7. The form and tenor of the Series 1999 Bonds and the form of registry endorsement thereon shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof

(the square bracketed language depicts differences between the Series 1999A Bonds and the Series 1999B Bonds):

UNITED STATES OF AMERICA  
State of Indiana  
County of Hendricks

**TOWN OF PLAINFIELD  
SEWAGE WORKS REVENUE  
BOND OF 1999, SERIES \_\_**

Original Date	Maturity <u>Date</u>	Interest <u>Rate</u>	Authentication <u>Date</u>	<u>CUSIP</u>
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Registered Owner:

Principal Sum:

No. 99 \_\_\_ - \$ \_\_\_\_\_

The Town of Plainfield, in Hendricks County, State of Indiana, for value received, hereby promises to pay to the Registered Owner stated above, or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum stated above on the Maturity Date stated above (unless this Bond be subject to and be called for redemption prior to maturity as hereinafter provided) and to pay interest thereon from the interest payment date to which interest has been paid next preceding the Authentication Date of the Bond unless this Bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date, or unless this Bond is authenticated on or before June 15, 1999, in which case it shall bear interest from the Original Date, at the Interest Rate stated above, payable on the first days of January and July in each year, beginning July 1, 1999. All payments on this Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts. Interest shall be calculated on the basis of twelve (12) thirty-day months for a 360 day year.

Interest on this Bond will be paid by check or draft of Bank One, Indianapolis, NA, Indianapolis, Indiana, as Paying Agent, mailed to the owner hereof as the owner's name appears on the registration books maintained by the Registrar as of 15 calendar days prior to an interest payment date. Principal of this Bond is payable at the principal office of the Paying Agent.

This Bond shall not constitute an indebtedness of the Town of Plainfield within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town shall not be obligated to pay this Bond or the interest thereon except from said special fund provided from the Net Revenues.

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

(Reverse of Bond)

This Bond is one of an authorized issue of Series 1999\_\_ Bonds of the Town of Plainfield, of like date, tenor and effect, except as to numbering, interest rates and dates of maturity, in the total amount of One Million Three Hundred Seventy Thousand Dollars (\$1,370,000)[Six Hundred Twenty Thousand Dollars (\$620,000)], issued for the purpose of providing funds to pay a portion of the cost of improvements and extensions to the Town's sewage works, as authorized by Ordinance No. \_\_-99, adopted by the Town Council of the Town of Plainfield, on March \_\_, 1999, entitled "An Ordinance concerning the construction and installation of improvements and extensions to the sewage works owned and operated by the Town of Plainfield, Indiana, the issuance and sale of additional revenue Bonds to provide a portion of the cost thereof, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said Series 1999 Bonds, and other matters connected therewith" (the "Ordinance"), and in strict compliance with the provisions of Indiana Code, Sections 36-9-23-1 et seq. (the "Act"), [to be applied on the cost of refunding and defeasing the Town's Sewage Works Revenue Bonds of 1986 and to pay incidental expenses, as authorized by Ordinance No. \_\_-99 adopted by the Town Council of the Town of Plainfield on the \_\_\_\_ day of March, 1999, entitled "An Ordinance of the Town of Plainfield, Indiana authorizing and approving the redemption of the Town of Plainfield, Indiana Sewage Works Revenue Bonds of 1986", and in strict compliance with the provisions of I.C. 5-1-5 and I.C. 8-1.5 and other applicable laws, as amended (collectively, the "Act")].

Pursuant to the provisions of the Act (and its predecessor, Chapter 61 of the Acts of the Indiana General Assembly for the year 1932) and the Ordinance, the principal of and interest on (a) this Series 1999\_\_ Bond and all other Bonds of said issue, (b) certain now outstanding Sewage Works Revenue Bonds in the amount of Three Million Eighty Thousand Dollars (\$3,080,000), issued under date of March 1, 1994, and maturing serially on January 1 of the years 1995 to 2014 inclusive (the "Prior Bonds"), and (c) any Bonds hereafter issued on a parity with the Series 1999\_\_ Bonds described above, are payable solely from the Sewage Works Sinking Fund (heretofore created by Ordinance No. 4-52 adopted July 7, 1952) to be provided from the Net Revenues (herein defined as gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the Town of Plainfield, including the improvements and extensions constructed or acquired by the use of the proceeds of this Bond and the issues of which it is a part, and all improvements and extensions thereto and replacements thereof subsequently constructed or acquired.

The Town of Plainfield irrevocably pledges the entire Net Revenues of said sewage works, to the extent necessary for that purpose, to the prompt payment of (a) the principal and Interest of the Series 1999 Bonds authorized by the Ordinance, of which this is one, (b) the Prior Bonds, and (c) any Bonds hereafter issued on a parity with the Series 1999 Bonds authorized by the Ordinance

and the Prior Bonds. The Town covenants that it will cause to be fixed, maintained and collected such rates and charges for service rendered by said works as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of said works, to provide for proper depreciation, and for the payment of the sums required to be paid into the Sewage Works Sinking Fund under the provisions of the Act and the Ordinance. In the event the Town, or the proper officers thereof, shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this Bond, the owner of this Bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this Bond and the interest thereon.

The Town has designated the Series 1999\_\_ Bonds as qualified tax-exempt obligations to qualify the Series 1999 Bonds for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

The Town further covenants that it will set aside and pay into its Sewage Works Sinking Fund a sufficient amount of the Net Revenues of said works to meet (a) the interest on all Bonds payable from the revenues of the sewage works as such interest shall fall due, (b) the necessary fiscal agency charges for paying the Series 1999 Bonds and interest, (c) the principal of all Bonds payable from the revenues of the sewage works as the same is payable, and (d) an additional amount to create and maintain the reserve required by the Ordinance.

[The Series 1999A Bonds of this issue maturing on January 1, 2009, and thereafter, are redeemable at the option of the Town, in whole or in part, on July 1, 2008, or any interest payment date thereafter, in inverse order of maturity and by lot within a maturity, at face value, together with the following premiums:

- 1% if redeemed on July 1, 2008, or thereafter on or before June 30, 2009;
- .5% if redeemed on July 1, 2009, or thereafter on or before June 30, 2010;
- 0% if redeemed on July 1, 2010, or thereafter prior to maturity;

plus in each case accrued interest to the date fixed for redemption.] [The Series 1999\_\_ 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:

<u>Year</u>	<u>Amount</u>
*	

\*Final Maturity]

Each Five Thousand Dollars (\$5, 000. 00) principal amount shall be considered a separate Bond for purposes of redemption. [If some Series 1999\_\_ Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Series 1999\_\_ Bonds for optional redemption before selecting the Series 1999\_\_ Bonds by lot for the mandatory sinking fund redemption.]

Notice of such redemption shall be sent by certified mail not less than thirty (30) days prior to the date listed for redemption to the Registered Owner of the Bond to be redeemed at the address shown on the registration books as of the date which is forty-five (45) days prior to such redemption date, provided, however, that failure to give such notice by mailing, or any defect therein with respect to any registered Bond, shall not affect the validity of any proceedings for the redemption of other Series 1999\_\_ Bonds. The place of redemption may be named by the Town. Interest on Series 1999\_\_ Bonds so called for redemption shall cease to accrue on the redemption date fixed in said notice, if funds are available at the place of redemption to pay the redemption price on the date so named. The Series 1999\_\_ Bonds so redeemed prior to maturity shall be surrendered for cancellation.

This Bond and all other Series 1999\_\_ Bonds of said issue shall have all the qualities and incidents of negotiable instruments under the laws of the State of Indiana. This Bond is transferable by the Registered Owner in person or by his attorney duly authorized in writing at the principal office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance and upon surrender and cancellation of this Bond. Upon such transfer a new registered Series 1999\_\_ Bond or Bonds of the same series and the same maturity of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange therefor.

THE OWNER OF THIS BOND, BY THE ACCEPTANCE OF THIS BOND, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Series 1999\_\_ Bonds are subject to defeasance prior to redemption or payment as provided in the Ordinance. The Ordinance may be amended without the consent of the owners of the Series 1999\_\_ Bonds as provided in the Ordinance if the Town Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the Series 1999\_\_ Bonds.

The Town, the Registrar and any paying agent for this Bond may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

The Series 1999\_\_ Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount of the Series 1999\_\_ Bonds maturing in such year.

(Front of Bond)

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this Bond have been done and performed in regular and due form as provided by law. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until this Bond shall have been hereinbelow endorsed by the Registrar.

IN WITNESS WHEREOF, the Town of Plainfield, in Hendricks County, State of Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of the President of its Town Council, its corporate seal to be hereunto affixed, imprinted or impressed by any means, and attested by the manual or facsimile signature of its Clerk-Treasurer.

TOWN OF PLAINFIELD

By: \_\_\_\_\_  
President, Town Council

Attest:

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

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

IT IS HEREBY CERTIFIED THAT THIS BOND IS ONE OF THE SERIES 1999\_\_\_  
BONDS DESCRIBED IN THE ORDINANCE.

BANK ONE, INDIANAPOLIS, NA  
As Registrar

By: \_\_\_\_\_  
Authorized Representative



ASSIGNMENT

For value received, the undersigned hereby sells and transfers unto

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(Please print or Typewrite Name and Address of Transferee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the registration books of the Registrar with full power of substitution in the premises.

Signature Guaranteed:

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NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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Registered Owner (NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the front of Bond in every particular without alteration or enlargement or any change whatsoever.

Section 8. The Clerk-Treasurer is hereby authorized and directed to have the Series 1999 Bonds and BANs prepared, and the President of the Town Council and the Clerk-Treasurer are hereby authorized and directed to execute the Series 1999 Bonds and BANs in the form and manner herein provided. After the Series 1999 Bonds have been properly executed the Clerk-Treasurer shall be authorized to receive from the purchaser the full amount which the purchaser has agreed to pay therefor, which shall be not less than 98% of the face value of the Series 1999 Bonds and 99.5% of the face value of the BANs plus accrued interest, and to deliver the Series 1999 Bonds and BANs to such purchaser. The Series 1999 Bonds herein authorized, when fully paid for and delivered to the purchaser, shall be binding special revenue obligations of the Town, payable out of the Net Revenues (as defined in Section 6 hereof) of the Town's sewage works to be set aside into the Sewage Works Sinking Fund, herein provided, and the proceeds derived from the sale of the Series 1999 Bonds shall be and are hereby set aside for application to the cost of construction of said improvements and extensions to the Town's sewage works hereinbefore referred to, refunding the BANs if issued, capitalized interest, funding a debt service reserve fund and the expenses necessarily incurred in connection therewith and on account or in connection with the issuances of the Series 1999 Bonds. The proper officers of the Town are hereby directed to do all acts and things which may be necessary to carry out the provisions of this ordinance.

Section 9. (a) Prior to the sale of said Series 1999 Bonds the Clerk-Treasurer shall cause to be published a notice of intent to sell in The Weekend Flyer and Court & Commercial Record, two (2) times, at least one (1) week apart, all in accordance with IC 5-1-11 and IC 5-3-1. Said notice, or a summary of the terms thereof, may also be published in a newspaper or financial journal published in the City of Indianapolis and the City of New York, New York, in the discretion of the Clerk- Treasurer. The Bond sale notice shall state the time and place of sale, the character and amount of the Series 1999 Bonds, the maximum rate of Interest thereon, the maturities thereof, the purpose for which the Series 1999 Bonds are being issued, the terms and conditions upon which bids will be received and the sale made, and such other information as the Clerk-Treasurer and the attorneys employed by the Town shall deem advisable. Said notice shall provide, among other things, that each bid shall be accompanied by a certified or cashier's check or Financial Surety Bond in the amount of one percent (1%) of the face amount of the Series 1999 Bonds to guarantee performance on the part of the bidder, and that in the event the successful bidder shall fall or refuse to accept delivery of the Series 1999 Bonds and pay for the same at the time fixed in the notice of sale, then said check and the proceeds thereof shall become the property of the Town and shall be considered as its liquidated damages on account of such default.

In the event that the Clerk-Treasurer determines that less than all of the Series 1999B Bonds authorized by this Ordinance are required to accomplish the refunding of the 1986 Bonds, the Clerk-Treasurer's Certificate shall identify the Series 1999B Bonds to be delivered and the remainder, if any, shall not be issued and delivered. No Series 1999B Bonds shall be issued hereunder unless the Clerk-Treasurer determines, with the advice of the Town's financial advisor, that such debt issuance will result in a debt service savings to the Town.

All bids for the Series 1999 Bonds shall be sealed and shall be presented to the Clerk-Treasurer at her office. Bidders for Series 1999 Bonds shall be required to name the rate or rates of

interest which the Series 1999 Bonds are to bear, not exceeding the maximum rate hereinbefore fixed. Such interest rate or rates shall be in multiples of one-eighth ( $\frac{1}{8}$ ) or one-twentieth ( $\frac{1}{20}$ ) of one percent (1%). Bids specifying more than one interest rate shall also specify the amount and maturities of the Series 1999 Bonds bearing each rate, but all Series 1999 Bonds maturing on the same date shall bear the same single interest rate. The rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. The Series 1999 Bonds shall be awarded by the Clerk-Treasurer to the highest qualified bidder who has submitted his bid in accordance with the terms of this Ordinance and the notice of sale. The highest bidder will be the one who offers the lowest net interest cost to the Town to be determined by computing the total interest on all of the Series 1999 Bonds to their maturities and deducting therefrom the premium bid (or adding the discount bid), if any. No bid for less than ninety-eight percent (98%) of the par value of said Series 1999 Bonds, including accrued interest to the date of delivery, shall be considered. The right to reject any and all bids shall be reserved. In the event an acceptable bid is not received on the date fixed in the notice, the Clerk-Treasurer shall be authorized to continue the sale from day to day for a period not to exceed thirty (30) days without readvertisement, but during such continuation no bid shall be accepted which is lower than the highest bid offered at the advertised sale.

(b) The Town, having satisfied all the statutory requirements for the issuance of the Series 1999A Bonds, may elect to issue its BAN or BANs to a financial institution, the Indiana Bond Bank, or the State pursuant to the Bond Anticipation Note Agreement, to be entered into between the Town and the purchaser of the BANs. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Series 1999A Bonds to provide interim construction financing for the Project until permanent financing becomes available. It shall not be necessary for the Town to repeat the procedures for the issuance of its Series 1999A Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Series 1999A Bonds and the use of the proceeds to repay the BAN or BANs. The President and the Clerk-Treasurer are hereby authorized and directed to execute the Bond Anticipation Note Agreement in such form or substance as they shall approve acting upon the advice of counsel. The President and Clerk-Treasurer may also take such other action or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the Series 1999A Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

(c) Prior to the delivery of the Series 1999 Bonds the Clerk-Treasurer shall be authorized to obtain legal opinions as the validity of the Series 1999 Bonds and the BANs from Dann Pecar Newman & Kleiman, P.C., acting as bond counsel for the Town, and to furnish such opinions to the purchasers each series of the Series 1999 Bonds or to the purchasers of the BANs. The fees of such bond counsel shall be considered as a part of the cost of the Project and the refunding on account of which the Series 1999 Bonds and BANs are issued, and shall be paid out of the proceeds of the Series 1999 Bonds and the BANs.

(d) Prior to the delivery of the Series 1999 Bonds and the BANs, the Clerk-Treasurer, subject to the direction of the Town Council, shall be authorized to investigate, negotiate and obtain bond insurance, other forms of credit enhancement and/or credit ratings on Series 1999 Bonds and the

BANs. The costs of obtaining any such insurance, other credit enhancement and/or credit ratings, together with bond counsel's fee in preparing and delivering opinions and in the performance of related services in connection with the issuance, sale and delivery of the Series 1999A Bonds, the Series 1999B Bonds and the BANs, shall be considered as a part of the cost of the Project or the refunding of the 1986 Bonds and shall be paid out of the proceeds of the Series 1999A Bonds, the Series 1999B Bonds and the BANs, respectively.

Section 10. (a) The accrued interest and premium, if any, received at the time of the delivery of the 1999A Bonds, if any, shall be deposited in the Sewage Works Sinking Fund heretofore created by Ordinance No. 4-52, adopted on July 7, 1952. An amount from the proceeds of the sale of the Series 1999A Bonds necessary to fund the Sewage Works Reserve Account in the amount of the Reserve Requirement shall be deposited in the Sewage Works Reserve Account. The BAN proceeds and remaining proceeds from the sale of the 1999A Bonds (to the extent not used to refund BANs) shall be deposited in a bank or banks which are legally designated depositories for the funds of the Town, in a special account or accounts to be designated as "Town of Plainfield, Sewage Works Construction Account - 1999". All funds deposited to the credit of said Sewage Works Sinking Fund or Sewage Works Construction Account shall be deposited, held and secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding and securing or investing of public funds. The funds in said special construction account or accounts shall be expended only for the purpose of paying the cost of the improvements and extensions to the works, as provided in the Act, or as otherwise required by said Act. Any balance or balances remaining unexpended in such special account or accounts after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall be paid into the Sewage Works Sinking Fund and shall be used solely for the purposes of said fund or be used for the same purpose or type of project for which the Bonds were originally issued, all in accordance with I.C. 5-1-13, as amended and supplemented.

(b) The proceeds of the sale of the Series 1999B Bonds shall be disbursed in the following manner:

(i) All accrued interest shall be deposited in the Sewage Works Sinking Fund.

(ii) An amount from the principal proceeds of the sale of the Series 1999B Bonds specified in the Clerk-Treasurer's Certificate shall be applied to the expenses of issuing the Series 1999B Bonds.

(iii) The balance of the principal proceeds of the sale of the Series 1999B Bonds, together with an amount specified in the Clerk-Treasurer's Certificate in any accounts previously established by ordinance of the Town and continued under the Ordinance, all as verified by the Town's financial advisor, shall be deposited in the Sewage Works Sinking Fund and the Clerk-Treasurer is directed to immediately disburse to the Indiana Bond Bank, the sole holder of the 1986 Bonds, all amounts necessary to retire the 1986 Bonds. The monies deposited in the Sewage Works Sinking Fund to carry out the refunding of the 1986 Bonds shall be irrevocably set aside and pledged for such purpose.

Subject to the approval of the Town Council, the Clerk-Treasurer shall be authorized to invest such portion of the funds in said construction account as shall not be required for immediate use, provided that no such investment shall be made at a cost in excess of the par value of the securities purchased, and that none of the funds shall be invested in any securities the maturity date of which is later than the time when such funds are required to be available for the purposes thereof or at the time when such funds will be required for use cannot be determined, such investments shall be made only in securities having a maturity date of one (1) year or less from the date of purchase. Such investments shall be made in strict accordance with the provisions of the Indiana Code and any interest or other accretions derived from any such investments shall become a part of the funds invested. In conformity with the provisions of the governing statutes, the owners of the Series 1999 Bonds shall be entitled to a lien on the proceeds of the Series 1999 Bonds until the same are applied on the Project or refunding on account which the Series 1999 Bonds were issued.

The Town further covenants with the owners of the Series 1999 Bonds that it will not invest the proceeds from the sale of the Series 1999 Bonds in any manner that would cause the Series 1999 Bonds to be or become "arbitrage" Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended and in effect on the issue date of the Series 1999 Bonds (the "Code"). In support of the foregoing covenant, the President of the Town Council and/or the Clerk-Treasurer are hereby authorized to execute and deliver such agreements (including agreements to rebate to the United States of America excess investment earnings) and certifications as may be required to evidence compliance with Section 148 of the Code, or successor provisions of the law, and any applicable regulations hereafter proposed or promulgated thereunder.

In addition, the Town covenants that, to the extent lawfully possible and necessary to preserve the federal tax-exempt status of interest on the Series 1999 Bonds, it will comply with (1) the terms of any "tax certificate" which it may deliver concurrently with the issuance and delivery of the Series 1999 Bonds and (ii) any restrictions placed upon the use and investment of the proceeds of the Series 1999 Bonds by virtue of any federal laws enacted subsequent to the date of issuance and delivery of the Series 1999 Bonds, but made effective retroactively to such date.

Section 11. The Sewage Works Sinking Fund, created for the payment of the Sewage Works Revenue Bonds is hereby designated and constituted as the special fund for the payment of the interest on and principal of the Series 1999 Bonds, the BANs as well as the Prior Bonds, and those which may be authorized on a parity with the Series 1999 Bonds by any future Ordinance (the "Parity Bonds") and the payment of any fiscal agency charges in connection with the payment of interest on and principal of such Parity Bonds.

The Sewage Works Sinking Fund shall be divided for record-keeping purposes into two (2) separate accounts known as the "1994 Bonds Account" and the "1999 Bonds Account", however, monies in said fund may be commingled for the purpose of investment and earnings on said fund shall be allocable to each account therein pro rata in accordance with the outstanding principal amount of Prior Bonds and Series 1999 Bonds, respectively, provided, however, that any earnings

on deposits made with respect to the Prior Bonds in accordance with the second succeeding paragraph shall be allocable entirely to the 1994 Bonds Account.

The Sewage Works Sinking Fund shall be continued until (i) all of the Prior Bonds, (ii) all Series 1999 Bonds issued under this Ordinance and (iii) all Parity Bonds, if any, are no longer deemed outstanding. There shall be set aside and paid into said Sewage Works Sinking Fund monthly, as available, a sufficient amount of the Net Revenues of said sewage works for the payment of (a) one-sixth (1/6) of the next installment of interest due on the Prior Bonds, the Series 1999 Bonds and any Parity Bonds, (b) one-twelfth (1/12) of the next installment of principal due on the Prior Bonds, the Series 1999 Bonds and any Parity Bonds, (c) the necessary fiscal agency charges for paying principal of and interest on the Prior Bonds, the Series 1999 Bonds and any Parity Bonds and (d) an additional amount as a margin of safety and for the payment of premiums upon the Prior Bonds, the Series 1999 Bonds and any Parity Bonds redeemed by call or purchase which margin, together with any unused surplus of such margin carried forward from the preceding year shall equal not less than ten percent (10%) of all other amounts so required to be paid into the Sewage Works Sinking Fund. To create a reserve for the Prior Bonds and the Series 1999 Bonds herein authorized, Bond proceeds or a combination of Bond proceeds and monthly deposits of Net Revenues shall be deposited in an account designated "Sewage Works Reserve Account" until the balance in the Sewage Works Reserve Account equals, but does not exceed, the least of (i) the maximum annual debt service on the Series 1999 Bonds and the Prior Bonds, (ii) 125% of average annual debt service on the Series 1999 Bonds and the Prior Bonds, or (iii) 10% of the proceeds of the Series 1999 Bonds and the Prior Bonds ("Reserve Requirement"). The Reserve Account may be funded with Series 1999 Bond proceeds or monthly deposits of Net Revenues or any combination thereof. If monthly deposits are made, they shall be equal in the amount and sufficient to accumulate the Reserve Requirement within five years of the date of delivery of the Series 1999 Bonds. For federal tax purposes, the moneys contained in the Reserve Account will be allocated between the Prior Bonds and the Series 1999 Bonds issued hereunder in the manner provided in the Code and the regulations promulgated thereunder from time to time. The Reserve Requirement may also be funded in whole or in part at any time from available cash on hand and also may be satisfied with cash, a qualified Surety Bond or a confirmation thereof. To the extent that cash is held in the Reserve Account, the cash shall be completely drawn down before any demand is made on the Surety Bond. All or a portion of the Reserve Account for the 1986 Bonds shall be applied to the Reserve Requirement for the Series 1999B Bonds.

The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on outstanding Series 1999 Bonds, and the moneys in the Reserve Account shall be used to pay current principal and interest on outstanding Series 1999 Bonds to the extent needed. Any deficiency in the balance maintained in the Reserve Account shall be promptly made up from the next available Net Revenues remaining. In the event moneys in the Reserve Account are used to pay principal and interest on outstanding Series 1999 Bonds, then such depletion of the balance in the Reserve Account shall be made up from the next available Net Revenues after prior required payments; provided that the insurer that issued the Surety Bond shall first be reimbursed to reinstate the Surety Bond. Any moneys in the Reserve Account in excess of the Reserve Requirement may in the discretion of the Town Council, be used for the purchase of

then outstanding Series 1999 Bonds or installments of principal of fully registered Series 1999 Bonds at a price not exceeding par and accrued interest, or be transferred to the Sewage Works Sinking Fund.

Except as provided herein, in no event shall any part of the Sewage Works Sinking Fund be used in calling any Prior Bonds, Series 1999 Bonds or Parity Bonds for redemption prior to maturity.

Section 12. All revenues received on account of the sewage works shall be segregated and kept in a special fund separate and apart from all other funds of the Town. The Town shall keep proper books of record and account, in which complete and correct entries shall be made showing all revenues collected from said works and deposited in said fund, and all disbursements made therefrom on account of the operation of the works, or to meet the requirements of the Sewage Works Sinking Fund, also all other financial transactions relating to said works, including the amounts set aside or credited to the Sewage Works Construction Account, and the cash balances in each of the funds as of the close of the preceding fiscal year. There shall be prepared and furnished to the original purchaser of the Series 1999 Bonds, and, upon written request, to any subsequent owner of the Series 1999 Bonds at the time then outstanding, not more than sixty (60) days after the close of each fiscal year, operating income and expense and balance sheet statements of the works, covering the preceding fiscal year, which annual statements shall be certified by the Clerk-Treasurer, or the person charged with the duty of auditing the books and records relating to said works. Copies of all such statements and reports shall be kept on file in the office of the Clerk-Treasurer. Any owner or owners of the Series 1999 Bonds then outstanding shall have the right at all reasonable terms to inspect the works and all records, deposits and data of the Town relating thereto may be made by representatives duly authorized by written instrument.

Section 13. The Town shall, by Ordinance of the Town Council, maintain just and equitable rates or charges for the use of and the services rendered by said works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said sewage works by or through any part of the sewage system of the Town, or that in any way uses or is served by such works. Such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, for depreciation, and for the payment of the sums required to be paid into the Sewage Works Sinking Fund by the Act. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance, and depreciation, and the requirements of the Sewage Works Sinking Fund. Such rates and charges will be established in amounts sufficient to provide net revenues in each fiscal year equal to at least 1.15 times the maximum annual debt service on all outstanding Series 1999 Bonds and Parity Bonds. The rates or charges so established shall apply to any and all use of such works by, and service rendered to, the Town and all departments thereof, and shall be paid by the Town or the various departments thereof as the charges accrue. The Town Council has adopted Ordinance No. 4-94 which contains the fees for the several classes of users or property to be served and which ordinance is incorporated herein by reference and constitutes an estimate of the fees as required to be made by the Town Council. In addition, the Town Council has introduced Ordinance No. \_\_\_-99 which contains proposed provisions for the Town to enter into special rate contracts with users of the sewage works

system where clearly definable costs to the sewage works system can be determined, and such special rate contracts are based on such costs.

Section 14. The Town reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The Town reserves the right to authorize and issue additional Bonds, payable out of the revenues of its sewage works, ranking on a parity with the Series 1999 Bonds (the "Parity Bonds") for the purpose of financing the cost of future additions, extensions and improvements to the sewage works, or for the purpose of refunding Sewage Works Revenue Bonds, subject to the following conditions:

(a) The interest on and principal of all Prior Bonds and Series 1999 Bonds shall have been paid to date in accordance with the terms thereof.

(b) The Net Revenue of the sewage works in the fiscal year immediately preceding the issuance of any such Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding Prior Bonds and Series 1999 Bonds, and the Parity Bonds proposed to be issued; or, prior to the issuance of said Parity Bonds, the sewage rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous fiscal year's operations would have produced net revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding Prior Bonds and Series 1999 Bonds, and the Parity Bonds proposed to be issued. If the Parity Bonds proposed to be issued are to refund outstanding Series 1999 Bonds, the net revenues test in this subsection shall be applied only to the maximum annual interest and principal requirements of the refunding Series 1999 Bonds. The records of the sewage works shall be analyzed and all showings shall be prepared by a certified public accountant employed by the Town for that purpose.

(c) The principal of the Parity Bonds shall be payable annually on January 1 and the interest semi-annually on January 1 and July 1 of the years in which principal and interest are payable.

Section 15. For the purpose of further safeguarding the interests of the owners of the Series 1999 Bonds and BANs, it is specifically provided as follows:

(a) All Contracts let by the Town in connection with the construction of the Project shall be let after due advertisement as required by laws of the State of Indiana, and all contractors shall be required to furnish Surety Bonds in an amount equal to one hundred percent (100%) of the amount of such contracts, to insure the completion of said contracts in accordance with their terms, and such contractors shall also be required to carry such employers, liability and public liability insurance as are required under the laws of the State of Indiana in the case of public contracts, and shall be governed in all respects by the laws of the State of Indiana relating to public contracts.

(b) The works shall be constructed under the supervision and subject to the approval of Samuel L. Moore & Associates or such other competent engineers as shall be designated by the Town Council. All estimates for work done or material furnished shall first be checked by the

engineers and approved by the Town Council.

(c) The Town shall at all times maintain its sewage works in good condition and operate the same in an efficient manner and at a reasonable cost.

(d) So long as any of the Series 1999 Bonds and BANs are outstanding, the Town shall maintain insurance on the insurable parts of said works of a kind and in an amount such as would normally be carried by private companies engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. Insurance proceeds shall be used in replacing or repairing the property destroyed or damaged; or if not used for that purpose shall be treated and applied as Net Revenues of the works.

(e) So long as any of the Series 1999 Bonds and BANs are outstanding, the Town shall not mortgage, pledge or otherwise encumber such works, or any part thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except replaced equipment which may become worn or obsolete or other property not required for the proper construction and maintenance of the works.

(f) Except as otherwise provided in Section 14 of this Ordinance, no additional Bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, executed or issued by the Town except such as shall be made subordinate and junior in all respects to the Series 1999 Bonds.

(g) The Town shall take all actions or proceedings necessary and proper to require connection of all property where liquid and solid waste, sewage, night soil, or industrial waste is produced, with available sanitary sewers. The Town shall, insofar as possible, cause all such sanitary sewers to be connected with said sewage works.

(h) The provisions of this Ordinance shall constitute a contract by and between the Town and the owners of the Series 1999 Bonds and BANs, and after the issuance of the Series 1999 Bonds and BANs this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the owners of the Series 1999 Bonds and BANs, nor shall the Town Council or other body of the Town adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Series 1999 Bonds or BANs or the interest thereon remain unpaid. Except for the changes set forth in Section 18 (a) - (g), this Ordinance may be amended, however, without the consent of Series 1999 Bond or BAN owners, if the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the Series 1999 Bonds or BANs.

(i) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the Series 1999 Bonds and BANs for the uses and purposes herein set forth and the owners of the Series 1999 Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and of the Act. The provisions of this Ordinance shall also be construed to create a trust in the portion of the Net Revenues herein directed to be set apart and paid into the Sewage Works Sinking Fund for the uses and purposes of said fund as in this

Ordinance set forth. The owners of the Series 1999 Bonds shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer said sewage works, in the event of default in the payment of the principal of or interest on any of the Series 1999 Bonds for a period of thirty (30) days, or in the event of default in respect to any of the provisions of this Ordinance or the Act.

Section 16. In order to preserve the exclusion of interest on the Series 1999 Bonds and BANs from gross income for federal income tax purposes under Section 103 of the Code and as an inducement to purchasers of the Series 1999 Bonds, the Town represents, covenants and agrees that:

(a) No person or entity, other than the Town or another state or local governmental unit, will use proceeds of the Series 1999 Bonds or BANs or property financed by the Series 1999 Bond or BAN proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by Series 1999 Bond or BAN 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 take-or-pay or output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use of the public at large.

(b) No Series 1999 Bond or BAN proceeds will be loaned to any entity or person other than another state or local governmental unit. No Series 1999 Bond or BAN proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Series 1999 Bond or BAN proceeds.

(c) No portion of the payment of the principal of or interest on the Series 1999 Bonds or BANs is (under the terms of the Series 1999 Bonds, the BANs, this Ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for private business use or payments in respect of such property, or to be derived from payments (whether or not to the Town) in respect of property or borrowed money used or to be used for a private business use.

(d) The Town will not take any action nor fail to take any action with respect to the Series 1999 Bonds or BANs that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Series 1999 Bonds or BANs pursuant to Section 103 of the Code, nor will the Town act in any other manner which would adversely affect such exclusion, and it will not make any investment or do any other thing during the period that the Series 1999 Bonds and BANs are outstanding which would cause the Series 1999 Bonds or BANs to be "Arbitrage Bonds" within the meaning of Section 148 of the Code.

(e) It shall not be an event of default under this Ordinance if the interest on any Series 1999 Bonds or BANs is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of the issuance of the Series 1999 Bonds.

(f) The Town represents that, if necessary, it will rebate any arbitrage profits to the United States of America in accordance with the Code.

(g) The Town represents that:

- (1) The Series 1999 Bonds and BANs are not private activity Bonds as defined in Section 141 of the Code.
- (2) The Town hereby designates the Series 1999 Bonds and BANs as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;
- (3) The reasonable anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases but excluding other private activity Bonds) which will be issued by the Town and all entities subordinate to the Town during 1999 does not exceed \$10,000,000; and
- (4) The Town has not designated and will not designate more than \$10,000,000 of qualified tax-exempt obligations during 1999.

Therefore, the Series 1999 Bonds and BANs qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of the Series 1999 Bonds and BANs as the case may be.

Section 17. If, when the Series 1999 Bonds 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 Series 1999 Bonds for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Series 1999 Bonds then outstanding shall be paid; or (i) sufficient monies, or (ii) direct obligations of, 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 monies, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient monies, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Series 1999 Bonds shall no longer be deemed outstanding or entitled to the pledge or the revenues of the Town's sewage works.

Section 18. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66  $\frac{2}{3}$ %) in aggregate principal amount of the Series 1999 Bonds issued pursuant to this Ordinance and then outstanding shall have the right,

from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the Town of such Ordinance or Ordinances supplemental hereto as shall be deemed necessary or desirable by the Town for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental Ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

- (a) An extension of the maturity of the principal of or interest on any Series 1999 Bond issued pursuant to this Ordinance; or
- (b) An extension of the mandatory sinking fund redemption dates, if any; or
- (c) A reduction in the principal amount of any Series 1999 Bond or the redemption premium or the rate of interest thereon; or
- (d) The creating of a lien upon or a pledge of the revenues of the sewage works ranking prior to the pledge thereof created by this Ordinance; or
- (e) A preference or priority of any Series 1999 Bond or Bonds issued pursuant to this Ordinance over any other Series 1999 Bond or Bonds issued pursuant to the provision of this Ordinance; or
- (f) A reduction in the aggregate principal amount of the Series 1999 Bonds required for consent to such supplemental Ordinance; or
- (g) A reduction in the balance to be maintained in the Reserve Account.

If the owners of not less than sixty-six and two-thirds percent (66  $\frac{2}{3}$ %) in aggregate principal amount of the Series 1999 Bonds outstanding at the time of adoption of such supplemental Ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk-Treasurer of the Town, no owner of any Bond issued pursuant to this Ordinance shall have any right to object to the adoption of such supplemental Ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Town or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental Ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the Town and all owners of Series 1999 Bonds issued pursuant to the provisions of this Ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the Town and of the owners of the Series 1999 Bonds authorized by this Ordinance, and the terms and provisions of the Series 1999 Bonds and this Ordinance, or any supplemental Ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the Series 1999 Bonds issued pursuant to

this Ordinance then outstanding.

Section 19. The rates and charges are set forth in Ordinance No. 4-94 adopted the Town Council on January 31, 1994.

Section 20. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the Series 1999 Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 21. All Ordinances and parts of Ordinances in conflict herewith are hereby repealed, but none of the provisions of this Ordinance shall be so construed as adversely affecting the rights of holders of the Prior Bonds.

Section 22. (a) The Town, having satisfied all the statutory requirements for the issuance of its bonds, may elect to issue its BAN or BANs, pursuant to a Bond Anticipation Note Purchase Agreement (the "Purchase Agreement") to be entered into between the Town and the purchaser of said BANs. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the Town to repeat the procedures for the issuance of its bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the bonds and the use of the proceeds to repay the BAN or BANs.

(b) The President of the Town Council and the Clerk-Treasurer are hereby authorized and directed to execute a Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The President of the Town Council and the Clerk-Treasurer may also take such other actions or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

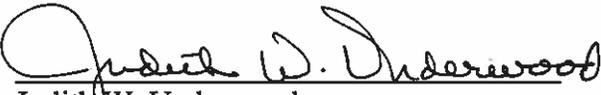
Section 23. This Ordinance shall be in full force and effect from and after its passage and adoption.

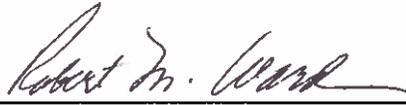
Passed and adopted by the Town Council of the Town of Plainfield on the 8th day of March, 1999.

  
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Robin G. Brandgard, President

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Dan P. Young

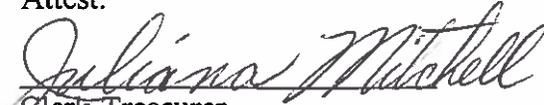
\_\_\_\_\_  
Kent McPhail

  
\_\_\_\_\_  
Judith W. Underwood

  
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Robert M. Ward

TOWN COUNCIL OF THE TOWN OF  
PLAINFIELD, INDIANA

Attest:

  
\_\_\_\_\_  
Juliana Mitchell  
Clerk-Treasurer