

ORDINANCE NO. 787

An Ordinance concerning the current refunding by the Town of Yorktown, Indiana, of its General Obligation Bonds of 2008; authorizing the issuance of general obligation refunding bonds for such purpose; providing funds to be used for the costs of the current refunding, together with the incidental expenses in connection therewith and on account of the issuance of the bonds therefor.

WHEREAS, the Town of Yorktown, Indiana ("Town") is authorized by IC 5-1-5, IC 5-1-14 and IC 36-5-2-11 (collectively, "Act"), as in effect on the date of issuance of the bonds authorized herein, to issue bonds: (i) to procure moneys to be used in the exercise of the powers of the Town; (ii) to procure moneys for the payment of Town debts; and (iii) to issue bonds to refund bonds issued for the purposes authorized under the Act; and

WHEREAS, the Town Council ("Council") of the Town issued its General Obligation Bonds of 2008, dated March 20, 2008, originally issued in the aggregate principal amount of \$1,975,000 and now outstanding in the principal amount of \$1,045,000 ("2008 Bonds") which 2008 Bonds were issued for the purpose of financing the acquisition of property and municipal equipment and the construction of park and infrastructure improvements and Town buildings ("Project") and to pay the incidental expenses in connection therewith and on account of the issuance of the 2008 Bonds; and

WHEREAS, the 2008 Bonds are, by their terms, subject to redemption prior to their scheduled dates of maturity; and

WHEREAS, pursuant to the provisions of the Act, the Council may provide for the issuance of refunding bonds to currently refund all or a portion of the 2008 Bonds to effect a savings to the Town; and

WHEREAS, the Council has received financial reports which indicate that refunding the 2008 Bonds will effect a savings to the Town; and

WHEREAS, the Council finds that the 2008 Bonds should be refunded (hereinafter referred to as the "Refunded Bonds") to enable the Town to reduce interest payments to the Town thereby effecting a savings to the Town; and

WHEREAS, the Council finds that it is advisable to issue its general obligation refunding bonds in the amount not to exceed \$1,200,000 and to use the proceeds to refund the Refunded Bonds and to pay for all costs related to the refunding; and

WHEREAS, the certified assessed valuation of taxable property in the Town, as shown in the last final and complete assessment which was made in the year 2019 for state and county taxes collectible in the year 2020, is \$334,420,961 and excluding the Refunded Bonds, there is \$0.00 in outstanding indebtedness counting towards the Town's two percent constitutional debt limit; such assessment and outstanding indebtedness amounts shall be verified at the time of the payment for and delivery of the bonds; and

WHEREAS, the Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of general obligation refunding 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 YORKTOWN, INDIANA, THAT:

Section 1. Issuance of Refunding Bonds; Redemption of Refunded Bonds. (a) The Council now finds it necessary to provide funds for refunding the Refunded Bonds to reduce interest payments of the Town thereby effecting a savings to the Town as reported by the Town's financial advisor.

(b) In order to procure funds to be applied to the refunding of the Refunded Bonds, including the costs of issuance and all other costs related to the refunding, the Clerk-Treasurer is

authorized and directed to have prepared and to issue and sell the bonds of the Town to be designated as "General Obligation Refunding Bonds of ____" (to be completed with the year in which issued), in an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) ("Refunding Bonds") in accordance with the Act.

(c) The Refunding Bonds shall be sold at a price of not less than 99% of the par value thereof, and issued in fully registered form in denominations of \$5,000 or integral multiples thereof. If the Refunding Bonds are sold to a sophisticated investor, the Refunding Bonds may be issued in minimum denominations of \$100,000 and integral multiples of \$5,000 thereafter. The Refunding Bonds shall be numbered consecutively from 1 upward, dated as of the date of delivery of the Refunding Bonds, and shall bear interest at a rate or rates not to exceed four percent (4%) per annum (the exact rate or rates to be determined through negotiation with the purchasers of the Refunding Bonds), which interest shall be payable semiannually on January 15 and July 15 of each year, commencing on the first January 15 or the first July 15 after the date of issuance of the Refunding Bonds, as determined by the Clerk-Treasurer with the advice of the Town's municipal advisor. The Refunding Bonds shall mature semiannually, or shall be subject to mandatory sinking fund redemption if term bonds are issued, on January 15 and July 15 of each year with a final maturity no later than January 15, 2028 and in such amounts which will either (i) produce as level annual debt service as practicable with \$5,000 denominations; or (ii) maximize savings.

All or a portion of the Refunding Bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities of January 15 and July 15, on the dates as determined by the purchasers of the Refunding Bonds, but in no event later than the last serial date of the Refunding Bonds as determined in accordance

with the above paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on dates and in the amounts hereinafter determined in accordance with the above paragraph.

Section 2. Registrar and Paying Agent; Book-Entry Provisions. The Clerk-Treasurer is authorized and directed to appoint a qualified banking institution to serve as Registrar and Paying Agent ("Registrar" or "Paying Agent") for the Refunding Bonds, which shall be charged with the responsibility of authenticating the Refunding Bonds. The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such bank as will enable the bank to perform the services required of a Registrar and Paying Agent. The Clerk-Treasurer is further authorized to pay such fees as the bank may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the bond fund established to pay the principal of and interest on the Refunding Bonds. Upon agreement between the Town and the successful bidder for the Refunding Bonds, the Clerk-Treasurer may be designated as the Registrar and Paying Agent, and, in that case, shall be charged with all responsibilities of a Registrar and Paying Agent.

The principal of the Refunding Bonds shall be payable at the principal corporate trust office of the Paying Agent. Interest on the Refunding Bonds shall be paid by check mailed by first class mail one business day prior to the interest payment date to the registered owner, as of the fifteenth day of the month immediately preceding the interest payment date ("Record Date"), to the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such 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 be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Refunding Bonds shall be made in any lawful money of the United States of America, which on the date of such payment shall be legal tender for the payment of public and private debts.

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

The Refunding Bonds shall bear an original date which shall be the first day of the month in which the Refunding Bonds are issued or sold or as of their date of delivery, and each Refunding Bond shall also bear the date of its authentication. Refunding Bonds authenticated on or before the Record Date immediately preceding the first interest payment date shall be paid

interest from the original date. Refunding Bonds authenticated thereafter shall be paid interest from the interest payment date to which interest has been paid next preceding the date of authentication of such Refunding Bonds unless the Refunding Bonds are authenticated after the Record Date and on or before the corresponding interest payment date, in which case interest thereon shall be paid from such interest payment date. If at the time of authentication of any Refunding Bond interest is in default thereon, that Refunding Bond shall bear interest from the date to which interest has been paid in full.

The Refunding Bonds shall be signed in the name of the Town by the manual or facsimile signature of the Town Council President, and the seal of the Town shall be affixed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of the Clerk-Treasurer. The Refunding Bonds shall be authenticated with the manual signature of an authorized representative of the Registrar, and no Refunding Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon shall have been so executed. Subject to registration provisions, the Refunding Bonds shall be negotiable under the laws of the State of Indiana.

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

ownership of such Refunding Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

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

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

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

Upon receipt by the Town of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Refunding Bonds shall no longer be restricted to being registered in the register of the Town kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Refunding Bonds shall designate, in accordance with the provisions of this resolution.

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

If the Refunding Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the Refunding Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Refunding Bonds printed until it shall have received from the Town 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 Town or the Registrar with respect to any consent or other action to be taken by bondholders, the Town or the Registrar, as the case may be, shall establish a record date for such consent or

other action and give the Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

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

Section 3. Redemption. (a) The Refunding Bonds are redeemable at the option of the Town, but no sooner than five (5) years after their date of issuance, and thereafter on any date, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Town, and by lot within a maturity, at face value plus accrued interest to the date fixed for redemption, without premium. The exact redemption dates shall be established by the Town, with the advice of the Town's municipal advisor.

(b) Any Refunding Bonds issued as term bonds, upon election of the successful bidder, shall be subject to mandatory sinking fund redemption on January 15 and July 15 at 100% of face value in accordance with the maturity schedule hereinafter determined in accordance with paragraph (c). The Registrar shall credit against the mandatory sinking fund requirement for any term bonds, and any corresponding mandatory redemption obligation, in the order determined by the Town, any term bonds maturing on the same date 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 Town and not theretofore applied as a credit against any redemption obligation. Each term bond so delivered or canceled shall be credited by the Registrar at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date for that term bond. Any excess of such amount shall be credited on future redemption obligations, and the principal amount of that term bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced.

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

(d) Notice of redemption shall be mailed to the address of the registered owner as shown on the registration records of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption

date, unless notice is waived by the owner of the Refunding Bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Refunding Bonds called for redemption. The place of redemption may be determined by the Town. Interest on the Refunding Bonds so called for redemption shall cease and the Refunding Bonds will no longer be deemed outstanding under this ordinance on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price, including accrued interest and redemption premium, if any, to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any Refunding Bond shall not affect the validity of any proceedings for redemption of other Refunding Bonds.

(e) If the Refunding Bonds are not presented for payment or redemption on the date fixed therefor, the Town may deposit in trust with the Paying Agent, an amount sufficient to pay such Refunding Bond or the redemption price, as the case may be, including accrued interest to the date of such payment or redemption, and thereafter the registered owner shall look only to the funds so deposited in trust with the Paying Agent for payment, and the Town shall have no further obligation or liability in respect thereto.

Section 4. Form of Refunding Bond. The form of the Refunding Bonds shall be substantially as follows:

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

NO. _____

UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF DELAWARE

TOWN OF YORKTOWN
GENERAL OBLIGATION REFUNDING BOND OF _____

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

PRINCIPAL SUM:

The Town of Yorktown, Delaware County, Indiana ("Town"), acknowledges itself indebted, and for value received hereby promises to pay, to the Registered Owner or registered assigns, the Principal Sum set forth above [on the Maturity Date set forth above] **OR** [on January 15 and July 15 on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest hereon until the Town's obligation with respect to the payment of the Principal Sum shall be discharged at the [Interest Rate per annum specified above] **OR** [at the interest **rate[s]** per annum as set forth on Exhibit A attached hereto] from the interest payment date immediately preceding the date of authentication of this bond unless this bond is authenticated on or before _____ 15, 20__, in which case interest shall be paid from the Original Date or unless this bond is authenticated between the first day of the month 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 the fifteenth day of January and July of each year, commencing _____ 1, 20__.

The principal of and premium, if any, on this bond are payable at the principal office of _____ in the _____ of _____, Indiana ("Paying Agent" or "Registrar"). Interest on this bond shall be paid by check mailed by first class mail one business day prior to the interest payment date, to the Registered Owner, as of the fifteenth day of the month immediately preceding the interest payment date, to the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). [Notwithstanding anything to the contrary herein, this bond shall not be required to be presented or surrendered to receive payment in connection with any mandatory sinking fund redemption until the final maturity date of this bond or earlier payment in full of this bond.] 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.

THE TOWN COVENANTS THAT IT WILL CAUSE A PROPERTY TAX FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND TO BE LEVIED, COLLECTED, APPROPRIATED AND APPLIED FOR THAT PURPOSE AS SET FORTH IN IC 6-1.1-18.5-8. THE BONDS ARE SUBJECT TO IC 6-1.1-20.6 REGARDING CERTAIN TAX CREDITS AND THE STATE OF INDIANA INTERCEPT OF FUNDS TO PAY DEBT SERVICE ON THE BONDS.

This bond is [the only] one of an authorized issue of bonds of the Town[, of like tenor and effect, except as to numbering, interest rate, and dates of maturity,] designated "General Obligation Refunding Bonds of _____" aggregating _____ Dollars (\$_____); numbered consecutively from R-1 upward; issued for the purpose of currently refunding certain Refunded Bonds (as defined in the hereinafter defined Ordinance). This bond is issued pursuant to a Bond Ordinance adopted by the Town Council of the Town on the ____ day of _____, 2019 ("Ordinance"), and in accordance with IC 5-1-5, IC 5-1-14 and IC 36-5-2-11 (collectively, "Act"), the proceeds of which bonds are to be applied solely to said refunding of the Refunded Bonds and to the payment of costs of issuance as in effect on the date of issuance of this bond.

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

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

This bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the office of the Registrar, by the Registered Owner or by its attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or its attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the Registered Owner, as the case may be, in exchange therefor. The Town, the Registrar and the 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 Town has designated the bonds as qualified tax-exempt obligations to qualify the bonds for the \$10,000,000 exception from the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 relating to the disallowance of the deduction for interest expense allocable to tax-exempt obligations.]

The Refunding Bonds are not subject to optional redemption.

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

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

* Final Maturity

Each [Five Thousand Dollars (\$5,000)] [One Hundred Thousand Dollars (\$100,000)] 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 called 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 redemption shall be mailed to the address of the registered owner as shown on the registration record of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless said notice is waived by the registered owner of this bond. Any notice shall specify the date and place of redemption and sufficient identification of the bonds called for redemption. The place of redemption may be determined by the Town. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price, including interest accrued to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any bond shall not affect the validity of any proceedings for redemption of other bonds.]

If this bond shall not be presented for payment [or redemption] on the date fixed therefor, the Town may deposit in trust with the Paying Agent, an amount sufficient to pay such bond or the redemption price, as the case may be, including accrued interest to the date of such payment [or redemption], and thereafter the registered owner shall look only to the funds so deposited in trust with that bank for payment, and the Town shall have no further obligation or liability in respect thereto.

THE OWNER OF THIS BOND, BY THE ACCEPTANCE OF THIS BOND HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The 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 bonds as provided in the Ordinance if the Town Council in its sole discretion, determines that the amendment shall not adversely affect the rights of any of the owners of the bonds.

[The bonds maturing in any one year are issuable only in fully registered form in the denomination of [\$5,000 or integral multiples thereof] **OR** [\$100,000 and integral multiples of \$5,000 thereafter] not exceeding the aggregate principal amount of the bonds maturing in such year. [The sale or transfer of this bond in principal amounts of less than \$100,000 is prohibited other than through a primary offering.]

It is hereby certified, recited and declared that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law; that this bond and the total issue of the bonds is within every limit of indebtedness as prescribed by the constitution and laws of the State of Indiana.

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

IN WITNESS WHEREOF, the Town of Yorktown, Delaware County, Indiana, has caused this bond to be executed in its name by the manual or facsimile signature of its Town Council President, the seal of the Town or a facsimile thereof to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of the Clerk-Treasurer.

TOWN OF YORKTOWN, INDIANA

By: _____
Town Council President

(SEAL)

ATTEST:

Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

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

_____, as Registrar

By: _____
Authorized Representative

ASSIGNMENT

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

Dated: _____

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

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

(end of bond form)

[Exhibit A]

Section 5. Authorization for Preparation and Sale of the Refunding Bonds; Official Statement; Escrow Agreement; Continuing Disclosure. (a) The Clerk-Treasurer is hereby authorized and directed to have the Refunding Bonds prepared, and the Town Council President is hereby authorized and directed to execute and attest the Refunding Bonds in the form and manner provided herein.

(b) The Clerk-Treasurer is hereby authorized and directed to deliver the Refunding Bonds to a purchaser ("Purchaser") to be selected by either the Town Council President, the Clerk-Treasurer, or both, with the advice of the Town 's municipal advisor in accordance with a bond purchase agreement or bond placement agreement ("Purchase Agreement") between the Town and the Purchaser. The Town Council President and the Clerk-Treasurer are authorized to execute the Purchase Agreement and deliver the Refunding Bonds to the Purchaser so long as its terms are consistent with this ordinance. Such Purchase Agreement shall establish a final

principal amount, purchase price, interest rates, maturity schedule, and term bond mandatory redemptions, if any.

(c) To the extent required, the Clerk-Treasurer is hereby authorized to select and appoint a qualified financial institution to serve as escrow trustee ("Escrow Trustee") for the Refunded Bonds in accordance with the terms of the Escrow Agreement, between the Town and the Escrow Trustee ("Escrow Agreement"). This Council hereby authorizes the Clerk-Treasurer and the Town Council President to complete, execute and attest the same on behalf of the Town so long as its provisions are consistent with this ordinance and the Purchase Agreement.

(d) The execution, by either the Clerk-Treasurer, the Town Council President, the Purchaser, or the Town's municipal advisor, of a subscription for United States Treasury Obligations -- State and Local Government Series for investments of proceeds of the Refunding Bonds which may be held under the Escrow Agreement in a manner consistent with this ordinance is hereby approved.

(e) Distribution of an Official Statement (preliminary and final) prepared by the Town's municipal advisor, on behalf of the Town, is hereby approved and the Town Council President or Clerk-Treasurer are authorized and directed to execute the Official Statement on behalf of the Town in a form consistent with this ordinance and the Purchase Agreement. The Town Council President or Clerk-Treasurer is hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 as promulgated by the Securities and Exchange Commission ("Rule"). In lieu of delivering an Official Statement, the Town may obtain an investment letter from the Purchaser which satisfies federal and state securities laws applicable to the Refunding Bonds.

(f) If the Refunding Bonds are subject to the Rule, a Continuing Disclosure Undertaking ("Undertaking") for the Refunding Bonds is hereby authorized and approved by the Town Council, and the Town Council President and Clerk-Treasurer are hereby authorized and directed to complete, execute and attest the same on behalf of the Town. Notwithstanding any other provisions of this ordinance, failure of the Town to comply with the Undertaking shall not be considered an event of default under the Refunding Bonds or this ordinance.

(g) The Refunding Bonds when fully paid for and delivered to the Purchaser, shall be the binding obligations of the Town, payable out of the Bond Fund (as hereinafter defined). The proper officers of the Town are hereby directed to sell the Refunding Bonds to the Purchaser, to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

Section 6. Refunding of the Refunded Bonds and Costs of Issuance. Concurrently with the delivery of the Refunding Bonds, the Town shall acquire, with the proceeds of the Refunding Bonds and cash on hand, direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") to be used, together with certain cash from the proceeds of the Refunding Bonds and cash on hand as set forth in the Escrow Agreement, to refund and legally defease the Refunded Bonds, all as set forth in the Escrow Agreement. In order to refund the Refunded Bonds, the Clerk-Treasurer shall deposit Government Obligations and certain cash with the Escrow Trustee under the Escrow Agreement in an amount sufficient to provide moneys for the payment of the principal of and interest on the Refunded Bonds until the earliest date upon which the Refunded Bonds may be called for redemption.

Costs of issuance of the Refunding Bonds not otherwise paid shall be paid from the remaining proceeds by the Town. When all the costs of issuance of the Refunding Bonds have been paid, the Town shall then transfer any amount then remaining from the proceeds of the Refunding Bonds to the hereinafter described Bond Fund as herein provided.

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

Section 7. Preparation of Bonds. The Clerk-Treasurer is hereby authorized and directed to have the Bonds prepared, and the Town Council President and the Clerk-Treasurer are hereby authorized and directed to execute the Refunding Bonds in the form and manner provided in this ordinance.

Section 8. Defeasance. If, when the Refunding Bonds or any 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 Refunding Bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Refunding Bonds then outstanding or any portion thereof shall be paid, or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys, or shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Refunding Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of taxes to be levied upon all property in the Town.

Section 9. Covenant to Levy Tax; Bond Payment Fund. In order to provide for the payment of the principal of and interest on the Bonds, there shall be levied in each year upon all taxable property in the Town, real and personal, and collected a tax in an amount and in such manner sufficient to meet and pay the principal of and interest on the Bonds as they become due, and the proceeds of this tax are hereby pledged solely to the payment of the Bonds. Such tax shall be deposited first, before any other deposits of tax revenues by the Town, into a separate bond fund ("Bond Payment Fund") and used to pay the principal of and interest on the Bonds, when due, together with any fiscal agency charges. If the funds deposited into the Bond Payment Fund are then insufficient to meet and pay the principal of and interest on the Bonds as they become due, then the Town covenants to transfer other available funds of the Town to meet and pay the principal and interest then due on the Bonds.

Notwithstanding any other provision of this ordinance, the Town may enter into an agreement with the Registrar and Paying Agent in which the Registrar agrees that upon any default or insufficiency in the payment of principal of and interest on the Refunding Bonds as provided in this ordinance, the Registrar will immediately, without any direction, security or indemnity, file a claim with the Treasurer of the State of Indiana for an amount equal to principal and interest in default and consents to the filing of any such claim by a bondholder in the name of the Registrar for deposit with the Registrar.

If the Clerk-Treasurer is designated as the Registrar and Paying Agent, the Town covenants, under IC 6-1.1-20.6-10, to determine if the Bond Payment Fund has sufficient funds to pay the principal of and interest on the Bonds at least five (5) days before such payments are due. If the Bond Payment Fund is not sufficient because of the operation of the tax credits granted under the provisions of IC 6-1.1-20.6, the Town agrees to the following:

(a) The Clerk-Treasurer shall determine or cause to be determined the amount of the deficiency in the Bond Payment Fund ("Deficiency"); and

(b) The Deficiency shall be immediately reported and a claim filed by the Town with the Treasurer of the State of Indiana for an amount equal to such Deficiency.

Section 10. Tax Covenants and Representations. In order to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the Refunding Bonds and the Regulations in effect and applicable to the Refunding Bonds on the date of issuance of the Refunding Bonds (collectively, "Code") and as an inducement to Purchasers, the Council represents, covenants and agrees that:

(a) Since the date of issuance of the Refunded Bonds and until the earlier of the last date of the reasonably expected economic life of the Project constructed with funds from the Refunded Bonds or the latest maturity date of the Refunding Bonds ("Combined Measurement Period"), 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. During the Combined Measurement Period, no person or entity other than the Town or another state or local governmental unit will use more than 10% of the proceeds of the Refunding Bonds or property financed by the Refunding Bond proceeds other than as a member of the general public. During the Combined Measurement Period, no person or entity other than the Town or another state or local governmental unit will own property financed by Refunding Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's

or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Refunding Bonds. If the Town 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 and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Refunding Bonds.

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

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

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

(e) During the Combined Measurement Period, no more than 5% of the proceeds of the Refunding Bonds will be attributable to private business use as described in (a) and private

security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any governmental use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

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

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

(h) The Town represents that it will rebate any arbitrage profits to the United States in accordance with Section 148(f) of the Code with respect to the Refunding Bonds.

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

Section 11. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the Refunding Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the Town

receives an opinion of nationally recognized bond counsel that compliance with any Tax Section is unnecessary to preserve the Tax Exemption.

Section 12. Debt Limit Not Exceeded. The Town represents and covenants that the Refunding Bonds herein authorized, when combined with other outstanding indebtedness of the Town at the time of issuance of the Refunding Bonds, will not exceed any applicable constitutional or statutory limitation on the Town's indebtedness.

Section 13. Severability. If any section, paragraph or provision of this ordinance 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 ordinance.

Section 14. Repeal of Conflicting Provisions. All ordinances, or parts thereof, in conflict with the provisions of this ordinance, are hereby repealed; provided, however, that this ordinance shall not be construed as adversely affecting the rights of the owners of the Refunded Bonds.

Section 15. Amendments to Ordinance. This ordinance may, from time to time hereafter, be amended without the consent of the owners of the Refunding Bonds, if in the sole discretion of the Council, such amendment shall not adversely affect the rights of the owners of any of the Refunding Bonds.

Section 16. Effective Date. This ordinance shall be in full force and effect immediately upon its passage and signing by the Town Council President.

PASSED and adopted by the Town Council of the Town of Yorktown, Indiana, this 14th day of October, 2019.

TOWN COUNCIL OF THE TOWN OF
YORKTOWN, INDIANA

ATTEST:

Clerk-Treasurer