

ORDINANCE NO. G-18-01A

AN ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION BY THE TOWN OF GEORGETOWN, INDIANA, OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE TOWN'S SEWAGE WORKS, THE ISSUANCE OF REVENUE BONDS TO PROVIDE FUNDS FOR THE PAYMENT OF THE COSTS THEREOF, THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SEWAGE WORKS AND OTHER RELATED MATTERS

WHEREAS, the Town of Georgetown, Indiana (the "Town"), has heretofore established and constructed and currently owns and operates a sewage works for the collection and treatment of sewage and other wastes (the "Sewage Works"), pursuant to the provisions of Indiana Code 36-9-23 (the "Act"); and

WHEREAS, this Town Council of the Town of Georgetown (the "Town Council") hereby finds that certain improvements and extensions to the Sewage Works are necessary; and Heritage Engineering LLC, the engineers employed by the Town, have prepared and filed plans, specifications, detailed descriptions and estimates of the costs of the necessary improvements and extensions to the Sewage Works, which plans and specifications, to the extent required by law, have been duly submitted to and approved by all governmental authorities having jurisdiction thereover, particularly the Indiana Department of Environmental Management (the improvements and extensions to the Sewage Works as described in the engineers, plans and specifications, as more fully described in Exhibit A, are referred to herein as the "Project"); and

WHEREAS, this Town Council further finds that the estimates prepared and delivered by the engineers with respect to the costs (as defined in Indiana Code 36-9-23-11) of acquisition and construction of such improvements and extensions to the Sewage Works (as defined in Indiana Code 36-9-1-8 and in the Act), and including all authorized expenses relating thereto, including the costs of issuance of bonds on account thereof, will be in the estimated amount of not to exceed Three Million Nine Hundred Ninety-Five Thousand Dollars (\$3,995,000), to be financed by the issuance of revenue bonds of the Town in an amount not to exceed Three Million Nine Hundred Ninety-Five Thousand Dollars (\$3,995,000) to be issued pursuant to the Act; and

WHEREAS, the Town has applied to the State Revolving Loan Program for a below market loan to pay for the costs of the Project; and

WHEREAS, the Town has advertised for and received bids for the construction of the Project, and such bids will be subject to the determination to acquire, construct and install the Project and obtaining funds for the Project; and

WHEREAS, the Town desires to enter into one or more Financial Assistance Agreements (attached hereto as Exhibit B) with the Indiana Finance Authority together with any subsequent

amendments thereto (each, a "Financial Assistance Agreement"), which would pertain to the Project and the financing thereof, if the Bonds are sold to the Indiana Finance Authority pursuant to its Wastewater Revolving Loan Program (the "SRF Program"); and

WHEREAS, the Town has issued its Sewage Works Refunding Revenue Bonds of Series 2007 A in the aggregate principal amount of Two Million Fifty-Five Thousand Dollars (\$2,055,000), dated May 22, 2007 (the "2007 Bonds"), to finance the costs of refunding certain prior outstanding bonds of the sewage works, pursuant to Ordinance No. G-07-15, adopted by the Town Council of the Town on April 19, 2007 (the "2007 Ordinance") now outstanding in the amount of \$805,000; and

WHEREAS, the Town has issued its Sewage Works Revenue Bonds of 2010 in the aggregate principal amount of Two Hundred Thirty-Five Thousand Dollars (\$235,000), dated February 10, 2010 (the "2010 Bonds"), to finance certain improvements to the Sewage Works pursuant to Ordinance No. G-09-11, adopted by the Town Council of the Town on November 11, 2009 as amended by Ordinance No. G-10-01, adopted by the Town Council of the Town on January 11, 2010 (collectively) (the "2010 Ordinance") now outstanding in the amount of \$77,000; and

WHEREAS, the Town has determined that it is beneficial to use certain funds of the Town to defease the 2007 Bonds and the 2010 Bonds prior to the issuance of the Bonds; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the Town intends by this ordinance to qualify amounts advanced by the Town to the Project for reimbursement from proceeds of the BAN or the Bonds in accordance with the requirements of the Reimbursement Regulations; and

WHEREAS, this Town Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of revenue bonds to provide the necessary funds to be applied to the cost of the Project have been complied with in accordance with the provisions of the Act.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF GEORGETOWN, INDIANA:

Section 1. Acquisition and Construction of the Project. The Town, as the owner and operator of the Sewage Works for the collection and treatment of sewage and other wastes, hereby orders, authorizes and directs the acquisition of any and all necessary property for and the construction of improvements and extensions to the Sewage Works, pursuant to the Act and in accordance with the plans and specifications heretofore prepared and filed with the Town by Heritage Engineering LLC, the engineers employed by the Town, which plans and specifications are hereby adopted and approved and, by reference, incorporated fully into this Ordinance; provided, that any and all costs of property acquisition for and construction of improvements and extensions to the Sewage Works in connection with the Project, together with all other expenses relating thereto including the expenses of issuing bonds on account of the financing thereof, shall be limited to and shall not exceed the estimated sum of Three Million Nine Hundred Ninety-Five

Thousand Dollars (\$3,995,000) unless otherwise authorized by this Town Council. The actions of the Town in connection with the acquisition of any and all necessary property for and the construction and financing of such improvements and extensions to the Sewage Works are hereby authorized, approved, ratified and confirmed. Where used in this Ordinance, the term "Town" shall be construed also to include any department, board, commission or officer or officers of the Town or of any Town department, board or commission. The terms "Sewage Works", "sewage works", "works" and similar terms used in this Ordinance shall be construed to mean the Treatment Works, as defined in the Financial Assistance Agreement and include the existing structures and property of the Sewage Works and all improvements, extensions and additions thereto, and replacements thereof, now or subsequently constructed or acquired. Such improvements and extensions shall be constructed and the bonds herein authorized shall be issued pursuant to the provisions of this Ordinance and the Act.

Section 2. The Bonds. In accordance with the Act and for the purpose of providing funds with which to pay the costs of the Project, together with authorized expenses relating thereto including the costs of issuance of the Bonds, as hereinafter defined, on account thereof, the Town shall issue in one or more series, and sell its sewage works revenue bonds designated "Town of Georgetown, Indiana Sewage Works Revenue Bonds, Series ____" in the aggregate principal amount of not to exceed Three Million Nine Hundred Ninety-Five Thousand Dollars (\$3,995,000), (the "Bonds"). The principal of, redemption premium, if any, and interest on the Bonds shall be payable solely out of the Sewage Works Sinking Fund referred to below.

The Town may also issue its Sewage Works Revenue Bond Anticipation Note (the "BAN"). The BAN shall be issued pursuant to IC 5-1-14-5, as amended, if sold to a financial institution or any other purchaser, unless sold to the Indiana Finance Authority. The BAN shall be sold at a price not less than 99.5% of the principal amount thereof. The Town shall pledge to the payment of the principal of and interest on the BAN, the proceeds from the issuance of the Bonds pursuant to and in the manner prescribed by the Act. The interest on the BAN may also be payable from the Net Revenues herein defined as the gross revenues, inclusive of System Development Charges (as hereinafter defined), of the System (herein defined as the Town's Sewage Works system, including all real estate, equipment and appurtenances thereto used in connection therewith, and all extensions, additions and improvements thereto and replacements thereof, now or at any time hereafter constructed or acquired) remaining after the payment of the reasonable expenses of operation, repair and maintenance of the System including the works herein acquired and constructed and all additions and improvements thereto and replacements thereof subsequently constructed or acquired. For purposes of this ordinance, "System Development Charges" shall mean the proceeds and balances from any non-recurring charges related to or associated with the sewage works of the Town such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges that are available for deposit under this ordinance; provided, however, that any System Development Charges that are enacted under IC 36-9-23-29, shall be considered as Net Revenues.

The Bonds shall be issued in one or more series as fully registered bonds in denominations of One Dollar (\$1) or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in any one year, shall be numbered consecutively from R-1 upward, and shall bear interest at a rate not to exceed three percent (3.0%) per annum (the exact rate or rates to be determined through negotiations with the Indiana Finance Authority or

the Indiana Bond Bank). Interest on the Bonds shall be payable semiannually on January 1 and July 1 in each year (each an "Interest Payment Date"), commencing the first January 1 or July 1 which is more than one year after the delivery of the respective Bonds, and as set forth in the Financial Assistance Agreement to be entered into between the Town and the Indiana Finance Authority (the "Financial Assistance Agreement") until the principal is fully paid. The principal of the Bonds shall semi-annually on January 1 and July 1 of each year, over a period ending no later than 20 years after the date of the issuance of the Bonds and as provided in the Financial Assistance Agreement. Interest on the Bonds shall be calculated according to a 360-day calendar year containing twelve 30-day months.

Interest on Bonds sold to the Indiana Finance Authority shall be paid from the date which is set forth in the Financial Assistance Agreement.

The Bonds, in fully registered form in denominations of \$1 or integral multiples thereof, shall bear an original issue date which shall be the first day of the month in which the Bonds are sold or the date of delivery if sold to the Indiana Finance Authority or the Indiana Bond Bank, and shall bear interest at a rate or rates not exceeding five percent (5.0%) if sold at public sale or three percent (3.0%) per annum (the exact rate or rates to be determined by bidding or through negotiation with the Indiana Finance Authority or the Indiana Bond Bank), and each Bond shall also bear the date of its authentication. Any Bond authenticated on or before June 15, 2018, shall pay interest from its original issue date. Any Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Bond to which interest thereon has been paid or duly provided for, unless such Bond is authenticated after the fifteenth (15th) day of the month preceding an Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date.

The Registrar and Paying Agent are hereby charged with the performance of all of the duties and responsibilities customarily associated with each such position, including without limitation the authentication of the Bonds. The President of the Town Council and Clerk-Treasurer of the Town are authorized and directed to enter into such agreements and understandings with the Registrar and Paying Agent as will enable and facilitate the performance of its duties and responsibilities, and are authorized and directed to pay such fees as the Registrar and Paying Agent may reasonably charge for its services in such capacity, with such fees to be paid from the Sewage Works Sinking Fund as described in this Ordinance.

As to the BAN, (as hereafter defined), and as to the Bonds, if registered in the name of the Indiana Finance Authority, the Indiana Bond Bank or any other purchaser that does not object to such designation, the Clerk-Treasurer shall serve as Registrar and Paying Agent and is hereby charged with the duties of a Registrar and Paying Agent.

If the Bonds or BAN are registered in the name of the Indiana Finance Authority or the Indiana Bond Bank, the principal of and interest thereon shall be paid by wire transfer to such financial institution if and as directed by the State on the due date of such payment or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the Indiana Finance Authority or the Indiana Bond

Bank is the owner of said Bonds or BAN, such Bonds and BAN shall be presented for payment as directed by the State.

If such Bonds are not sold to the Indiana Finance Authority or the Indiana Bond Bank or if wire transfer payment is not required, the principal of and any redemption premium on the Bonds shall be payable at the principal corporate trust office of the Paying Agent. Interest on the Bonds shall be paid by check or draft mailed or delivered by the Paying Agent to the registered owner thereof at the address as it appears on the registration books kept by the Registrar as of the fifteenth (15th) day of the month immediately preceding the Interest Payment Date or at such other address as may be provided to the Paying Agent in writing by such registered owner. All payments on the Bonds shall be made in any coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public or private debt.

Each Bond or BAN shall be transferable or exchangeable only on the books of the Town maintained for such purpose at the principal corporate trust office of the Registrar, by the registered owner thereof in person, or by his or her attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds or BAN 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. Each Bond may be transferred or exchanged without cost to the registered owner or his or her attorney duly authorized in writing, except for any tax or other governmental charge which may be required to be paid with respect to such transfer or exchange. The Registrar shall not be obligated to make any transfer or exchange of any Bond (i) during the fifteen (15) days immediately preceding an Interest Payment Date or (ii) after the mailing of notice calling such Bond or BAN for redemption. The Town, the Registrar and the Paying Agent may treat and consider the person in whose name any Bond or BAN is registered as the absolute owner thereof for all purposes including the purpose of receiving payment of, or on account of, the principal thereof and redemption premium, if any, and interest thereon.

In the event any Bond or BAN is mutilated, lost, stolen or destroyed, the Town may cause to be executed and the Registrar may authenticate a new Bond or BAN of like date, maturity and denomination as the mutilated, lost, stolen or destroyed Bond or BAN, which new Bond or BAN shall be marked in a manner to distinguish it from the Bond or BAN for which it was issued; provided, that in the case of any mutilated Bond, such mutilated Bond or BAN shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed Bond or BAN there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Town and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed Bond or BAN shall have matured or been called for redemption, instead of causing to be issued a duplicate Bond or BAN, the Registrar and Paying Agent may pay the same upon surrender of the mutilated Bond or BAN or satisfactory indemnity and proof of loss, theft or destruction in the case of a lost, stolen or destroyed Bond or BAN. The Town and the Registrar and Paying Agent may charge the owner of any such Bond or BAN with their reasonable fees and expenses in connection with the above. Every substitute Bond or BAN issued by reason of any Bond or BAN being lost, stolen or destroyed shall, with respect to such

Bond or BAN, constitute a substitute contractual obligation of the Town pursuant to this Ordinance, whether or not the lost, stolen or destroyed Bond or BAN shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Bonds duly issued hereunder.

In the event that any Bond or BAN is not presented for payment or redemption on the date established therefor, the Town may deposit in trust with the Paying Agent an amount sufficient to pay such Bond or BAN or the redemption price thereof, as appropriate, and thereafter the owner of such Bond or BAN 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 with respect thereto.

Section 3. Optional Redemption of the Bonds or BAN. The Bonds shall be redeemable at the option of the Town, on thirty (30) days' notice, in whole or in part, in inverse order of maturity (or in the case of any Bonds sold to the Indiana Finance Authority, in inverse order of maturing and on sixty (60) days' notice), or such other date as set by the Clerk-Treasurer and fixed prior to the issuance of any series of Bond, or at any time thereafter, in principal amounts maturities selected by the Town, and by lot within any such maturity or maturities by the Registrar, at a redemption price expressed as a percentage of the principal amount of each Bond not to exceed 102% of the face amount of the Bond, to be redeemed in accordance with the schedule set forth in the Bond, plus accrued interest to the redemption date. The BAN shall be redeemable at par without premium; provided, however, that if the Bonds are sold to the SRF Program and registered in the name of the Indiana Finance Authority, the Bonds shall not be redeemable at the option of the Town unless and until consented to by the Indiana Finance Authority.

Notice of such redemption shall be mailed by certified or registered mail at least thirty (30) days (or in the case of any Bonds or BAN sold to the Indiana Finance Authority, sixty (60) days) prior to the scheduled redemption date to each of the Bonds called for redemption (unless registered owner), at the address shown books of the Registrar. The notice shall specify place of redemption, and the registration days prior to the registered owners of waived by any such on the registration specify the date and numbers of the Bonds or BAN called for redemption. The place of redemption may be at the principal corporate trust office of the Paying Agent or as otherwise determined by the Town. Interest on the 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 redemption date and when such Bonds are presented for payment.

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

(a) If so directed by the Town, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the

CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bond being redeemed.

(b) If so directed by the Town, each further notice of redemption shall be sent at least sixty (60) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories as the Depository Trust Company of New York, New York,) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) If so directed by the Town, each such further notice shall be published one time in The Bond Buyer of New York, New York, or, if the Registrar believes such publication is impractical or unlikely to reach a substantial number of the holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least sixty (60) days prior to the date fixed for redemption.

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

Section 4. Execution and Authentication of the Bonds. The Bonds shall be executed in the name of the Town by the manual or facsimile signature of the President of this Town Council, and attested by the manual or facsimile signature of the Clerk-Treasurer of the Town, with the seal of the Town or a facsimile thereof to be affixed to each of the Bonds. The Bonds shall be authenticated by the manual signature of the Registrar, and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed. In case any official whose signature appears on any Bond shall cease to be such official before the delivery of such Bond, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. Subject to the provisions of this Ordinance regarding the registration of the Bonds, the Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

Section 5. Security and Sources of Payment for the Bonds. The Bonds and any bonds hereafter issued on a parity therewith, as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge, upon all of the Net Revenues derived from the Sewage Works, including the existing works, the improvements and extensions herein authorized to be acquired and constructed and all additions and improvements thereto and replacements thereof subsequently constructed or acquired. The Town shall not be obligated to pay the Bonds or the interest thereon except from the Net Revenues of the Sewage Works, and the 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 6. Form of the Bonds. The form and tenor of the Bonds shall be substantially as set forth in Exhibit C, attached hereto and incorporated herein as if set forth at this place (with all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof).

Section 7. Issuance, Sale and Delivery of the Bonds or BAN. The Clerk-Treasurer of the Town is hereby authorized and directed to have the Bonds or BAN prepared, and the President of the Town Council and the Clerk-Treasurer of the Town are hereby authorized and directed to execute or to cause the execution of the Bonds or BAN in the form and manner herein provided. The Clerk-Treasurer of the Town is hereby authorized and directed to deliver the Bonds or BAN to the purchaser or purchasers thereof upon compliance with the requirements established hereunder and under the Act for the sale thereof, and to collect the full amount which the purchaser or respective purchasers have agreed to pay therefor, which shall not be less than the par amount of the Bonds or BAN, plus accrued interest thereon to the date of delivery. The Town may receive payment for the Bonds in installments. The Bonds, when fully paid for and delivered to the purchaser or purchasers shall be the binding special revenue obligations of the Town, payable out of the revenues of the Sewage Works to be set aside and paid into the Sewage Works Sinking Fund as herein provided, and the proceeds derived from the sale of the Bonds or BAN shall be and are hereby set aside for the application to the costs of the Project and the expenses necessarily incurred in connection therewith including the expenses incurred in the issuance of the Bonds or BAN on account of the financing thereof. The authorized officers of the Town are hereby authorized and directed to draw all proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance. The Bonds or BAN shall be sold at public sale at a price of not less than par value, plus accrued interest thereon to the date of delivery.

Prior to the public sale of the Bonds or BAN, the Clerk-Treasurer of the Town shall cause to be published a notice of such sale two (2) times, at least one (1) week apart, with the first publication made at least fifteen (15) days before the date of such sale and the second publication at least three (3) days before the date of the sale in a newspaper, as defined in and in accordance with Indiana Code 5-3-1-4. Such notice, or a summary thereof, may also be published in any other publications deemed appropriate in the discretion of the Clerk-Treasurer of the Town. The bond sale notice shall state the time and place of sale, the purpose for which the Bonds are being issued, the total amount and maturities thereof, the maximum rate of interest thereon and any limitations as to the number of interest rates and the setting of such rates, the terms and conditions upon which bids will be received and the sale made, and such other information as the Clerk-Treasurer of the Town and the attorneys employed by the Town shall deem necessary or advisable. Such notice shall provide, among other things, that each bid shall be accompanied by a certified or cashier's check in the amount of Thirty-Nine Thousand Five Hundred Dollars (\$39,500) to guarantee performance on the part of the bidder, and that in the event the successful bidder shall fail or refuse to accept delivery of and pay for the Bonds or BAN as soon as the Bonds or BAN are ready for delivery, or at the time fixed in the notice of sale, then such check and the proceeds thereof shall become the property of the Town and shall be considered as the Town's liquidated damages on account of such default.

All bids for the Bonds or BAN shall be sealed and shall be presented to the Clerk-Treasurer of the Town at her office. Bidders for the Bonds or BAN shall be required to name the

rate or rates of interest which the Bonds are to bear, not exceeding four percent (4.0%) per annum. Such interest rate or rates shall be in multiples of one-hundredth (1/100) of one percent. Bids specifying more than one interest rate shall also specify the amount and maturities of the Bonds bearing each rate, and all Bonds maturing on the same date shall bear the same rate. The Bonds or BAN shall be awarded by the Clerk-Treasurer of the Town to the best bidder who has submitted a bid in accordance with the terms of this Ordinance and the notice of sale. The best bidder will be the bidder who offers the lowest net interest cost to the Town, to be determined by computing the total interest on all of the Bonds from the date thereof to their respective maturities and deducting therefrom the premium bid, if any. No bid for less than all of the Bonds or BAN or for less than ninety-eight and one-half percent (98.5%) the par value of the Bonds or BAN, plus accrued interest to the date of delivery, shall be considered. The Town shall have the right to reject any and all bids. In the event an acceptable bid is not received on the date fixed in the notice, the Clerk-Treasurer of the Town shall be authorized to continue the sale from day to day for a period of not to exceed thirty (30) days without readvertising. During the continuation of the sale, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received, if any, at the time originally fixed for the sale of the Bonds or BAN in the bond sale notice.

As an alternative to public sale, the Clerk-Treasurer may negotiate the sale of said Bonds or BAN to the Indiana Finance Authority or the Indiana Bond Bank at an interest rate or rates not exceeding three percent (3.0%) per annum. The President of the Town Council and the Clerk-Treasurer are hereby authorized to (i) submit an application to the Indiana Finance Authority and the Indiana Bond Bank, (ii) execute a purchase agreement with the Indiana Bond Bank, and (iii) sell such Bonds or BAN upon such terms as are acceptable to the President of the Town Council and the Clerk-Treasurer, with advice from the Town's financial advisor, consistent with the terms of this ordinance.

Prior to the delivery of the Bonds or BAN, the Clerk-Treasurer of the Town (i) shall be authorized, but not required, to investigate and to obtain insurance and/or credit ratings on the Bonds and (ii) shall obtain a legal opinion as to the validity of the Bonds or BAN from Barnes & Thornburg LLP, Indianapolis, Indiana, bond counsel for the Town, and such opinion shall be furnished to the purchasers of the Bonds at the expense of the Town. The costs of obtaining any such insurance and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the Bonds, shall be considered as a part of the cost of issuance of the Bonds and shall be paid out of the proceeds of the sale of the Bonds.

The Financial Assistance Agreement for the Bonds and the Project shall be executed by the Town and the Indiana Finance Authority. The substantially final form of Financial Assistance Agreement attached hereto as Exhibit B and incorporated herein by reference is hereby approved by the Town Council, and the President of the Town Council and Clerk-Treasurer are hereby authorized to execute and deliver the same, and to approve any changes in form or substance to the Financial Assistance Agreement, such approval to be conclusively evidenced by its execution.

Section 8. Disposition of Proceeds of the Bonds: Sewage Works Construction Account.
The accrued interest and premium received at the time of the delivery of the Bonds or BAN, if

any, shall be deposited in the Sewage Works Sinking Fund hereinafter defined and described. The remaining proceeds from the sale of the Bonds or BAN 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 Georgetown Sewage Works 2018 Construction Account" (the "Sewage Works Construction Account"). All funds deposited to the credit of the Sewage Works Sinking Fund or Sewage Works Construction Account shall be deposited, held, secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including, particularly, applicable provisions of IC 5-13, 4-4-11 and 13-18-13. Any interest or income derived from any such investments shall become a part of the monies in the fund or account so invested. Amounts in the Sewage Works Construction Account shall be expended only for the purpose of paying the costs of the Project, including costs of issuance, as described in this Ordinance and the Act, or as otherwise required by the Act. Any balance or balances remaining unexpended in the Sewage Works Construction Account after completion of the Project, which are not required to meet unpaid obligations incurred in connection with such acquisition or construction, shall be paid into the Sewage Works Sinking Fund and shall be used solely for the purposes of such fund or as otherwise permitted under the provisions of Indiana Code 5-1-13. Pursuant to the Act, the owners of the Bonds shall be entitled to a lien on the proceeds of the Bonds or BAN until such proceeds are applied as required by this Ordinance and by Indiana law.

With respect to any Bonds or BAN sold to the Indiana Finance Authority, to the extent that the total principal amount of the Bonds is not paid by the purchaser or drawn down by the Town, the Town shall reduce the principal amounts of the Bond or BAN maturities to effect such reduction in a manner that will still achieve as similar annual debt service as practicable as described in Section 2.

Section 9. Revenues. There is hereby created a fund known as the Sewage Works Revenue Fund (the "Revenue Fund") into which all income and revenues (inclusive of System Development Charges that are not considered Net Revenues) of the sewage works shall be deposited upon receipt. This fund shall be maintained separate and apart from all other accounts of the Town. All monies deposited in the Revenue Fund may be invested in accordance with IC 5-13, 4-4-11 and 13-18-13 and other applicable laws. No moneys derived from the revenues of the sewage works shall be transferred to the general fund of the Town or be used for any purpose not connected with the sewage works.

Section 10. Operation and Maintenance Fund. There is hereby created a fund known as the Sewage Works Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be credited on the last day of each calendar month a sufficient amount of the revenues of the sewage works so that the balance in the Operation and Maintenance Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two (2) calendar months. The monies credited to the Operation and Maintenance Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the sewage works on a day-to-day basis. Any monies in the Operation and Maintenance Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding Bonds of the sewage works.

Section 11. Sewage Sinking Fund. (a) A special fund designated Sewage Works Sinking Fund (the "Sewage Works Sinking Fund") is hereby designated and constituted the sinking fund, as required by the Act, for the payment of the principal of and premium, if any, and interest on the Bonds and any bonds hereafter issued on a parity therewith, or any other bonds subordinate thereto, and for the payment of any fiscal agency charges in connection with the payment of bonds. There shall be set aside and paid into the Sewage Works Sinking Fund monthly, as available, a sufficient amount of the Sewage Works Net Revenues (including any System Development Charges that are considered Net Revenues), for the payment of (a) the interest on all bonds which by their terms are payable from the revenues of the Sewage Works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying the principal of and interest on all bonds and (c) the principal of all bonds which by their terms are payable from the revenues of the Sewage Works, as such principal shall fall due.

(b) Bond and Interest Account. There is hereby created within the Sinking Fund a Sewage Works Bond and Interest Account (the "Bond and Interest Account"). Beginning as of the date of issuance of the Bonds, there shall be transferred from the Revenue Fund and credited to the Bond and Interest Account an amount of the Net Revenues equal to at least (i) one-sixth ($1/6$) of the interest on all the then outstanding Bonds payable from the Net Revenues on the next succeeding interest payment date and (ii) one-sixth ($1/6$) of the principal on all the outstanding Bonds payable on the next succeeding principal payment date, until the amount of interest and principal payable on the next succeeding interest and principal payment date shall have been so credited. There should similarly be credited to the account any amount necessary to pay the bank fiscal agency charges on the outstanding Bonds as the same became payable. The Town shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or bank fiscal agent sufficient monies to pay the principal and interest on the due date thereof together with the amount of bank fiscal agency charges.

In no event shall any part of the Sewage Works Sinking Fund be used in calling bonds for redemption prior to their respective maturities, except to the extent that the amount then in the Sewage Works Sinking Fund exceeds the amount required to pay the bonds which will mature within a period of twelve (12) calendar months next following the date of such redemption, together with all interest on bonds payable in such period. Any such excess of funds above such required level may also be used in purchasing outstanding bonds at a price less than the then-applicable redemption price, with the prior approval of the Town. Monies in the Sewage Works Sinking Fund shall not be used for any other purpose whatsoever except as provided in this Ordinance.

(c) Reserve Account. There is hereby created within the Sinking Fund Reserve Account (the "Reserve Account"). Beginning with the first month after the respective series of Bonds are delivered, the Town shall deposit on the last day of each calendar month an amount of Net Revenues into the Reserve Account until the balance therein equals but does not exceed the least of (i) the maximum annual debt service on the Bonds, issued hereunder and any parity bonds issued in the future by the Town which are payable from the Net Revenues of the Sewage Works (the "Parity Bonds"), (ii) 125% of average annual debt service on the Bonds and the Parity Bonds or (iii) 10% of the proceeds of the Bonds and the Parity Bonds (the "Reserve Requirement"). The monthly deposits of Net Revenues shall be equal in amount and sufficient to

accumulate the Reserve Requirement within five (5) years of the date of delivery of the Bonds. The balance in the Reserve Account, allocable to the Bonds, shall never exceed the Reserve Requirement.

If the Bonds are sold to the Indiana Finance Authority pursuant to its SRF Program, then the Reserve Requirement shall equal the maximum annual debt service on the Bonds issued hereunder and any Parity Bonds.

The Reserve Account shall constitute a margin for safety and a protection against default in the payment of principal of and interest on outstanding Bonds and any Parity Bonds, and the monies in the Reserve Account shall be used to pay current principal and interest on outstanding Bonds and any Parity Bonds, to the extent that monies in the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Reserve Account shall be promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account. If monies in the Reserve Account are transferred to the Bond and Interest Account to pay principal and interest on outstanding Bonds or the Parity Bonds then this depletion of the balance in the Reserve Account shall be made up from the next available Net Revenues after the credits into the Bond and Interest Account. Any monies in the Reserve Account in excess of the Reserve Requirement shall be transferred to the Sewage Works Improvement Fund.

Section 12. Sewage Works Improvement Fund. In the event all required monthly payments into the Sewage Works Sinking Fund have been met and there has been accumulated in the Sewage Works Sinking Fund, over and above such payments, the Reserve Requirement, (or within five (5) years from the date of delivery of the Bonds, the required payments to date have been made to the Reserve Account) and there have been accumulated and reserved funds in an amount sufficient for operation, repair and maintenance of the Sewage Works for the then next-succeeding two (2) calendar months, and for depreciation, then any available excess revenues of the Sewage Works may be placed into an improvement fund for the Sewage Works (the "Sewage Works Improvement Fund") hereby created. Amounts so deposited may be used to pay the cost of improvements, betterments, extensions, enlargements and additions to the Sewage Works. No revenues of the Sewage Works shall be deposited in or credited to the Sewage Works Improvement Fund which will interfere with the required monthly payments into or accumulated in the Sewage Works Sinking Fund, or with the requirements as to paying the expenses of or reserving funds for the operation, maintenance and repair of the Sewage Works and for depreciation. All or any portion of the funds accumulated and reserved for improvements shall be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the bonds payable from such Sinking Fund or may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 13. Accounting. The Town shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing: (1) all revenues collected from the Sewage Works and deposited in such fund, (2) all disbursements made therefrom on account of the operation of the Sewage Works, (3) all required payments into the Sewage Works Sinking Fund, (4) all transactions relating to the Sewage Works, including the amounts set aside or credited to the Sewage Works Sinking Fund

and Sewage Works Improvement Fund, and (5) the cash balances in each of such funds as of the close of the preceding fiscal year. There shall be prepared and furnished to the original purchasers of the Bonds and, upon written request, to any subsequent owner of the Bonds at the time then outstanding, not more than ninety (90) days after the close of each fiscal year, income and expense and balance sheet statements of the Sewage Works, covering the preceding fiscal year. Such annual statements shall be certified by the Clerk-Treasurer of the Town, or the person charged with the duty of auditing the books and records relating to the Sewage Works, or such statements may be prepared by an independent certified public accountant retained by the Town for the purpose of preparing such statements. Copies of all such statements and reports, together with all audits of the Sewage Works supplied to the Town by the Indiana State Board of Accounts, shall be kept on file in the office of the Clerk-Treasurer of the Town. Any owner or owners of the Bonds then outstanding shall have the right, at all reasonable times, to inspect the Sewage Works and all records, accounts, audits and data of the Town relating thereto. Such inspections may also be made by representatives of any owner or owners of Bonds, duly authorized by written instrument.

If the Bonds or BAN (as hereafter defined) are sold to the Indiana Finance Authority, the Town shall establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) and the sewage works in accordance with (i) generally accepted governmental accounting standards on an accrual basis (or if the consent to by the Indiana Finance Authority, other comprehensive basis of accounting for utilities, on an accrual or cash basis), as promulgated by the Government Accounting Standards Board and (ii) the rules, regulations and guidance of the State Board of Accounts.

The Sinking Fund shall be maintained as a separate account or accounts from all other accounts of the Town. The Operation and Maintenance Account and the Improvement Fund may be maintained in a single account or separate accounts, but such account or accounts, shall likewise be maintained separate and apart from all other accounts of the Town and apart from the Sinking Fund account or accounts. All moneys deposited in the Funds and Accounts created by this Ordinance shall be deposited, held and secured as public funds in accordance with the public depository laws of the State; provided that moneys therein may be invested in obligations in accordance with applicable laws, including IC 5-13, 4-4-11 and 13-18-13, as amended or supplemented, and in the event of such investment, the income therefrom shall become a part of the funds invested and shall be used only as provided in this Ordinance. Nothing in this Section or elsewhere in this Ordinance shall be construed to require that separate bank accounts be established and maintained for the Funds and Accounts created by this Ordinance except that (a) the Sinking Fund and Construction Fund shall be maintained separate bank account from the other Funds and Accounts of the System and (b) the other Funds and Accounts of the System shall be maintained as a separate bank account from the other funds and accounts of the Town.

Section 14. Covenant With Respect to Rates and Charges. The Town shall, by ordinance of this Town Council and to the fullest extent permitted by law, establish just and equitable rates and charges for the use of and the services rendered by the Sewage Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses such Sewage Works by or through any part of the sewage system of the Town, or that in any way uses or is served by the Sewage Works at a level adequate to produce and maintain sufficient revenue (including user and other charges, fees, income or revenues available to the Town), provided that

System Development Charges shall be excluded, to the extent permitted by law, when determining if such rates and charges are sufficient so long as the Bonds are outstanding and owned by the Indiana Finance Authority as part of its SRF Program, to provide for the proper Operation and Maintenance (as defined in the Financial Assistance Agreement) of the sewage works, to comply with and satisfy all covenants contained in this ordinance and the Financial Assistance Agreement and to pay all obligations of the sewage works and of the Town with respect to the sewage works. Such rates charges and charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of Operation and Maintenance of the sewage works and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of the Sewage Works by and services rendered to the Town and all departments thereof, as the charges accrue.

Section 15. Additional Bonds. The Town reserves the right to authorize and issue additional bonds, payable out of the revenues of the Sewage Works, ranking on a parity with the Bonds and all other bonds ranking on a parity therewith, for the purpose of financing the cost of future additions, extensions and improvements to the Sewage Works, subject to the following conditions:

(a) The principal of and interest on all bonds payable from the Net Revenues of the Sewage Works shall have been paid to date in accordance with their respective terms.

(b) The Reserve Requirement for the outstanding Bonds has been funded, or all required deposits have been made, in accordance with the Ordinance and the Reserve Requirement shall be increased proportionately for any additional bonds ranking on parity with the outstanding Bonds.

(c) The Net Revenues of the Sewage Works in the fiscal year immediately preceding the issuance of any bonds ranking on a parity with the Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of all of the then-outstanding bonds and the additional Parity Bonds proposed to be issued; or, prior to the issuance of such Parity Bonds, the sewage rates and charges shall be increased sufficiently so that such increased rates and charges, if applied to the previous fiscal year's operations, would have produced Net Revenues for such year equal to not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of all then-outstanding bonds and the additional parity bonds proposed to be issued. In addition, for purposes of this subsection, with respect to any Parity Bonds hereafter issued while the Bonds remain outstanding and owned by the Indiana Finance Authority as part of its SRF Program, Net Revenues may not include any revenues from the System Development Charges unless the Indiana Finance Authority provides its consent to include all or some portion of the System Development Charges as part of the Net Revenues or otherwise consents to the issuance of such Parity Bonds without satisfying this subsection (b). For purposes of this subsection, the records of the Sewage Works shall be analyzed and all showings shall be prepared by an independent certified public accountant retained by the Town for that purpose.

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

(e) If the Bonds are sold to the Indiana Finance Authority, (i) the Town obtains the consent of the Indiana Finance Authority, (ii) the Town has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in the Financial Assistance Agreement and this ordinance, and (iii) the Town is in compliance with its National Pollutant Discharge Elimination System permits, except for non-compliance for which purpose the bonds are issued, including refunding bonds issued prior to, but part of the overall plan to eliminate such non-compliance.

Section 16. Additional Covenants of the Town. For the purpose of further safeguarding the interests of the owners of the Bonds, it is specifically provided as follows:

(a) All contracts let by the Town in connection with the Project shall be let to responsible contractors after due advertisement as required by the 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 such contracts in accordance with their terms, and such contractors shall also be required to carry such amounts of employers' liability and public liability insurance as are required under the laws of the Indiana Finance Authority in the case of public contracts, and shall be governed in all respects by the laws of the Indiana Finance Authority relating to public contracts.

(b) The Project shall be contracted for and constructed under the supervision and subject to the approval of an engineer as shall be designated by this Town Council. All estimates for work done or materials furnished shall first be checked by the engineer and approved by the Town.

(c) The Town shall at all times maintain the Sewage Works in good condition and operate the Sewage Works in an efficient manner and at a reasonable cost.

(d) So long as any of the Bonds are outstanding, the Town shall maintain insurance coverage acceptable to the Indiana Finance Authority, including fidelity bonds, on the insurable parts of the Sewage Works of a kind and in an amount such as is customarily carried by private companies engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business in the Indiana Finance Authority. Insurance proceeds collected shall be used in replacing or repairing the property destroyed or damaged or, for any other purpose to which the Indiana Finance Authority shall consent.

(e) So long as any of the Bonds are outstanding, the Town shall not, either directly or indirectly, mortgage, pledge or otherwise encumber the Sewage Works, or any part thereof or any interest therein without the prior written consent of the Indiana Finance Authority if such Bonds are sold to the Indiana Finance Authority, and it shall not sell, lease or otherwise dispose of any portion thereof except to replace equipment which may become worn out or otherwise obsolete.

(f) Except as otherwise provided in Section 15 of this Ordinance, so long as any of the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of the Sewage Works shall be authorized, executed or issued by the Town except such as shall be made subordinate and junior in all respects to the Bonds, unless all of the Bonds are

redeemed or retired or defeased pursuant to Section 17 hereof coincidentally with the delivery of such additional bonds or other obligations.

(g) If the Bonds or BAN are sold to the Indiana Finance Authority, the Town shall not without the prior written consent of the Indiana Finance Authority (i) enter into any lease, contract or agreement or incur any other liabilities in connection with the Sewage Works other than for normal operating expenditures or (ii) borrow any money (including without limitation any loan from other utilities operated by the Town).

(h) 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 the Sewage Works.

(i) The provisions of this Ordinance shall constitute a contract by and between the Town and the owners of the Bonds or BANs, and after the issuance of the Bonds or BANs this Ordinance shall not be repealed or amended in any respect which would materially and adversely affect the rights of the owners of the Bonds or BAN, and this Town Council shall not adopt any law, ordinance or resolution which in any way would materially and adversely affect the rights of such owners so long as any of the principal of or interest on the Bonds or BAN remains unpaid; provided, that the Town shall have the right to amend this Ordinance without notice to or approval by any owners of the Bonds or BAN so long as the Town determines that such amendment, if enacted, would not materially and adversely affect the owners of the Bonds or BAN or any other bonds ranking on a parity therewith; provided, however, that if the Bonds or BAN are sold to the Indiana Finance Authority, the Town shall obtain the prior written consent of the Indiana Finance Authority.

(j) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the Bonds or BAN for the uses and purposes herein set forth, and the owners of the Bonds or BAN 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 such fund as set forth in this Ordinance. The owners of Bonds or BAN shall have all of the rights, remedies and privileges set forth in the provisions of the Act, and may either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights granted pursuant to the Act and the provisions of this Ordinance, and may enforce and compel performance of all duties required by the Act and this Ordinance to be performed by the Town and any board or officer thereof, including the making and collecting of lawful, reasonable and sufficient rates and charges for services rendered by the Sewage Works. In the event of any failure to pay the principal of or interest on any of the Bonds or BAN when due, any court having jurisdiction of the action may appoint a receiver to administer the Sewage Works on behalf of the Town and the owners of the Bonds or BAN, with power to charge and collect rates sufficient to provide for the payment of the expenses of operation, repair and maintenance and also to pay the principal of and interest on the Bonds or BAN, and to apply the revenues of the Sewage Works in conformity with the Act and the provisions of this Ordinance.

(k) For purpose this Section 16, the term "lease" shall include any lease, contract, or other instrument conferring a right upon the Town to use property in exchange for a periodic payments made from the revenues of the Sewage Works, whether the Town desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease, financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

Section 17. Defeasance of the Bonds or BAN. If, when the Bonds or BAN 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 Bonds or BAN for redemption shall have been given and the whole amount of the principal of and interest on and the premium, if any, so due and payable upon all of the Bonds or BAN then outstanding shall be paid; or (i) sufficient monies, 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 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 such event the Bonds or BAN shall no longer be deemed outstanding or entitled to the pledge of the revenues of the Sewage Works.

Section 18. Tax Covenants. In order to preserve the exclusion from gross income of interest on the Bonds under Section 103 of the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds (the "Code"), the Town hereby represents, covenants and agrees as follows:

(a) No person or entity or any combination thereof, other than the Town or any other governmental unit within the meaning of Section 141(b)(6) and Section 150(a)(2) of the Code (a "Governmental Unit") will use proceeds of the Bonds or BAN or property financed by such proceeds other than as a member of the general public. No person or entity or any combination thereof other than a Governmental Unit shall own property financed out of the proceeds of the Bonds or BAN or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use of such property by the public at large.

(b) No Bond or BAN proceeds will be lent to any entity or person other than a Governmental Unit. No Bond or BAN proceeds will be transferred directly or indirectly, or be deemed transferred, to a person or entity other than a Governmental Unit in a fashion that would in substance constitute a loan of such Bond or BAN proceeds.

(c) The Town will not take, or cause or permit to be taken by it or by any party under its control, or fail to take or cause or permit to fail to be taken by it or by any party under its control, any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code. The Town further covenants that it will not make any investment or do any other act or thing during the period that any Bond is outstanding hereunder which would cause any Bond or BAN to be an

“arbitrage bond” within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Bonds or BAN. In furtherance of the foregoing, the Clerk-Treasurer of the Town is hereby authorized to invest or to cause to be invested monies pursuant to the provisions of this Ordinance at a restricted yield, to the extent permitted by and consistent with the provisions for such investments under the Code and to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds for federal income tax purposes.

(d) With respect to the Bonds or BAN, the Clerk-Treasurer of the Town shall keep full, complete and accurate records of all investment income and other earnings on the amounts held in the funds and accounts created or referred to in this Ordinance. The Town shall further take all actions necessary and appropriate to comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable, including, without limitation, accounting for and making provision for the payment of any and all amounts that may be required to be paid to the United States of America from time to time pursuant to Section 148 of the Code.

(e) All officers, employees and agents of the Town are hereby authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Town as of the date that the Bonds or BAN are issued, and to make covenants on behalf of the Town evidencing the Town’s recognition of and compliance with the covenants and commitments made herein. In particular and without limiting the foregoing, any and all appropriate officers, employees and agents of the Town are authorized to certify and/or enter into covenants on behalf of the Town regarding (i) the facts and circumstances and reasonable expectations of the Town as of the date that the Bonds or BAN are issued and (ii) the representations and covenants made herein by the Town regarding the amount and use of the proceeds of the Bonds or BAN.

(f) The Clerk-Treasurer of the Town is hereby authorized and directed to employ consultants and attorneys from time to time to advise the Town with respect to the requirements under federal law for the continuing preservation of the exclusion of interest on the Bonds or BAN from gross income for purposes of federal income taxation, as described in this Section 18.

(g) The Bonds or BAN qualify for the exception in Section 265 of the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to tax-exempt obligations, because the Bonds are not private activity bonds within the meaning of Section 141 of the Code; the Bonds or BAN are hereby designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code; the reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) bonds but excluding other private activity bonds) which will be issued by or on behalf of the Town, all entities which issue obligations on behalf of the Town, and all subordinate entities during the calendar year of issuance of the Bonds or BAN will not exceed \$10,000,000; and the Town, all entities which issue obligations on behalf of the Town, and all subordinate entities have not designated more than \$10,000,000 of qualified tax-exempt obligations issued or to be issued during such year of issuance.

(h) The Town hereby covenants that it will rebate any arbitrage profits to the United States to the extent required by the Code and the regulations promulgated thereunder.

Section 19. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds or BAN 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 if the Bonds or BAN (as hereafter defined) are sold to the Indiana Finance Authority, the Town shall obtain the prior written consent of the Indiana Finance Authority; and provided, further, 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 Bond or BAN issued pursuant to this ordinance; or
- (b) A reduction in the principal amount of any Bond or BAN or the redemption premium or the rate of interest thereon; or
- (c) The creation of a lien upon or a pledge of the revenues of the sewage works ranking prior to the pledge thereof created by this ordinance; or
- (d) A preference or priority of any Bond or Bonds issued pursuant to this ordinance over any other Bond or Bonds or BAN issued pursuant to the provisions of this ordinance; or
- (e) A reduction in the aggregate principal amount of the Bonds or BAN required for consent to such supplemental ordinance; or
- (f) A reduction in the Reserve Requirement; or
- (g) The extension of mandatory sinking fund redemption dates, if any.

If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds or BAN 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 Bonds or BAN issued pursuant to the provisions of this ordinance then outstanding, shall thereafter be determined exercised and enforced in accordance with this ordinance, subject in all respects to such modifications and amendments. Notwithstanding

anything contained in the foregoing provisions of this ordinance, the rights and obligations of the Town and of the owners of the Bonds or BAN authorized by this ordinance, and the terms and provisions of the Bonds or BAN 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 Bonds issued pursuant to this ordinance then outstanding.

Without notice to or consent of the owners of the Bonds, the Town may, from time to time and at any time, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof, provided, however, that if the Bonds are sold to the Indiana Finance Authority, the Town shall obtain the prior written consent of the Indiana Finance Authority, (which supplemental ordinances shall thereafter form a part hereof),

(a) to cure any ambiguity or formal defect or omission in this ordinance or in any supplemental ordinance; or

(b) to grant to or confer upon the owners of the Bonds or BAN any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds; or

(c) to make any other change which is not to the prejudice of the owners of the Bonds or BAN.

Section 20. Issuance of BANs. (a) The Town, having satisfied all the statutory requirements for the issuance of its Bonds, may elect to issue its BAN or BANs to a financial institution, the Indiana Bond Bank, the Indiana Finance Authority or to any other purchaser, pursuant to a Bond Anticipation Note Purchase Agreement or Certificate of Award (the "Bond Anticipation Note Agreement") to be entered into between the Town and the purchaser of the BAN or BANs. If the BANs are sold to the Indiana Finance Authority, the Financial Assistance Agreement shall serve as the Bond Anticipation Note Agreement. 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 Town pledges to the payment of the principal and interest on the BANs the proceeds from the issuance of the Bonds. The Town may issue its BANs at a rate or rates of interest not to exceed four percent (4%) per annum and at a discount of not more than five-tenths of one percent (.5%) of the face amount of the BANs. The BANs may be issued in an amount not to exceed One Million Dollars (\$1,000,000) and numbered consistently from R-1 upward. Interest on the BAN's shall be paid at maturity, which BANs will mature no later than one (1) year from the date of issue but may be renewed for like periods not to exceed a total of five (5) years. The BANs shall be registered in the name of the Purchaser.

(c) The President of the Town Council and the Clerk-Treasurer are hereby authorized and directed to execute a Bond Anticipation Note Agreement or Financial Assistance Agreement (and any amendments made from time to time) 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 other documents needed for the financing as they deem necessary or desirable in connection therewith.

Section 21. Waiver of Tax Covenants. Notwithstanding any other provision of this Ordinance, any of the covenants and authorizations contained in Section 18 of this Ordinance (the "Tax Covenants") which are designed to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation need not be complied with if the Town receives an opinion of nationally recognized bond counsel to the effect that compliance with such Tax Covenant is unnecessary to preserve such exclusion of interest.

Section 22. Rates and Charges. The rates and charges which will be needed and charged to the general classes of users or property to be served by the Sewage Works in order to provide sufficient monies to make payments of principal and interest on the Bonds and other revenue bonds secured by the Net Revenues of the Sewage Works, as described herein, are set forth in a separate ordinance, Ordinance No. G-18-____ and incorporated herein by reference.

Section 23. Construction with Other Ordinances. All ordinances and parts of ordinances in conflict with this Ordinance are hereby repealed.

Section 24. Captions. The captions in this Ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this Ordinance.

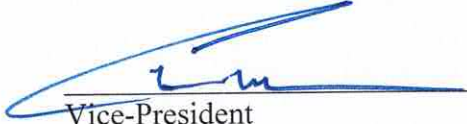
Section 25. Effective Date. This Ordinance shall be in full force and effect from and after its passage and signing by the President of this Town Council.

30 Passed and adopted by the Town Council of the Town of Georgetown, Indiana, on the day of January, 2018.

TOWN COUNCIL OF THE TOWN OF
GEORGETOWN, INDIANA




President



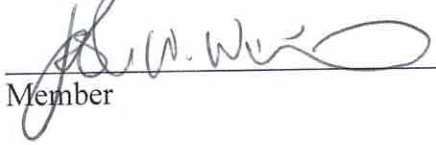
Vice-President



Member



Member



Member

ATTEST:



Clerk-Treasurer

SCHEDULE OF EXHIBITS

EXHIBIT A	Description of Project
EXHIBIT B	Form of Financial Assistance Agreement
EXHIBIT C	Form of Bond

EXHIBIT A

DESCRIPTION OF PROJECT

The Project includes sewer plant improvements including, but not limited to, the 1) installation of additional 25,000 gallon selectors/equalization tank, 2) installation of a third aeration blower, 3) construction of two additional aeration tank, 4) construction of a clarifier, 5) replacement of existing mechanical bar screen, 6) replacement of existing UV system, 7) relocation of existing generator and purchase of larger generator, 8) construction of a sludge processing building, 9) renovation of digester, 10) incidental costs and construction thereof, all as set forth in Preliminary Engineering Report prepared and filed by Heritage Engineering, LLC and approved on November 22, 2016.

EXHIBIT B

R-__

[FORM OF REGISTERED BOND]

UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF FLOYD
TOWN OF GEORGETOWN
SEWAGE WORKS REVENUE BOND, SERIES 2018

Interest	Maturity	Original	Date Of	
<u>Rate</u>	<u>Date</u>	<u>Date</u>	<u>Authentication</u>	<u>[CUSIP]</u>

Registered Owner:

Principal Amount:

The Town of Georgetown, in Floyd County, State of Indiana (the "Town") for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, upon surrender hereof, solely out of the special revenue fund hereinafter referred to, the Principal Amount stated above or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the registered owner making payments for this bond, or its assigns, on the Maturity Date specified above or January 1 and July 1 in the years 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 thereon until the Principal Amount is paid upon redemption or at maturity, at the Interest Rate per annum specified above and from the interest payment date to which interest has been paid or duly provided for next preceding the Date of Authentication of this bond as shown above (unless this bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before the next such interest payment date, in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before June 15, 2018, in which case it shall bear interest from the Original Date specified above), with such interest payable semiannually on January 1 and July 1 of each year, commencing _____. Interest on the Bonds shall be calculated according to a 360 day calendar year containing twelve 30 day months.

The principal of this bond is payable at the principal office of Clerk-Treasurer, in the Town of Georgetown, Indiana, or of any successor registrar and paying agent appointed under the Ordinance hereinafter mentioned (the "Registrar" and the "Paying Agent"). All payments of principal and interest hereon will be paid by cash, draft mailed, wire transfer for deposit to a financial institution as directed by the State on the due date or, if such date is a day when financial institutions are not open for business, on the business day immediately after such due date or delivered by the Paying Agent to the Registered Owner hereof at the address as it appears on the registration books kept by the Clerk-Treasurer of the Town (the "Registrar" or "Paying Agent") in the Town of Georgetown, Indiana or of the Registrar as of the fifteenth day of the month immediately preceding the applicable interest payment date or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. 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 payments, shall be legal tender for the payment of public and private debts.

This bond and the other bonds of this issue, together with the interest payable hereon and thereon, is payable solely from and secured by an irrevocable pledge of and constitutes a first charge upon all of the net revenues (defined to be gross revenues, inclusive of System Development Charges (as set out in the hereinafter defined Ordinance), after deduction only for the payment of the reasonable expenses of operation, repair and maintenance) derived from the sewage works of the Town, including the existing works, the improvements and extensions acquired or constructed out of the proceeds of this bond and the issue of which it is a part, and all additions and improvements thereto and replacements thereof subsequently acquired or constructed. The Town is not and shall not be obligated to pay the principal of or interest on this bond except from the special fund provided from the net revenues of such sewage works, and this bond does not and shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

The Town, the Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and the interest due hereon and for all other purposes, and none of the Town, the Registrar or the Paying Agent shall be affected by any notice to the contrary.

This bond shall not be valid or become obligatory for any purpose or entitled to any security or benefit under the Ordinance herein described unless and until the certificate of authentication hereon shall have been executed by a duly authorized representative of the Registrar.

This bond is one of an authorized issue of bonds of the Town of Georgetown, of like date, tenor and effect, except as to numbering, interest rates and dates of maturity, in the total amount of _____ Dollars (\$ _____), numbered from R-1 upward, issued for the purpose of providing funds to pay the cost of certain improvements and extensions to the sewage works of the Town, as authorized by an ordinance adopted by the Town Council of the Town on the ____ day of _____, 2018, entitled "An Ordinance authorizing the acquisition and construction by the Town of Georgetown, Indiana, of certain improvements and extensions to the Town's sewage works, the issuance of revenue bonds to provide funds for the payment of the costs thereof, the collection, segregation and distribution of the revenues of such sewage works and other related matters" (the "Ordinance"), and in strict compliance with the

provisions of the Indiana Code, Title 36, Article 9, Chapter 23, and the laws amendatory thereof and supplemental thereto (the "Act").

This bond is issuable only in fully registered form in the denomination of \$1 or any integral multiple thereof not exceeding the aggregate principal amount of the bonds of this issue maturing in any one year.

Reference is hereby made to the Financial Assistance Agreement between the Town and the Indiana Finance Authority as to certain terms and covenants pertaining to the sewage works project and this bond (the "Financial Assistance Agreement").

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this bond and all other bonds of this issue, and any bonds hereafter issued on a parity therewith, are payable solely from the Sewage Works Sinking Fund created by the Ordinance 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) derived from the sewage works of the Town, including the existing works, the improvements and extensions acquired or constructed out to the proceeds of this bond and the issue of which it is a part, and all additions and improvements thereto and replacements thereof subsequently acquired or constructed.

This bond does not and shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town is not and shall not be obligated to pay this bond or the interest thereon except from such special fund provided from such net revenues.

The Town irrevocably pledges the entire net revenues of such sewage works to the prompt payment of the principal of and interest on the bonds authorized and issued pursuant to the Ordinance, including this bond and any bonds hereafter issued on a parity therewith, and covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by such works as are sufficient in each year for the payment of the proper and reasonable expenses of Operation and Maintenance (as defined in the Financial Assistance Agreement) of such works, and for the payment of the sums required to be paid into such 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 fix, maintain and collect such rates or charges, or if there be a default in the payment of the principal of or interest on this bond, the owner of this bond shall have all of the rights and remedies provided for the Act and the laws amendatory thereof and supplemental thereto, 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 the principal of and interest on this bond.

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 such sewage works to meet (a) the interest on all bonds payable from such fund as such interest shall fall due, (b) the necessary fiscal agency charges for paying the principal of and interest on all bonds, and (c) the principal of all bonds payable from such fund as such principal shall fall due. Such required payments shall constitute a first charge upon all the net revenues of such works.

The bonds of this issue maturing on or after January 1, 20____, are subject to redemption prior to maturity, at the option of the Town, in whole or in part, on _____ 1, 20____, or at any time thereafter, on sixty (60) days' notice in principal amounts and maturities selected by the Town, in inverse order of maturity and by lot within any such maturity or maturities by the Registrar, at a redemption price expressed as a percentage of the principal amount of each bond to be redeemed in accordance with the following schedule, plus accrued interest to the date of redemption:

<u>Redemption Period</u> <u>(Both Dates Inclusive)</u>	<u>Redemption</u> <u>Price</u>
January 1, 20____, through June 30, 20____	102%
July 1, 20____, through December 31, 20____	101%
January 1, 20____, and thereafter prior to maturity	100%

Provided, however, that if the Bonds are sold to the SRF Program and registered in the name of the Indiana Finance Authority, the Bonds shall not be redeemable at the option of the Town unless and until consented to by the Indiana Finance Authority.

Notice of any such redemption shall be sent by registered or certified mail to the Registered Owner of this bond at the address shown on the registration books of the Registrar not less than seventy-five (75) days prior to the date fixed for redemption, unless such notice is waived by the Registered Owner. The place of redemption may be determined by the Town. Interest on bonds so called for redemption shall cease to accrue on the redemption date fixed in such notice, so long as sufficient funds are available at the place of redemption to pay the redemption price on the redemption date or when presented for payment.

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 appropriate, 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 with respect thereto.

Subject to the provisions of the Ordinance regarding the registration of such bonds, this bond and all other bonds of this issue of which this bond is a part are fully negotiable instruments under the laws of the State of Indiana. This bond is transferable or exchangeable only on the books of the Town maintained for such purpose at the principal corporate trust office of the Registrar, by the Registered Owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in 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. This bond may be transferred or exchanged without cost to the Registered Owner or his attorney duly authorized in writing, except for any tax or other governmental charge which may be required to be paid with respect to such transfer or exchange. The Registrar and Paying Agent shall not be obligated to make any exchange or transfer of this bond (i) during the fifteen (15) days immediately preceding

an interest payment date on this bond or (ii) after the mailing of any notice calling this bond for redemption. 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 the redemption premium, if any, and interest due hereon. In the event this bond is mutilated, lost, stolen or destroyed, the Town may cause to be executed and the Registrar may authenticate a new bond of like date, maturity and denomination as this bond, which new bond shall be marked in a manner to distinguish it from this bond; Provided, that in the case of this bond being mutilated, this bond shall first be surrendered to the Registrar, and in the case of this bond being lost, stolen or destroyed, there shall first be furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Town and to the Registrar, together with indemnity satisfactory to them. In the event that this bond, being mutilated, lost, stolen or destroyed, shall have matured or been called for redemption, instead of causing to be issued a duplicate bond the Registrar may pay this bond upon surrender of this mutilated bond or upon satisfactory indemnity and proof of loss, theft or destruction in the event this bond is lost, stolen or destroyed. In such event, the Town and the Registrar may charge the owner of this bond with their reasonable fees and expenses in connection with the above. Every substitute bond issued by reason of this bond being lost, stolen or destroyed shall, with respect to this bond, constitute a substitute contractual obligation of the Town, whether or not this bond, being lost, stolen or destroyed, shall be found at any time, and shall be entitled to all the benefits of the Ordinance, equally and proportionately with any and all other bonds duly issued thereunder.

The bonds authorized and issued pursuant to the Ordinance, including this bond, are subject to defeasance prior to redemption or payment as provided in the Ordinance, and the owner of this bond, by the acceptance hereof, hereby agrees to all the terms and provisions contained in the Ordinance.

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) 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 Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$1 any integral multiple thereof.

The Town hereby certifies, recites and declares that all acts, conditions and things required to be done precedent to and in the preparation, execution, issuance and delivery of this bond have been done and performed in regular and due form as required by law.

IN WITNESS WHEREOF, the Town of Georgetown, in Floyd County, State of Indiana, has caused this bond to be executed in its corporate name and on its behalf by the manual or facsimile signature of the President of its Town Council, its corporate seal or a facsimile thereof to be hereunto affixed, and attested by the manual or facsimile signature of its Clerk-Treasurer, all as of the Issue Date shown above.

TOWN OF GEORGETOWN

President of the Town Council

(seal or facsimile seal)

ATTEST:

Clerk-Treasurer

CERTIFICATE OF AUTHENTICATION

This bond is one of the Town of Georgetown Sewage Works Revenue Bonds, Series 2018, issued and delivered pursuant to the provisions of the within-mentioned Ordinance.

By: _____

Authorized Representative

ASSIGNMENT

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

Dated: _____

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.

Signature Guarantee:

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

EXHIBIT C

FINANCIAL ASSISTANCE AGREEMENT

[See Attached]

**STATE OF INDIANA
WASTEWATER REVOLVING LOAN PROGRAM**

FINANCIAL ASSISTANCE AGREEMENT made as of this _____ day of _____ 2018 by and between the Indiana Finance Authority (the "Finance Authority"), a body politic and corporate, not a state agency but an independent instrumentality of the State of Indiana (the "State") and the Town of Georgetown, Indiana (the "Participant"), a political subdivision as defined in I.C. 13-11-2-164 and existing under I.C. 36-9-23, witnesseth:

WHEREAS, the State's Wastewater Revolving Loan Program (the "Wastewater SRF Program") has been established in accordance with the federal Clean Water Act and the regulations promulgated thereunder, and pursuant to I.C. 13-18-13 (the "Wastewater SRF Act"), which Wastewater SRF Act also establishes the wastewater revolving loan fund (the "Wastewater SRF Fund"); and

WHEREAS, pursuant to the Wastewater SRF Act, the State was authorized to fund the Wastewater SRF Program with federal capitalization grants, together with required state matching funds therefor, and to operate the Wastewater SRF Program, and prior to May 15, 2005 so funded and operated the Wastewater SRF Program; and

WHEREAS, pursuant to Public Law 235 - 2005, by operation of law and effective May 15, 2005, the Finance Authority has become the successor to the State in all matters related to the Wastewater SRF Program (including use and acceptance of federal capitalization grants and required state matching funds and operation of the Wastewater SRF Program); and

WHEREAS, the Participant is a duly existing political subdivision of the State, lawfully empowered to undertake all transactions and execute all documents mentioned or contemplated herein; and

WHEREAS, the Participant has determined to undertake a wastewater treatment system project (as more fully described herein, the "Project") and to borrow money from the Wastewater SRF Program to construct and acquire the Project; and

WHEREAS, the Finance Authority and the Participant desire to set forth the terms of such financial assistance as hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants herein set forth, the Finance Authority and the Participant agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms shall, for all purposes of this Agreement, have the following meaning:

“Agency” shall mean the United States Environmental Protection Agency or its successor.

“Authorizing Instrument(s)” shall mean the separate trust indenture(s) of the Participant entered into with a corporate trustee or the detailed resolution(s) or ordinance(s) of the Board pursuant to which the Bonds are issued in accordance with State law.

“Authorized Representative” shall mean the Clerk-Treasurer or such other officer, official, or representative of governing body of the Participant duly authorized to act for and on behalf of the Participant as provided for herein.

“Bond” or **“Bonds”** shall mean the instrument(s) which evidence(s) the Loan, as authorized by the Authorizing Instrument and containing the terms set forth in Section 2.02 of this Agreement.

“Bond Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument from which payment of the principal of and interest on the Bonds is required to be made by the Participant.

“Business Day” shall mean any day other than a Saturday, Sunday or State legal holiday or any other day on which financial institutions in the State are authorized by law to close and to remain closed.

“Clean Water Act” shall mean the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387, and other laws, regulations and guidance supplemental thereto (including the 2014 Appropriations Act and the Water Resources Reform and Development Act of 2014), as amended and supplemented from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, together with the regulations related thereto.

“Construction Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument to receive proceeds of the Bonds and from which Eligible Costs of the Project may be paid by the Participant.

“Credit Instrument” means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Credit Provider that is used by the Participant to meet all or a portion of any debt service reserve requirement securing the Bonds or any other bonds payable from the revenues of the Treatment Works, which bonds are on a parity with the Bonds.

“Credit Provider” means a bank, insurance company, financial institution or other entity providing a Credit Instrument.

“Department” shall mean the Indiana Department of Environmental Management

created under I.C. 13-13-1-1 or its successor.

“Deposit Agreement” shall mean an agreement between the Participant and the Deposit Agreement Counterparty in such form as from time to time determined by the Finance Authority pursuant to which (a) the Participant’s Bond Fund (including any reserve account established and created by the Participant pursuant to the Authorizing Instrument related thereto) shall be held by such Deposit Agreement Counterparty and available for payment of the Bonds and any other similar obligations of the Participant that are payable from the Bond Fund regardless whether they are on a parity basis, (b) such Deposit Agreement Counterparty serves as the paying agent for the Bonds and any other such similar obligations of the Participant that are payable from the Bond Fund, and (c) the Participant’s Construction Fund may be held by such Deposit Agreement Counterparty upon any Loan disbursement by the Finance Authority to it from time to time.

“Deposit Agreement Counterparty” shall mean the financial institution that enters into a Deposit Agreement with the Participant, which financial institution shall be approved by the Finance Authority and may be replaced by the Finance Authority from time to time.

“Director of Environmental Programs” shall mean the person designated by the Finance Authority as authorized to act as the Director of Environmental Programs (which designation includes such Director’s assumption of the duties previously assigned to the Wastewater SRF Program Representative and the Wastewater SRF Program Director) and where not limited, such person’s designee.

“Disbursement Agent” shall mean the party disbursing the Loan to or for the benefit of the Participant, which shall be the Trustee unless amounts are held in the Construction Fund, in which case the Disbursement Agent shall thereafter be the Deposit Agreement Counterparty as the party disbursing amounts that are held in the Construction Fund unless otherwise agreed by the Finance Authority.

“Disbursement Request” shall mean a request for a disbursement of the Loan made by an Authorized Representative in such form as the Finance Authority may from time to time prescribe.

“Eligible Cost” shall mean and include, whether incurred before or after the date of this Agreement, all costs which have been incurred and qualify for Financial Assistance, including engineering, financing and legal costs related thereto.

“Finance Authority” shall mean the Indiana Finance Authority, a body politic and corporate, not a state agency but an independent instrumentality of the State.

“Finance Authority Bonds” shall mean (A) any Indiana Bond Bank State Revolving Fund Program Bonds issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture and (B) any Finance Authority State Revolving Fund Program Bonds or other similar obligations of the Finance Authority issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture.

“Financial Assistance” shall mean the financial assistance authorized by the Clean Water Act, including the Loan.

“Loan” shall mean the purchase of the Bonds by the Finance Authority to finance the planning, designing, constructing, renovating, improving and expanding of the Participant’s Treatment Works or refinance an existing debt obligation where such debt was incurred and building of such systems began after March 7, 1985, but does not mean the provision of other Financial Assistance.

“Loan Reduction Payment” shall mean in any circumstances where there is a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund, any action causing such balance to be applied to a reduction in the maximum aggregate amount of the Loan outstanding other than pursuant to regularly scheduled principal payments or optional redemptions applicable to the Bonds. A Loan Reduction Payment shall not be applicable unless Loan amounts are held in the Construction Fund.

“Non-Use Close-out Date” shall mean that date which is the earlier of (a) the first date as of which the full amount of the Loan has been disbursed on a cumulative basis (which shall also be deemed to have occurred when and if such amounts have been deposited in the Participant’s Construction Fund) or (b) the date as of which the Participant binds itself that no further Loan disbursements will be made under this Agreement.

“Non-Use Fee” shall mean a fee in an amount determined by the Finance Authority charged to compensate it for costs and expenses within the Wastewater SRF Program. Such amount shall be the greater of (A) the product of the undrawn balance of the Loan on each applicable Non-Use Assessment Date multiplied by one percent (1%) or (B) One Thousand Dollars (\$1,000). Such fee shall apply and be payable under Section 5.09 herein with respect to each Non-Use Assessment Date until the Non-Use Close-out Date shall occur. A Non-Use Fee shall not be applicable if the full amount of the Loan has been disbursed and deposited in the Participant’s Construction Fund by the Non-Use Assessment Date.

“Non-Use Assessment Date” shall mean _____ 1, 2020 and the first day of each sixth (6th) calendar month thereafter unless and until the Non-Use Close-out Date occurs in advance of any such Non-Use Assessment Date.

(End of Article I)

“Operation and Maintenance” shall mean the activities required to assure the continuing dependable and economic function of the Treatment Works, including maintaining compliance with National Pollutant Discharge Elimination System permits, as follows:

(1) Operation shall mean the control and management of the united processes and equipment which make up the Treatment Works, including financial and personnel management, records, reporting, laboratory control, process control, safety and emergency operation planning and operating activities.

(2) Maintenance shall mean the preservation of the functional integrity and efficiency of equipment and structures by implementing and maintaining systems of preventive and corrective maintenance, including replacements.

“Plans and Specifications” shall mean the detailed written descriptions of the work to be done in undertaking and completing the Project, including the written descriptions of the work to be performed and the drawings, cross-sections, profiles and the like which show the location, dimensions and details of the work to be performed.

“Preliminary Engineering Report” shall mean the information submitted by the Participant that is necessary for the Finance Authority to determine the technical, economic and environmental adequacy of the proposed Project.

“Project” shall mean the activities or tasks identified and described in Exhibit A to this Agreement, and incorporated herein, as amended or supplemented by the Participant and consented to by the Finance Authority, for which the Participant may expend the Loan.

“Purchase Account” shall mean the account by that name created by the Wastewater SRF Indenture and held as part of the Wastewater SRF Fund.

“Settlement Costs” shall mean any and all fees, costs, losses or expenses incurred (or estimated to be incurred) by the Finance Authority resulting or arising from a Loan Reduction Payment (including without limitation interest and earnings differentials when the Finance Authority seeks to lend such Loan Reduction Payment to another Wastewater SRF Program borrower). In connection with the Loan made pursuant to this Agreement, there are agreed to be no Settlement Costs.

“Settlement Fee” shall mean a fee payable by the Participant to the Finance Authority to compensate the Finance Authority for its Settlement Costs in circumstances where there has been a Loan Reduction Payment.

“SRF Policy Guidelines” shall mean guidance of general applicability (as from time to time published, amended and supplemented by the Finance Authority) pertaining to participants utilizing financial assistance in connection with their projects funded in whole or in part through the Wastewater SRF Program.

“State” shall mean the State of Indiana.

“Substantial Completion of Construction” shall mean the day on which the Finance Authority (or if designated by the Finance Authority, the Department) determines that all but minor components of the Project have been built, all equipment is operational and the Project is capable of functioning as designed.

“System Development Charges” shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges applicable to the Treatment Works that are available for deposit under the Authorizing Instrument.

“Treatment Works” shall mean any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of the Clean Water Act, or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power, and other equipment, and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and acquisition of the land that will be an integral part of the treatment process (including land use for the storage of treated wastewater in land treatment systems prior to land application) or will be used for ultimate disposal of residues resulting from such treatment and acquisition of other land, and interests in land, that are necessary for construction.

“Trustee” shall mean The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, in its capacity as trustee or its successor under the Wastewater SRF Indenture.

“2014 Appropriations Act” shall mean the Consolidated Appropriations Act, 2014 (also known as H.R. 3457), and other laws, regulations and guidance supplemental thereto (including the Clean Water Act), as amended and supplemented from time to time.

“Wastewater SRF Fund” shall mean the wastewater revolving loan fund as established by I.C. 13-18-13-2.

“Wastewater SRF Indenture” shall mean the Sixth Amended and Restated Wastewater SRF Trust Indenture, dated as of April 1, 2007 between the Finance Authority (as successor by operation of law to the State in all matters related to the Wastewater SRF Program) and the Trustee, as amended and supplemented from time to time.

(End of Article I)

ARTICLE II

PURPOSE OF BORROWING AND LOAN TERMS

Section 2.01. Amount; Purpose. The Finance Authority agrees to Loan an amount not to exceed _____ Dollars (\$_____) in aggregate principal amount to the Participant as Financial Assistance to pay for the Eligible Costs, as hereinafter described, of the Project on, and subject to, the terms and conditions contained herein. The Loan shall be used only to pay the following Eligible Costs: (a) eligible planning services for the production of a Preliminary Engineering Report ("Planning"), (b) eligible design services for the production of Plans and Specifications ("Design") and (c) eligible construction costs, including financing and legal costs ("Construction"). The Loan shall be funded solely from available proceeds of the Finance Authority Bonds contained in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate. The Loan is evidenced by the Bonds executed and delivered by the Participant contemporaneously herewith. The Bonds shall be in fully registered form, with the Finance Authority registered as the registered owner. So long as the Finance Authority is the registered owner, the principal of and redemption premium, if any, and interest on the Bonds shall be paid to the Trustee by a wire transfer referenced as follows: The Bank of New York, ABA 021 000 018, For Credit to GLA: 111-565, For Final Credit: TAS #610026, Account Name: Georgetown Sewage Works, Attn: Derick Rush. The Participant agrees to undertake and complete the Project and to receive and expend the Loan proceeds in accordance with this Agreement.

Section 2.02. The Bonds.

(a) Until paid, the Bonds will bear interest at the per annum rate of _____ percent (____%). Such interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, and be as provided in I.C. 13-18-13-10 and -15. Interest, if any, on the Bonds will be payable on January 1 and July 1 of each year, commencing _____ 1, 2018. The Bonds will be in the aggregate principal amount of _____ Dollars (\$_____). Subject to Section 2.05 and 2.06 herein, the Bonds will mature on January 1 and July 1 of each of the years set forth in, and at the principal amount set opposite each such month and year set forth in the schedule contained in the attached Exhibit B to this Agreement (which is hereby incorporated by reference); provided, however, notwithstanding the foregoing or the terms of the Bonds to the contrary, no maturity of Bonds shall extend beyond the date which is twenty (20) years after Substantial Completion of Construction. If the maturity date for any Bonds is beyond such date, unless otherwise agreed to, such Bonds, together with accrued and unpaid interest thereon, will be due and payable on such date.

(b) The Bonds will be subject to redemption by the Participant as provided in the Authorizing Instrument; provided however that in no event shall the Participant exercise any provision contained in the Authorizing Instrument or the Bonds permitting a redemption of the Bonds at the option of the Participant unless and until such has been consented by the Authority. The Loan, and the Bonds evidencing it, will be subject to payment by the Participant as provided in this Agreement.

(c) The form and other terms of the Bonds will be in conformity with the Authorizing Instrument.

(d) The additional terms contained in the attached Exhibit D are applicable to this Loan (as and to the extent set forth in Exhibit D) to the same effect as if such were set forth in this section.

Section 2.03. Disbursement Conditions. Each of the following shall be a condition precedent to the disbursement of the Loan or any portion thereof (including from the Construction Fund):

(a) (1) With respect to procurement of professional services related to the Project to be paid from Loan proceeds, the Participant shall have complied with applicable State law and SRF Policy Guidelines. Additionally costs related Planning and Design shall only be Eligible Costs upon compliance with paragraph A of the attached Exhibit D. (2) With respect to procurement of all other goods and services related to the Project to be paid from Loan proceeds, the Participant shall have complied with I.C. 36-1-12 and SRF Policy Guidelines.

(b) No representation, warranty or covenant of the Participant contained in this Agreement or in any paper executed and delivered in connection with the transactions contemplated by this Agreement shall be false or inaccurate in any material respect.

(c) The Participant shall undertake and faithfully perform each of its obligations, agreements and covenants contained in this Agreement, the Authorizing Instrument and the Bonds.

(d) There shall be available to the Finance Authority uncommitted funds in an amount sufficient to satisfy the Finance Authority's obligations hereunder from the proceeds of Finance Authority Bonds in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate; provided however, once Loan proceeds have been deposited in the Construction Fund, such condition shall be deemed satisfied.

(e) The Participant shall have undertaken all actions necessary to comply with and satisfy the conditions and requirements for a Loan secured with money made available from the Wastewater SRF Fund as set forth in federal and State statutes, rules and regulations, including I.C. 13-18-13, SRF Policy Guidelines, the Clean Water Act and 40 C.F.R. Part 35.

(f) Prior to making any Loan disbursement to pay any Construction costs, the Project shall have been approved by the State's Historical Preservation Officer in a manner consistent with the policies and practices of the Wastewater SRF Program (the "Historical Preservation Approval"). Notwithstanding any provision of this Agreement to the contrary, in the event a Historical Preservation Approval has not been given within

four (4) months after the date of this Agreement, the Finance Authority may, in its sole discretion, (i) reduce the aggregate amount of the Loan to the amount then disbursed and outstanding under this Agreement and (ii) if any amounts are held in the Construction Fund, require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds. Upon giving notice to the Participant of such action, no further Loan disbursement (including from the Construction Fund) may be made under this Agreement unless consented to by the Finance Authority.

(g) In the event the Bonds are payable from rates and charges of the Treatment Works and if requested by the Finance Authority, the Participant shall provide evidence satisfactory to the Finance Authority demonstrating that such rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds).

Section 2.04. Disbursement Procedures. Loan proceeds (including any held from time to time in the Construction Fund) shall be disbursed to the Participant by the Disbursement Agent for actual Eligible Costs incurred with respect to the Project. The Finance Authority may, in its discretion, cause Loan disbursements to be made (a) directly to the person or entity identified in the Disbursement Request to whom payment is due, or (b) if advised in writing by the Participant that I.C. 36-1-12-14 or a similar law applies to the Project, to the Participant for purposes of collecting retainage, or some combination thereof. Any Loan proceeds in excess of the amount subject to retainage controlled by the Participant will be immediately remitted to the person or entity to whom payment is due, no later than three (3) Business Days after receipt or the date such Loan proceeds are no longer subject to retainage. The Finance Authority may, in its discretion, cause Loan disbursements to be made from time to time, in whole or in part, to the Participant's Construction Fund for disbursement consistent with this Agreement. Loan disbursements shall not be made more frequently than monthly and shall only be made following the submission of a Disbursement Request to the Finance Authority. Disbursement Requests shall be approved by the Director of Environmental Programs prior to submission to the Disbursement Agent for a Loan disbursement. Disbursement Requests shall be numbered sequentially, beginning with the number 1.

Section 2.05. Effect of Disbursements. Loan disbursements made to or for the benefit of the Participant shall be deemed to be a purchase of the Bonds in such amounts and with such maturities as achieves as level debt service as practicable, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to one year after Substantial Completion of Construction shall first be deemed to be a purchase of the Bonds in order of maturity. The deposit of Loan proceeds in the Construction Fund shall be deemed to be a purchase of the Bonds. Interest on the Loan commences on disbursement of the Loan to or for the benefit of the Participant (including any amounts disbursed to the Construction Fund) by the Finance Authority and the Bonds shall be deemed to be purchased in the full amount thereof. Each disbursement (including any amounts disbursed from the Construction Fund) shall be made pursuant to a Disbursement Request. In the event any Loan disbursement (including any amounts disbursed from the

Construction Fund) shall be made in excess of Eligible Costs, such excess disbursements shall be immediately paid by the Participant to the Disbursement Agent (and if made from any amounts held in the Construction Fund, shall be immediately deposited by the Participant into such Construction Fund) and thereafter may, subject to the terms and conditions set forth in this Agreement, be applied thereafter to pay Eligible Costs of the Project by the Participant.

Section 2.06. Acknowledgment of Amount of Loan; Final Disbursement. (a) Within 30 days after any request by the Finance Authority from time to time, the Participant shall execute and deliver to the Finance Authority an acknowledgment in the form prescribed by the Finance Authority which acknowledges the outstanding principal of and interest on the Bonds. Unless the Finance Authority consents in writing, no Loan disbursement shall be made more than one year after Substantial Completion of Construction. After Substantial Completion of Construction, upon the request of the Finance Authority, the Participant shall replace, at its expense, the Bonds with substitutes issued pursuant to the Authorizing Instrument to evidence the outstanding principal under the Loan.

(b) In the event there remains a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund on the date that is the earlier of (i) one year after Substantial Completion of Construction or (ii) three (3) years after the dated date of the Bonds (or in either such circumstance, such later date as the Finance Authority may approve in its discretion), the Participant agrees to make a Loan Reduction Payment, and to pay a Settlement Fee, to the Finance Authority within 10 days after any Finance Authority written demand. Any Loan Reduction Payment shall be applied to pay principal in such amounts and with such maturities as achieves as level debt service as practicable consistent with methodology prescribed in the Authorizing Instrument and as originally applied to the Bonds, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to the Loan Reduction Payment shall be unaffected by such payment. If the Authorizing Instrument permits the Participant to apply Bond proceeds to pay interest accruing on or before Substantial Completion of Construction, the Participant may seek to reimburse itself for such interest costs it has paid pursuant to a Disbursement Request provided, unless otherwise approved by the Finance Authority, any such reimbursement shall be limited to the amount thereof that the Participant causes to be used to pay the Settlement Fee. If the Participant fails to make such Loan Reduction Payment or to pay a Settlement Fee by such date, the Finance Authority and Deposit Agreement Counterparty are authorized to cause any balance held in the Construction Fund to be so applied without further direction and authorization from the Participant. Notwithstanding the foregoing, if requested by the Finance Authority, in lieu of the Participant making a Loan Reduction Payment together with any Settlement Fee payment, the Finance Authority may in its discretion require the Participant to hold any remaining balance (inclusive of Loan proceeds and any earnings) in the Construction Fund until such amounts may be applied on the first optional redemption date applicable to the Bonds, and upon any such request, the Participant agrees to cause such amounts to be so held and applied on such date.

(End of Article II)

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTICIPANT

Section 3.01. Planning, Design and Construction Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Provide information as requested by the Finance Authority to determine the need for, or to complete any necessary, environmental review or analysis.

(b) Comply with the procurement procedures and affirmative action requirements contained in SRF Policy Guidelines in the Planning, Design and Construction of the Project to the extent that such are to be paid from Loan proceeds.

(c) With respect to prime and first tier contract awards, report minority and women business enterprise utilization in the Planning, Design and Construction of the Project, to the extent that such are to be paid from Loan proceeds, by executing and delivering Agency Form SF 5700-52 to the Finance Authority whenever any agreements or subagreements are awarded. (These reports must be submitted on regular reporting cycles consistent with SRF Policy Guidelines commencing after such agreement or subagreement is awarded.)

(d) Comply with all applicable federal, State and local statutes, rules and regulations relating to the acquisition and construction of the Treatment Works.

(e) In the event Construction is to be paid from Loan proceeds, prior to an award of any contract for Construction of the Project, obtain a construction permit from the Department and receive the written approval of the Finance Authority of the Preliminary Engineering Report.

(f) Obtain the property rights necessary to construct the Treatment Works and, in procuring any such rights comply with federal and State law.

(g) In the event Construction is to be paid from Loan proceeds, comply with the federal Davis-Bacon Act, codified at 40 U.S.C. 276a-276a-5 unless separately waived by the Finance Authority.

(h) In the event Construction is to be paid from Loan proceeds, execute and deliver to the Finance Authority Agency Form 4700-4 ("Pre-award Compliance Review Report for Wastewater Treatment Construction Grants") and such other forms as may be required by the Clean Water Act or SRF Policy Guidelines.

(i) In the event Construction is to be paid from Loan proceeds, follow guidance issued by the Finance Authority in procuring contracts for Construction, including (1) submission to the Finance Authority of Project change orders, (2) obtaining approval

from the Director of Environmental Programs of any Project change order which significantly changes the scope or Design of the Project or, when taking into account other change orders and contracts, are reasonably expected to result in expenditures in an amount greater than the Loan, (3) receiving approval from the Director of Environmental Programs prior to the award of any contract for Construction and (4) receiving authorization from the Director of Environmental Programs prior to initiating procurement of Construction of the Project.

(j) In the event Construction is to be paid from Loan proceeds, before awarding Construction contracts, receive approval of the Director of Environmental Programs for the user charge system (including any use ordinance and interlocal agreement) associated with the Project.

(k) In the event Construction is to be paid from Loan proceeds, cause the Project to be constructed in accordance with the Preliminary Engineering Report and Plans and Specifications, using approved contract papers.

(l) Permit the Finance Authority and its agents to inspect from time to time (1) the Project, (2) the Treatment Works and (3) the books and other financial records of the Treatment Works, including the inspections described in SRF Policy Guidelines. Construction contracts shall provide that the Finance Authority or its agents will have access to the Project and the work related thereto and that the Participant's contractor will provide proper facilities for such access and inspection. All files and records pertaining to the Project shall be retained by the Participant for at least six years after Substantial Completion of Construction.

(m) Upon Substantial Completion of Construction and when requested by the Finance Authority, provide audited reports to the Finance Authority to permit the Finance Authority to determine that the Loan proceeds have been used in compliance with this Agreement.

(n) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, consistent with SRF Policy Guidelines, certify to the Finance Authority that the Project meets performance standards, or if not met, (1) submit to the Finance Authority (or if directed by the Finance Authority, to the Department) a corrective action plan and (2) promptly and diligently undertake any corrective action necessary to bring the Project into compliance with such standards.

(o) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, provide as-built plans for the Project to the Finance Authority (or if directed by the Finance Authority, to the Department).

Section 3.02. General Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Comply with all applicable federal, State and local statutes, rules and regulations relating to Operation and Maintenance.

(b) (1) Own, operate and maintain the Project and the Treatment Works for their useful life, or cause them to be operated and maintained for their useful life; (2) at all times maintain the Treatment Works in good condition and operate it in an efficient manner and at a reasonable cost; and (3) not sell, transfer, lease or otherwise encumber the Treatment Works or any portion thereof or any interest therein without the prior written consent of the Finance Authority

(c) Obtain and maintain the property rights necessary to operate and maintain the Treatment Works, and in procuring any such rights, comply with federal and State law.

(d) Acquire and maintain insurance coverage acceptable to the Finance Authority, including fidelity bonds, to protect the Treatment Works and its operations. All insurance shall be placed with responsible insurance companies qualified to do business under State law. Insurance proceeds and condemnation awards shall be used to replace or repair the Treatment Works unless the Finance Authority consents to a different use of such proceeds or awards.

(e) Establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) in accordance with (1) generally accepted governmental accounting principles, as promulgated by the Government Accounting Standards Board (including GASB No. 34 standards relating to the reporting of infrastructure) and (2) the rules, regulations and guidance of the State Board of Accounts.

(f) Provide to the Finance Authority such periodic financial and environmental reports as it may request from time to time, including (1) annual operating and capital budgets and (2) such other information requested or required of the Finance Authority or the Participant by the Agency.

(g) Provide notice to the Finance Authority under the circumstances contemplated, and undertake inspections as required, by SRF Policy Guidelines.

(h) (1) Establish and maintain just and equitable rates and charges for the use of and the service rendered by the Treatment Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the Treatment Works, or that in any way uses or is served by the Treatment Works, (2) establish, adjust and maintain rates and charges at a level adequate to produce and maintain sufficient revenue (when determined including user and other charges, fees, income or revenues available to the Participant, provided that to the extent permitted by law System Development Charges shall be excluded when determining if such are sufficient) to provide for the proper Operation and Maintenance of the Treatment Works, to comply with and satisfy all covenants contained herein and to pay all obligations of the Treatment Works and of the Participant with respect thereto, and (3) if and to the extent Bonds are

payable from property taxes, levy each year a special ad valorem tax upon all property located in the boundaries of the Participant, to pay all obligations of the Participant with respect thereto.

(i) If the Bonds are payable from the revenues of the Treatment Works, not borrow any money, enter into any contract or agreement or incur any other liabilities in connection with the Treatment Works without the prior written consent of the Finance Authority if such undertaking would involve, commit or use the revenues of the Treatment Works; provided that the Participant may authorize and issue additional obligations, payable out of the revenues of its Treatment Works, ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Treatment Works, or to refund obligations of the Treatment Works, subject to the conditions, if any, in the Authorizing Instrument.

(j) Comply with the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000d *et seq.*, the Age Discrimination Act, as amended, Public Law 94-135, Section 504 of the Rehabilitation Act of 1973, as amended (including Executive Orders 11914 and 11250), 29 U.S.C. Section 794, Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500, Executive Order 11246 regarding equal employment opportunity, and Executive Orders 11625 and 12138.

(k) Undertake all actions necessary to investigate all potential, material claims which the Participant may have against other persons with respect to the Treatment Works and the Project and take whatever action is necessary or appropriate to (1) recover on any actionable, material claims related to the Project or the Planning, Design or Construction thereof, (2) meet applicable Project performance standards and (3) otherwise operate the Treatment Works in accordance with applicable federal, State and local law.

(l) Not modify, alter, amend, add to or rescind any provision of the Authorizing Instrument without the prior written consent of the Finance Authority.

(m) In the event the Participant adopts an ordinance or resolution to refund the Bonds, within 5 days of the adoption of the ordinance or resolution, provide written notice to the Finance Authority of the refunding. Any refunding of the Bonds shall only be undertaken by the Participant with the prior written consent of the Finance Authority.

(n) In any year in which total expenditures of Federal financial assistance received from all sources exceeds \$750,000 the Participant shall comply with the Federal Single Audit Act (SAA) of 1984, as amended by the Federal Single Audit Act Amendments of 1996 (see 2 CFR 200 Subpart F) and have an audit of their use of Federal financial assistance. The Participant agrees to provide the Finance Authority with a copy of the SAA audit within 9 months of the audit period.

(o) Inform the Finance Authority of any findings and recommendations pertaining to the SRF program contained in an audit of 2 CFR 200 Subpart F (a/k/a

“Super Circular”) matters in which SRF Federal financial assistance was less than \$750,000.

(p) Initiate within 6 months of the audit period corrective actions for those audit reports with findings and recommendations that impact the SRF financial assistance.

(q) Notwithstanding anything in the Authorizing Instrument related to the Bonds (or in any authorizing instrument related to any other outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds) to the contrary, in the event any Credit Provider that has provided a Credit Instrument fails to be rated on a long term basis at least "A-/A3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors (such Credit Instrument, a "Disqualified Instrument"), within 12 months of such failure (or pursuant to such other schedule as may be approved by the Finance Authority), the Participant shall cause cash (or a replacement Credit Instrument from a Credit Provider that is rated on a long term basis at least "AA-/Aa3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors)(or some combination thereof) in an aggregate amount equal to the stated credit available under the Disqualified Instrument(s) to be deposited in the related reserve account(s) in lieu of such Disqualified Instrument(s). No Disqualified Instrument shall be included as part of the reserve balance which satisfies any such reserve requirement under any such authorizing instrument. Nothing in this subsection shall waive or modify additional requirements contained in any such authorizing instrument (including the Authorizing Instrument related to the Bonds); the provisions of this subsection and any such authorizing instrument (including the Authorizing Instrument related to the Bonds) shall both be required to be met. Unless and until notice shall be given by the Finance Authority to the Participant, a surety policy issued by MBIA Insurance Corporation or Financial Guaranty Insurance Company that has been reinsured by National Public Finance Guarantee Corporation (formerly known as MBIA Insurance Corp. of Illinois) shall not be treated as a Disqualified Instrument.

(r) (i) comply with Title 40 CFR Part 34 (New Restrictions on Lobbying) and the Byrd Anti-Lobbying Amendment ("Lobbying Restrictions"); (ii) provide certifications and disclosures related to Lobbying Restrictions in a form and manner as may from time to time be required by SRF Policy Guidelines or the Clean Water Act including without limitation the Lobbying Restrictions; and (iii) pay any applicable civil penalty required by the Lobbying Restrictions as may be applicable to making a prohibited expenditure under Title 40 CFR Part 34, or failure to file any required certification or lobbying disclosures. The Participant understands and acknowledges that pursuant to such Lobbying Restrictions, the making of any such prohibited expenditure, or any such failure to file or disclose, is subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

(s) Comply with all federal requirements applicable to the Loan (including those imposed by the 2014 Appropriations Act and related SRF Policy Guidelines) which the Participant understands includes, among other, requirements that all of the iron and steel

products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Participant has requested and obtained a waiver from the Agency pertaining to the Project or (ii) the Finance Authority has otherwise advised the Participant in writing that the American Iron and Steel Requirement is not applicable to the Project.

(t) Comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

(u) Comply with all requirements of this Agreement applicable to the Loan (including those imposed by the attached Exhibit D).

Section 3.03. Representations and Warranties of the Participant. After due investigation and inquiry, the Participant hereby represents and warrants to the Finance Authority that:

(a) The Participant is duly organized and existing under state law, and constitutes a “political subdivision” within the meaning of I.C. 13-11-2-164 and a “participant” within the meaning of I.C. 13-11-2-151.1. The Project and the Treatment Works are subject to I.C. 36-9-23.

(b) The Participant has full power and authority to adopt the Authorizing Instrument, enter into this Agreement and issue the Bonds and perform its obligations hereunder and thereunder.

(c) By all required action, the Participant has duly adopted the Authorizing Instrument and authorized the execution and delivery of this Agreement, the Bonds and all other papers delivered in connection herewith.

(d) Neither the execution of, nor the consummation of the transaction contemplated by, this Agreement nor the compliance with the terms and conditions of any other paper referred to herein, shall conflict with, result in a breach of or constitute a default under, any indenture, mortgage, lease, agreement or instrument to which the Participant is a party or by which the Participant or its property, including the Treatment Works, is bound or any law, regulation, order, writ, injunction or decree of any court or governmental agency or instrumentality having jurisdiction.

(e) There is no litigation pending or, to the knowledge of the Participant, upon investigation, threatened that (1) challenges or questions the validity or binding effect of this Agreement, the Authorizing Instrument or the Bonds or the authority or ability of the

Participant to execute and deliver this Agreement or the Bonds and perform its obligations hereunder or thereunder or (2) would, if adversely determined, have a significant adverse effect on the ability of the Participant to meet its obligations under this Agreement, the Authorizing Instrument or the Bonds.

(f) The Participant has not at any time failed to pay when due interest or principal on, and it is not now in default under, any warrant or other evidence of obligation or indebtedness of the Participant.

(g) All information furnished by the Participant to the Finance Authority or any of the persons representing the Finance Authority in connection with the Loan or the Project is accurate and complete in all material respects including compliance with the obligations, requirements and undertakings imposed upon the Participant pursuant to this Agreement.

(h) The Participant has taken or will take all proceedings required by law to enable it to issue and sell the Bonds as contemplated by this Agreement.

(i) For any outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds, each Credit Provider, if any, that has provided a Credit Instrument is at least rated on a long term basis "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc., and their successors, except as represented and set forth in Exhibit C attached thereto (and with respect to which true, accurate and complete copies of each such Credit Instrument have been delivered to the Finance Authority).

Each of the foregoing representations and warranties will be deemed to have been made by the Participant as of the date of this Agreement and as of the date of any disbursement of Loan proceeds (including from the Construction Fund). Each of the foregoing representations and warranties shall survive the Loan disbursements regardless of any investigation or investigations the Finance Authority may have undertaken.

Section 3.04. Covenants Regarding Assignment. The Participant acknowledges that the Finance Authority may pledge, sell or assign the Bonds or cause the Bonds to be pledged, sold or assigned, and certain of its rights related thereto, as permitted pursuant to Section 5.02 herein. The Participant covenants and agrees to cooperate with and assist in, at its expense, any such assignment. Within 30 days following a request by the Finance Authority, the Participant covenants and agrees with the Finance Authority that the Participant will, at its expense, furnish any information, financial or otherwise, with respect to the Participant, this Agreement, the Authorizing Instrument and the Bonds and the Treatment Works as the Finance Authority reasonably requests in writing to facilitate the sale or assignment of the Bonds.

Section 3.05. Nature of Information. All information furnished by the Participant to the Finance Authority or any person representing the Finance Authority in connection with the Loan or the Project may be furnished to any other person the Finance Authority, in its judgment,

deems necessary or desirable in its operation and administration of the Wastewater SRF Program.

Section 3.06. Tax Covenants. The Participant hereby covenants that it will not take, or cause or permit to be taken by it or by any party under its control, or fail to take or cause to permit to be taken by it or by any party under its control, any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code. The Participant further covenants that it will not do any act or thing that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or "arbitrage bonds" within the meaning of Section 148 of the Code. In furtherance and not in limitation of the foregoing, the Participant shall take all action necessary and appropriate to comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable to the Participant or the Bonds, including accounting for and making provision for the payment of any and all amounts that may be required to be paid to the United States of America from time to time pursuant to Section 148 of the Code.

Section 3.07. Non-Discrimination Covenant. Pursuant to and with the force and effect set forth in I.C. 22-9-1-10, the Participant hereby covenants that the Participant, and its contractor and subcontractor for the Project, shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry.

(End of Article III)

ARTICLE IV - DEFAULTS

Section 4.01. Remedies. The Finance Authority's obligation to make a disbursement under the Loan to the Participant hereunder may be terminated at the option of the Finance Authority, without giving any prior notice to the Participant, in the event: (a) the Participant fails to undertake or perform in a timely manner any of its agreements, covenants, terms or conditions set forth herein or in any paper entered into or delivered in connection herewith (including the Authorizing Instrument); or (b) any representation or warranty made by the Participant as set forth herein or in any paper entered into or delivered in connection herewith is materially false or misleading. Any such event shall constitute an event of default and in addition to any other remedies at law or in equity, the Finance Authority may (x) require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds, (y) in the event a Deposit Agreement has not previously been entered into related to the Participant's Bond Fund (including any related reserve), require the Participant to enter into a Deposit Agreement (or to modify any such previously entered Deposit Agreement) and the Participant shall enter into (or modify) such an agreement within 5 days after any such demand and (z) without giving any prior notice, declare the entire outstanding principal amount of the Loan, together with accrued interest thereon, immediately due and payable.

Section 4.02. Effect of Default. Failure on the part of the Finance Authority in any instance or under any circumstance to observe or perform fully any obligation assumed by or imposed upon the Finance Authority by this Agreement or by law shall not make the Finance Authority liable in damages to the Participant or relieve the Participant from paying any Bond or fully performing any other obligation required of it under this Agreement or the Authorizing Instrument; provided, however, that the Participant may have and pursue any and all other remedies provided by law for compelling performance by the Finance Authority of such obligation assumed by or imposed upon the Finance Authority. The obligations of the Finance Authority hereunder do not create a debt or a liability of the Finance Authority or the State under the constitution of the State or a pledge of the faith or credit of the Finance Authority or the State and do not directly, indirectly or contingently, obligate the Finance Authority or the State to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the Finance Authority or the State, nor any agent, attorney, member or employee of the Finance Authority or the State shall in any event be liable for damages, if any, for the nonperformance of any obligation or agreement of any kind whatsoever set forth in this Agreement.

(End of Article IV)

ARTICLE V

MISCELLANEOUS

Section 5.01. Citations. Any reference to a part, provision, section or other reference description of a federal or State statute, rule or regulation contained herein shall include any amendments, replacements or supplements to such statutes, rules or regulation as may be made effective from time to time. Any reference to a Loan disbursement shall include any disbursement from the Construction Fund. Any use of the term "including" herein shall not be a limitation as to any provision herein contained but shall mean and include, without limitation, the specific matters so referenced.

Section 5.02. Assignment. Neither this Agreement, nor the Loan or the proceeds thereof may be assigned by the Participant without the prior written consent of the Finance Authority and any attempt at such an assignment without such consent shall be void. The Finance Authority may at its option sell or assign all or a portion of its rights and obligations under this Agreement, the Authorizing Instrument, and the Bonds to an agency of the State or to a separate body corporate and politic of the State or to a trustee under trust instrument to which the Finance Authority, the State or any assignee is a beneficiary or party. The Finance Authority may at its option pledge or assign all or a portion of its rights under this Agreement, the Authorizing Instrument, and the Bonds to any person. The Participant hereby consents to any such pledge or assignment by the Finance Authority. This Agreement shall be binding upon and inure to the benefit of any permitted secured party, successor and assign.

Section 5.03. No Waiver. Neither the failure of the Finance Authority nor the delay of the Finance Authority to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.

Section 5.04. Modifications. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.

Section 5.05. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties and representations, either written or oral, expressed or implied between the parties hereto other than as herein set forth or as may be made in the Authorizing Instrument and the other papers delivered in connection herewith. In the event there is a conflict between the terms of this Agreement and the Authorizing Instrument, the terms of this Agreement shall control. It is expressly understood and agreed that except as otherwise provided herein this Agreement represents an integration of any and all prior and contemporaneous promises, agreements, conditions, undertakings, warranties and representations between the parties hereto.

Section 5.06. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be executed by the Finance Authority and the Participant, and all of which shall be regarded for all purposes as one original and shall constitute one and the same instrument.

Section 5.07. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Agreement on the part of the Finance Authority or the Participant to be performed shall be deemed by a court of competent jurisdiction to be contrary to law or cause the Bonds to be invalid as determined by a court of competent jurisdiction, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and waived and shall in no way affect the validity of the other provisions of this Agreement.

Section 5.08. Notices. All notices hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered personally or sent or transmitted to the appropriate destination as set forth below in the manner provided for herein. Notice to the Finance Authority shall be addressed to:

Indiana Finance Authority
SRF Programs
100 North Senate, Room 1275
Indianapolis, Indiana 46204
Attention: Director of Environmental Programs

or at such other address(es) or number(s) and to the attention of such other person(s) as the Finance Authority may designate by notice to the Participant. Notices to the Participant shall be addressed to:

Town of Georgetown, Indiana
PO Box 127
Georgetown, IN 47122-0127
Attention: Clerk-Treasurer

or at such other address(es) or number(s) and to the attention of such other person(s) as the Participant may designate by notice to the Finance Authority. Any notice hereunder shall be deemed to have been served or given as of (a) the date such notice is personally delivered, (b) three (3) Business Days after it is mailed U.S. mail, First Class postage prepaid, (c) one (1) Business Day after it is sent on such terms by Federal Express or similar next-day courier, or (d) the same day as it is sent by facsimile transmission with telephonic confirmation of receipt by the person to whom it is sent.

Section 5.09. Expenses. The Participant covenants and agrees to pay (a) the fees, costs and expenses in connection with making the Loan, including issuing the Bonds and providing the necessary certificates, documents and opinions required to be delivered therewith; (b) the fees, costs and expenses in connection with making and administering the Loan; (c) the costs and expenses of complying with its covenants made herein; and (d) any and all costs and expenses, including attorneys' fees, incurred by the Finance Authority in connection with the enforcement of this Agreement, the Authorizing Instrument and the Bonds in the event of the breach by the Participant of or a default under this Agreement, the Authorizing Instrument or the Bonds. Notwithstanding clause (b) above, the Participant shall not be obligated to pay any of the fees,

costs and expenses in connection with administering the Loan except as follows: (1) the Finance Authority may request and the Participant shall promptly pay (no later than the date first above written), a closing fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (2) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), an annual administrative fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (3) the Finance Authority may request and the Participant shall promptly pay (no later than ten (10) days after any request), any Settlement Fee; (4) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-Use Fee in connection with the Loan, which may not be paid from a Loan disbursement; (5) for so long as the Finance Authority is the registered owner of the Bonds, at the direction of the Finance Authority, the interest rate on the Bonds may be adjusted to lower the interest rate on the Bonds, and the difference between the amount payable as the original rate on the Bonds and the lower rate shall be deemed an additional administrative fee in connection with the Wastewater SRF Program; and (6) the Participant shall only be obligated to pay fees, costs and expenses of the Finance Authority's counsel and financial advisers in connection with making the Loan up to \$10,000, which may be paid from a Loan disbursement.

Section 5.10. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

Section 5.11. Term. This Agreement shall terminate at such time as the Participant has fully met and discharged all of its obligations hereunder, which term may extend beyond the final payment of the Bonds or provision for the payment of the Bonds pursuant to the Authorizing Instrument.

Section 5.12. Non-Collusion. The undersigned attests, subject to the penalties of perjury, that he/she is an authorized officer or representative of the Participant, that he/she has not, nor has any other officer or representative of the Participant, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive pay, and that the undersigned has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the agreement or is a payment to lawyers, accountants and engineers by the Participant related to customary services rendered in connection with the Loan.

Section 5.13. Federal Award Information. The CFDA Number for the Finance Authority's Wastewater SRF Program (also known as the Clean Water SRF Loan Program) is 66.458 and the Federal Agency & Program Name is "US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds."

(End of Article V)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or officials, all as of the date first above written.

TOWN OF GEORGETOWN, INDIANA

INDIANA FINANCE AUTHORITY

“Participant”

“Finance Authority”

By: _____

By: _____

Printed: _____

James P. McGoff

Director of Environmental Programs

Title: _____

Attested by Finance Authority Staff:

Attest: _____

By: _____

EXHIBIT A

The Project involves improvements to the Treatment Works that includes collection system and wastewater treatment facility components as follows.

- [to come from PER approval letter]

[The Project contains components that are GPR Projects, which GPR Projects Expenditures have been determined and are expected as of the date of this Agreement to be in the amount as set forth in the Participant's business case or categorical exclusion which is posted at www.srf.in.gov.]

The Project is more fully described in, and shall be in accordance with, the Preliminary Engineering Report and the Plans and Specifications approved by the Finance Authority (or if designated by the Finance Authority, the Department).

[End of Exhibit A]

EXHIBIT B
EXHIBIT B -Principal Payment Schedule

Maturity Date	Total Loan Principal Amount
01/01/19	
07/01/19	
01/01/20	
07/01/20	
01/01/21	
07/01/21	
01/01/22	
07/01/22	
01/01/23	
07/01/23	
01/01/24	
07/01/24	
01/01/25	
07/01/25	
01/01/26	
07/01/26	
01/01/27	
07/01/27	
01/01/28	
07/01/28	
01/01/29	
07/01/29	
01/01/30	
07/01/30	
01/01/31	
07/01/31	
01/01/32	
07/01/32	
01/01/33	
07/01/33	
01/01/34	
07/01/34	
01/01/35	
07/01/35	
01/01/36	
07/01/36	
01/01/37	
07/01/37	
01/01/38	
Total	

[End of Exhibit B]

EXHIBIT C
Credit Instrument

Credit Providers rated on a long term basis lower than "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc. are:

- None.

[End of Exhibit C]

Exhibit D
Additional Terms

- A. *The following additional terms in this Paragraph A (related to costs of Planning or Design being treated as Eligible Costs under this Agreement and the related defined terms) are [NOT] applicable to the Loan:*

“Equivalency Project” shall mean a project designated by the Finance Authority as an “equivalency project” under the Clean Water Act related to the “US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds” for the federal fiscal year ending September 30, 2018 (or such later federal fiscal year as the Finance Authority may otherwise designate).

“A/E Services” shall mean professional services related to the Planning or Design of the Project including for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services.

The Participant understands and acknowledges that the Project has been designated as an Equivalency Project and is required to meet the related applicable requirements of the Clean Water Act which among other requirements requires that for costs of Planning or Design (including costs for A/E Services) to be treated as Eligible Costs under this Agreement, such services (and the related contract) are required to be negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended). In connection with any request for disbursement of the Loan that is submitted by the Participant to the Finance Authority to provide for the payment of any costs of Planning or Design (including costs for A/E Services), the Participant represents and warrants that such costs relate only to services provided under a contract negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended).

- B. *The following additional terms in this Paragraph B (related to Fiscal Sustainability Plans and the related defined terms) are applicable to the Loan if the Participant submitted its Wastewater SRF Program application to the Finance Authority (or the Department) related to the Project on or after October 1, 2014:*

“Fiscal Sustainability Plan” means in connection with a project that provides for the repair, replacement, or expansion of an existing treatment works, a plan that is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act and includes (a) an inventory of critical assets that are a part of the treatment works; (b) an evaluation of the condition and performance of inventoried assets or asset groupings; (b) a certification that the Participant has evaluated and will be implementing water and energy conservation efforts as part of the plan; and (d) a plan for

maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities.

The Participant understands and acknowledges that if the Participant submitted its Wastewater SRF Program application to the Finance Authority (or the Department) related to the Project (as and when determined consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act) on or after October 1, 2014, then this Paragraph B is applicable and unless the Participant has self-certified that the Participant has already developed and implemented a Fiscal Sustainability Plan that meets the requirements of this Paragraph, the Participant agrees to develop and implement a Fiscal Sustainability Plan that meets the requirements of this Paragraph B. The Participant acknowledges that its agreement to do a Fiscal Sustainability Plan as provided in this Paragraph was a condition of the Loan. The Participant further agrees to submit a certification (on and in a form as provided by the Finance Authority) related to the Participant's Fiscal Sustainability Plan prior to submitting its request for a final Loan disbursement related to the Project.

C. The following additional terms in this Paragraph C (related to GPR Projects and the related defined terms) are [NOT] applicable to the Loan:

“GPR Projects” shall mean Project components that meet the requirement of the “Green Project Reserve (GPR) Sustainability Incentive Program” consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

“GPR Projects Adjustment Fee” shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual GPR Projects Expenditures (rather than the amount referenced in the Participant's business case or categorical exclusion posted at www.srf.in.gov), all as determined by the Finance Authority.

“GPR Projects Expenditures” shall mean those costs and expenses incurred by the Participant that are part of the Project which are GPR Projects in nature (within the meaning of the Wastewater SRF Act) as determined by the Finance Authority, in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program's interest rate policies and practices.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a GPR Projects project. In the event GPR Projects Expenditures are hereafter determined by the Finance Authority to be less than the amount referenced in the Participant's business case or categorical exclusion, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a GPR Projects Adjustment Fee in connection with the Loan. Within ninety (90) days following Substantial Completion of Construction, the Participant shall certify

to the Finance Authority those Loan disbursements it represents to be its GPR Projects Expenditures. The Participant understands and acknowledges that it is required to submit a business case or categorical exclusion documenting GPR Projects prior to loan closing or if a request is made pursuant to Section 3.02(f) of this Agreement.

- D. *The following additional terms in this Paragraph D (related to Non-point Source Projects and the related defined terms) are [NOT] applicable to the Loan:*

“Non-point Source Adjustment Fee” shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program’s interest rate policies and practices using the final, actual Non-point Source Expenditures (rather than the amount referenced in the Participant’s business case or categorical exclusion posted at www.srf.in.gov), all as determined by the Finance Authority.

“Non-point Source Expenditures” shall mean those costs and expenses incurred by the Participant that are Non-point Source Projects in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program’s interest rate policies and practices.

“Non-point Source Projects” shall mean Project components that meet the requirement of SRF Policy Guidelines and the Wastewater SRF Act to be non-point source in nature as determined by the Finance Authority.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a non-point source project. In the event Non-point Source Expenditures are hereafter determined by the Finance Authority to be less than the amount referenced in the Participant’s business case or categorical exclusion, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-point Source Adjustment Fee in connection with the Loan. Within ninety (90) days following Substantial Completion of Construction, the Participant shall certify to the Finance Authority those Loan disbursements it represents to be its Non-point Source Expenditures.

[End of Exhibit D]