

RESOLUTION NO. 2016-04

A BOND RESOLUTION OF THE CITY OF HOBART, INDIANA, REDEVELOPMENT COMMISSION AUTHORIZING THE ISSUANCE OF CITY OF HOBART, INDIANA, REDEVELOPMENT DISTRICT SPECIAL TAXING DISTRICT REFUNDING BONDS, SERIES 2016, AND OTHER RELATED MATTERS

WHEREAS, the City of Hobart, Indiana, Redevelopment Commission (the "Commission"), governing body of the Department of Redevelopment of the City of Hobart, Indiana, (the "City") and the City of Hobart, Indiana, Redevelopment District (the "District") exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission has previously designated and declared an area in the City of Hobart, Indiana (the "City") known as the 61st Avenue Economic Development Area Allocation Area No. 1 to be an economic development and redevelopment area and an allocation area (the "Area") for purposes of tax increment financing and established an allocation fund for said Area (the "Allocation Fund"); and

WHEREAS, with regard to taxes levied on real property in the Area, except as otherwise provided in Section 39 of the Act, property tax proceeds in excess of those attributable to the lesser of:

- (a) The assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (b) The base assessed value, as defined in the Act;

shall be allocated to the District and, when collected, paid into the Allocation Fund and may be used by the District for such purposes as are legally permitted by the Act and Indiana Law; and

WHEREAS, the Act authorizes the issuance of bonds of the District payable from allocated tax proceeds pursuant to Section 39 of the Act and proceeds from the sale and leasing of property in the Allocation Area under Section 22 of the Act as required by Section 26 of the Act (collectively, the "Tax Increment"), from other revenues of the District, and from a special tax to be levied upon all of the taxable property located within the District (the "Special Tax"); and

WHEREAS, the City, acting for and on behalf of the District, has previously issued its \$3,400,000 Special Taxing District Bonds of 2007, Series A (the "Prior Bonds"), for the purpose of paying for certain local public improvements in or serving the District, including without limitation, the acquisition of road right-of-way necessary to widen and resurface 61st Avenue, traffic signalization improvements, the extension of certain utilities and related

redevelopment and economic development activities; and the costs of issuance of the Prior Bonds (the "Project"); and

WHEREAS, H.J. Umbaugh & Associates Certified Public Accounts, LLP (the "Financial Advisor") has provided information to the Commission to indicate that if the Commission were to advance refund the Prior Bonds by the issuance of special taxing district refunding bonds, the Commission would realize savings on the annual principal and interest payments it currently makes on the Prior Bonds; and

WHEREAS, the Commission did, on March 3, 2016, adopt a preliminary bond resolution determining to issue refunding bonds of the Redevelopment District provided that the sale of such refunding bonds and refunding of the Prior Bonds results in a net present value savings on the aggregate annual principal and interest payments of at least two percent (2.0%), and the Commission now desires to proceed with the issuance of special taxing district bonds of the Redevelopment District to advance refund the Prior Bonds and pay the costs of issuance of such refunding bonds, in accordance with said resolution; and

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

WHEREAS, the Commission desires to issue its special taxing district refunding bonds in an aggregate principal amount not to exceed Three Million Four Hundred Thousand and 00/100 Dollars (\$3,400,000.00) pursuant to the Act and the Refunding Law to be known as the "City of Hobart, Indiana, Redevelopment District Special Taxing District Refunding Bonds, Series 2016" (the "Bonds"), the proceeds of which are to be used to advance refund all or a portion of the Prior Bonds which will result in a savings to the Commission; and

WHEREAS, the Commission desires to provide for the preparation of offering materials by the Financial Advisor which may take the form of an offering memorandum or an Official Statement (the "Offering Materials"), relating to the issuance of the Bonds; and

WHEREAS, the Commission has previously determined that the Project does not constitute a "controlled project" as such term is defined by Indiana Code 6-1.1-20-1.1 because the Commission reasonably expects to pay the principal of and interest on such bonds from funds other than property taxes that are exempt from the levy limitations of Indiana Code 6-1.1-18.5, such other funds being the Tax Increment, it being understood that the Special Tax would be used only in the event the Tax Increment is insufficient for such purpose

NOW, THEREFORE, BE IT RESOLVED, by the City of Hobart, Indiana, Redevelopment Commission as follows:

SECTION 1. In accordance with the Act and the Refunding Law and for the purpose of providing funds to pay and finance the costs of advance refunding the Prior Bonds and to pay costs of issuance of the Bonds, the City, acting for and on behalf of the District, shall issue and sell the special taxing district refunding bonds in an aggregate principal amount not to exceed Three Million Four Hundred Thousand and 00/100 Dollars (\$3,400,000.00).

SECTION 2. In order to procure the funds for such refunding, the Clerk-Treasurer of the City (the "Clerk-Treasurer") is hereby authorized and directed to have prepared and to issue and sell the negotiable bonds of the District, which Bonds shall be issued in the name of the City, for and on behalf of the District, and which shall be designated "City of Hobart, Indiana, Redevelopment District Special Taxing District Refunding Bonds, Series 2016" in an aggregate principal amount not to exceed Three Million Four Hundred Thousand and 00/100 Dollars (\$3,400,000.00), and which amount (less a discount not to exceed one percent (1.0%) of the part amount thereof) together with investment earnings thereon and other available moneys, does not exceed the cost, as estimated by the Commission, of such refunding of the Prior Bonds, together with expenses incidental thereto, including the costs of issuance of the Bonds. The President of the Commission (the "President") and the Clerk-Treasurer shall set forth the principal amount of the Bonds to be sold in a certificate of the City executed by the President and the Clerk-Treasurer prior to the sale of the Bonds, establishing certain provisions and details with respect to the Bonds (hereinafter referred to as the "Issuer's Certificate").

The Bonds shall not constitute a corporate obligation or indebtedness of the City, but shall constitute an obligation of the District. The Bonds, together with interest thereon, shall be payable out of the Tax Increment and other revenues that may be available to the Commission for such purposes and, to the extent the Tax Increment and such other revenues are insufficient therefor, from the Special Tax. The Commission reasonably expects to have sufficient Tax Increment available to pay the principal of and interest on the Bonds when due.

The Bonds shall be issued in fully registered form in the denominations equal to either (i) Five Thousand and 00/100 Dollars (\$5,000.00) or an integral multiple thereof or (ii) One Hundred Thousand and 00/100 Dollars (\$100,000.00) or integral multiples of Five Thousand and 00/100 Dollars in excess thereof (e.g., \$100,000, or \$105,000 or \$110,000, etc.) in either case not exceeding the aggregate principal amount of the Bonds maturing in such year (the "Authorized Denominations"), and shall be numbered consecutively from 2016R-1 upwards. The Bonds shall mature (as serial bonds or term bonds) and be payable semiannually on February 1 and August 1 of the years and in the principal amounts as determined by the President and the Clerk-Treasurer with the advice of the Financial Advisor, ending not later than February 1, 2027, with the final maturity date determined by the President and the Clerk-Treasurer with the advice of the Financial Advisor. The Bonds shall bear interest at a rate or rates not exceeding three and one-half percent (3.50%) per annum (the exact rate or rates of interest to be determined by competitive bidding or negotiation as set forth in Section 9 hereof). The final aggregate principal amount, Authorized Denominations, final maturity date, principal payment schedule, and interest rate or rates for the Bonds shall be set forth in the Issuer's Certificate executed and delivered at the time of the sale of the Bonds.

The Bonds shall bear an original date which shall be the date of their delivery (the "Original Date"), and each Bond shall also bear the date of its authentication. Bonds authenticated on or before the fifteenth day of the month immediately preceding the first interest payment date shall be paid interest from their respective Original Date. Bonds authenticated after the fifteenth day of the month immediately preceding the first interest payment date shall be paid interest from the interest payment date immediately preceding the date of authentication of such Bonds unless the Bonds are authenticated between the fifteenth day of the month immediately

preceding an interest payment date and the interest payment date, in which case interest thereon shall be paid from such interest payment date.

The interest on the Bonds shall be payable semiannually on February 1 and August 1 of each year, commencing not earlier than the first February 1 or August 1 after the issuance of the Bonds, with the first interest payment date to be determined by the President and the Clerk-Treasurer with the advice of the Financial Advisor and set forth in the Issuer's Certificate. Interest on the Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year.

A Registrar and Paying Agent (the "Registrar" or the "Paying Agent" or in both such capacities as the "Registrar and Paying Agent") shall be appointed by the Clerk-Treasurer. The Clerk-Treasurer is hereby authorized to solicit and receive proposals with regard to the services of a registrar and paying agent. The Registrar and Paying Agent is hereby charged with the responsibility of authenticating the Bonds. The Registrar shall keep and maintain at its principal office books for the registration and for the transfer of the Bonds (the "Bond Register"). The Clerk-Treasurer is hereby authorized and directed, on behalf of the Commission, to enter into such agreements or understandings with the Registrar as will enable the Registrar to perform the services required of a registrar, and is directed to pay the Registrar for its services out of available funds.

The principal of and premium, if any, on the Bonds shall be payable at the principal office of the Paying Agent for the Bonds. Interest on the Bonds shall be paid by check or draft mailed or delivered at least one (1) business day prior to the payment date to the registered owners of the Bonds at the address as it appears on the Bond Register as of the last day of the month immediately preceding the interest payment date or at such other address as is provided to the Paying Agent in writing by such registered owners. All payments on the Bonds shall be made in lawful money of the United States of America. The President of the Commission and the Clerk-Treasurer are hereby authorized and directed, on behalf of the Commission, to enter into such agreements or understandings with the Paying Agent as will enable the Paying Agent to perform the services required of a paying agent, and is directed to pay the Paying Agent for its services out of available funds. Any designation by the Clerk-Treasurer of a financial institution as the Registrar or the Paying Agent shall be set forth in the Issuer's Certificate.

The Registrar or the Paying Agent may at any time resign as Registrar or Paying Agent by giving thirty (30) days' written notice to the Commission and by first-class mail to each registered owner of Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar or Paying Agent, as the case may be, by the Commission. Such notice to the Commission may be served personally or be sent by registered mail. The Registrar or Paying Agent may be removed at any time as Registrar or Paying Agent by the Commission, in which event the Commission may appoint a successor Registrar or Paying Agent, as the case may be. The Commission shall notify each registered owner of Bonds then outstanding by first-class mail of the removal of the Registrar or Paying Agent. Notices to registered owners of Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the Bond Register. Any predecessor Registrar shall deliver all the Bonds and in its possession and

the Bond Register to the successor Registrar, and any predecessor Paying Agent shall deliver all the cash in its possession to the successor Paying Agent.

Each Bond shall be transferable or exchangeable only upon the Bond Register by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar 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. Bonds may be transferred or exchanged without cost to the registered owner, except for any tax or governmental charge required to be paid with respect to the exchange. The Registrar shall not be required to transfer or exchange any Bond called for redemption or during the period from the last day of any calendar month immediately preceding an interest payment date to such interest payment date. The City, the Commission, the Registrar and the Paying Agent may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

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

Any series of Bonds may, in compliance with all applicable laws, be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the Commission or the City from time to time (the "Clearing Agency"). The Commission, the City and the Registrar may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form Bonds.

During any time that a series of Bonds is held in book-entry form on the books of a Clearing Agency (a) any such Bonds may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (b) the Clearing Agency in whose name such Bonds are so

registered shall be, and the Commission, the City, the Registrar and the Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bonds for all purposes of this Resolution, including, without limitation, the receiving of payment of the principal of and premium, if any, and interest on such Bonds, the receiving of notice, and the giving of consent; (c) none of the Commission, the City, the Registrar nor the Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Bonds, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bonds or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or premium, if any, or interest on any Bonds, the receiving of notice, or the giving of consent; (d) the Clearing Agency is not required to present any Bonds called for partial redemption or prepayment prior to receiving payment so long as the Registrar and the Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption or prepayment; and (e) payment of the principal of and interest on any one or more series of Bonds may be made by wire transfer or other method acceptable to the Clearing Agency, as indicated in the Issuer's Certificate to such effect.

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

During any time that the Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar and the Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owners of the Bonds as of a record date selected by the Registrar and the Paying Agent. For purposes of determining whether the consent, advice, direction or demand of a registered owner of the Bonds has been obtained, the Registrar or the Paying Agent shall be entitled to treat the beneficial owners of the Bonds as the holders of the Bonds.

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

The Bonds shall be executed in the name of the City, acting for and on behalf of the District, by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the Clerk-Treasurer, who shall cause the official seal of the City to be impressed or a facsimile thereof to be printed on each of the Bonds. Subject to the provisions for registration, the Bonds shall be negotiable under the laws of the State of Indiana.

The Bonds shall be authenticated with the manual signature of an authorized representative of the Registrar, and no Bonds shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution until the certificate of authentication on such Bond shall have been so executed.

The Mayor is hereby authorized to execute the Bonds with his manual or facsimile signature and the Clerk-Treasurer is hereby authorized and directed to have the definitive Bonds prepared, attest the Bonds with her manual or facsimile signature, and cause the seal of the City to be impressed or a facsimile thereof to be printed on the Bonds, all in the form and manner herein provided. In case any officer whose signature appears on the Bonds shall cease to hold that office before the delivery of the Bonds, the signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until the delivery of the Bonds. After the Bonds have been properly executed, the Clerk-Treasurer shall certify the amount the purchaser is to pay, together with the name and address of the purchaser, and upon receipt of the amount of payment certified, deliver the Bonds to the purchaser. The Clerk-Treasurer shall take a receipt for the Bonds delivered to the purchaser, pay the purchaser's payment into the respective funds hereinafter described, and report the proceedings to the Commission and the Common Council of the City.

SECTION 3.

(a) The Bonds may be subject to optional redemption at the option of the Commission, in whole or in part (and if in part, only in Authorized Denominations and in order of maturity determined by the Commission and by lot within any such maturity or maturities in such manner as may be designated by the Registrar), at times to be determined by the Commission at the time of the sale of the Bonds (as set forth in the Issuer's Certificate), upon at least thirty (30) days' written notice to the registered owner or owners of the Bonds to be redeemed at a redemption price equal to one hundred percent (100%) of the principal amount of the Bonds to be redeemed, plus accrued and unpaid interest on the Bonds so redeemed to the redemption date, and with a premium not exceeding one percent (1.0%) of the par amount of the Bonds, to be determined by the President and the Clerk-Treasurer at the time of the sale of the Bonds (as set forth in the Issuer's Certificate).

(b) All or a portion of the Bonds may be aggregated into one or more term bonds payable from mandatory sinking fund redemption payments (the "Term Bonds") as described below, at a redemption price equal to one hundred percent (100%) of the principal amount of the Bonds to be redeemed, plus accrued and unpaid interest on the Bonds to be redeemed to the redemption date, and without premium, and at maturity, on February 1 and August 1 of the years and in the principal amounts set forth in the

Issuer's Certificate and in the Bonds. In the event any of the Bonds are issued as Term Bonds, the form of Bond set forth in Section 4 hereof shall be modified accordingly.

(i) As for a sinking fund for the redemption of the principal of Term Bonds, the Commission, will until all of the Term Bonds are paid or payment thereof provided for, cause to be deposited with the Paying Agent on each date on which a mandatory redemption payment is due (each such date being herein called a "Sinking Fund Payment Date"), the required amounts as set forth above. Each such payment shall be applied to the redemption of Term Bonds on such Sinking Fund Payment Date, as set forth above. Any redemption of less than the entire unpaid principal amount of the Bonds pursuant to Section 3(a) hereof shall not relieve the Commission's obligation to make mandatory sinking fund payments under this Section 3(b).

(ii) The Registrar shall select the Term Bonds to be redeemed on each Sinking Fund Payment Date by lot in the manner specified in Section 3(c) hereof. The redemption of such Term Bonds shall be made upon the terms and in the manner stated in Section 3(d) hereof. Any reference in this Resolution to payment of principal of the Bonds shall be deemed to include payment of scheduled mandatory sinking fund redemption payments.

(c) If less than all the Bonds are to be redeemed, then for all purposes in connection with such redemption and the selection by lot of the Registrar of the outstanding Bonds to be redeemed pursuant to Sections 3(a) and 3(b) hereof, each Five Thousand Dollars (\$5,000) (or other minimum denomination) of principal amount of each outstanding Bond in a denomination greater than Five Thousand Dollars (\$5,000) (or other minimum denomination) shall be treated as though it were a separate Bond of the denomination of Five Thousand Dollars (\$5,000) (or other minimum denomination).

For all purposes of this Resolution, unless the context otherwise requires, all provisions relating to the redemption or prepayment of Bonds shall relate, in the case of any Bond redeemed or prepaid or to be redeemed or prepaid only in part, to the portion of the principal of such Bond which has been or is to be redeemed or prepaid. With respect to optional redemption of Term Bonds pursuant to Section 3(a) hereof, an amount equal to the principal amount of such Term Bonds redeemed will be credited toward the latest scheduled mandatory sinking fund payment or payments with respect to such Term Bonds, unless otherwise directed by the Commission.

(d) Unless waived by any holder of Bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the Commission identifying the Bonds, by mailing a copy of an official redemption notice by registered or certified mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is

furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Bond shall not affect the validity of any proceedings for the redemption of other Bonds.

All official notices of redemption shall be dated and shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the place provided for the payment of the principal of and premium, if any, on the Bonds.

Prior to any redemption date, the Commission shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Commission shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Bonds redeemed in part may be exchanged for a Bond or Bonds of the same maturity in Authorized Denominations equal to the remaining principal amount. In addition to the foregoing notice, further notice may be given by the Registrar as it deems appropriate by mail, publication or otherwise to registered securities depositories, national information services or others containing the above information and such further information as the Registrar may deem appropriate, but no defect in said further notice, nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above described.

SECTION 4. The form and tenor of the Bonds shall be substantially as follows (all blanks to be properly completed prior to the preparation of the Bonds):

UNITED STATES OF AMERICA

STATE OF INDIANA
No. 2016R-_____

LAKE COUNTY
\$ _____

CITY OF HOBART, INDIANA, REDEVELOPMENT DISTRICT
SPECIAL TAXING DISTRICT REFUNDING BOND, SERIES 2016

Interest Rate Maturity Date Original Date Authentication Date

Registered Owner: Cede & Co.

Principal Sum:

The City of Hobart, Indiana, in the State of Indiana (the "City"), acting for and on behalf of the City of Hobart, Indiana, Redevelopment District (the "District"), which is governed by the City of Hobart, Indiana, Redevelopment Commission (the "Commission"), for value received, hereby promises to pay to the Registered Owner stated above, or registered assigns, solely from a special tax to be levied upon all of the taxable property located within the District (the "Special Tax"), provided that the Commission expects to pay from taxes on real property located in the 61st Avenue Economic Development Area Allocation Area No. 1 (the "Area") allocated and deposited in the Allocation Fund created for the Area (the "Allocation Fund") pursuant to Indiana Code 36-7-14-39, and proceeds from the sale or leasing of property in the Area under Indiana Code 36-7-14-22 deposited in the Allocation Fund as required by Indiana Code 36-7-14-26 (collectively, the "Tax Increment"), the Principal Sum stated above, on the Maturity Date stated above, unless this bond shall have been previously called for redemption and payment of the redemption price made or provided for, and to pay interest on said Principal Sum to the Registered Owner of this bond until the District's obligation with respect to the payment of said Principal Sum shall be discharged, at the Interest Rate per annum stated above from the interest payment date next preceding the date of authentication of this bond, unless this bond is authenticated on or before _____, _____, in which case the interest shall be paid from the Original Date stated above or unless this bond is authenticated between the last day of the calendar month immediately preceding an interest payment date and the interest payment date, in which case interest shall be paid from such interest payment date. Interest is payable on _____, _____, and semiannually thereafter on February 1 and August 1 of each year by check or draft mailed or delivered at least one (1) business day prior to the payment date. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year.

The principal of and premium, if any, on this bond are payable at the principal office of _____ in the _____ of _____, Indiana, as Paying Agent (the "Paying Agent") (which term shall include any successor Paying Agent). Interest on this bond shall be paid by check or draft mailed or delivered to the Registered Owner hereof at the address as it appears on the books kept by _____ in the _____ of _____, Indiana, as Registrar (the "Registrar") (which term shall include any successor Registrar), for the registration and for the transfer of the bonds (the "Bond Register") as of the last day of the calendar month immediately preceding the interest payment date or at such other address as is provided to the Paying Agent in writing by the Registered Owner.

Notwithstanding the foregoing, if payment and principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. All payments on this bond shall be made in lawful money of the United States of America. The bonds maturing on any date are issuable only in fully registered form in denominations of _____ Dollars (\$_____) or any integral multiple thereof not exceeding the aggregate principal amount of the bonds maturing on such date ("Authorized Denominations").

This bond, together with interest thereon, does not constitute a corporate obligation or indebtedness of the City, but the same is an obligation of the District, which is a special taxing district located within the City. The principal of and premium, if any, and interest on this bond and all other bonds of the issue of which this bond is a part are payable solely from the Special Tax. The Commission covenants that it will cause the Special Tax for the payment of the principal of and interest on the Bonds to be levied, collected and applied for that purpose, provided that the Commission expects to use Tax Increment, if available, for such purpose to reduce the amount of the Special Tax.

This bond is one of an authorized issue of bonds of the District in the aggregate principal amount of _____ and 00/100 Dollars (\$_____.00), numbered consecutively from 2016R-1 upwards, issued pursuant to a resolution entitled "A BOND RESOLUTION OF THE CITY OF HOBART, INDIANA, REDEVELOPMENT COMMISSION AUTHORIZING THE ISSUANCE OF CITY OF HOBART, INDIANA, REDEVELOPMENT DISTRICT SPECIAL TAXING DISTRICT REFUNDING BONDS, SERIES 2016, AND OTHER RELATED MATTERS" (the "Resolution") adopted by the Commission on April 8, 2016, and in strict compliance with Indiana Code 36-7-14 (the "Act"), for the purpose of procuring funds to advance refund all or a portion of the District's outstanding Special Taxing District Bonds of 2007, Series A maturing on or after February 1, 2017, together with expenses incidental thereto, including costs of issuance of such bonds, all in accordance with the provisions of Indiana Code 36-7-14 and Indiana Code 5-1-5. Reference is hereby made to the Resolution for a description of the nature and extent of the rights, duties and obligations of the owners of the bonds, the City and the Commission and the terms on which this bond is issued, and to all the provisions of the Resolution to which the owner hereof by the acceptance of this bond assents.

The bonds maturing on or after _____, 20__, and thereafter, are subject to redemption at the option of the Commission in whole or in part (and if in part, only in Authorized Denominations and in order of maturity determined by Commission and by lot within any such maturity or maturities in such manner as may be designated by the Registrar), on any date on or after _____, 20__, upon at least thirty (30) days' written notice to the registered owner or owners of the bonds to be redeemed, at a redemption price equal to one hundred percent (100%) of the principal amount of the bonds to be redeemed, plus accrued and unpaid interest on the bonds so redeemed to the redemption date, and with the following premium: _____.

Unless waived by any holder of bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the Commission by mailing a copy of an official redemption notice by certified or registered mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the bond or bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice, or any defect therein, with respect to any bond shall not affect the validity of any proceedings for the redemption of other bonds.

Official notice of redemption having been given as aforesaid, the bonds, or portions of bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Commission shall default in the payment of the redemption price) such bonds or portions of bonds shall cease to bear interest. Upon surrender of such

bonds for redemption in accordance with said notice, such bonds shall be paid by the Paying Agent at the redemption price. Bonds redeemed in part may be exchanged for a bond or bonds of the same maturity in Authorized Denominations equal to the remaining principal amount.

This bond is transferable or exchangeable only upon the Bond Register 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, except for any tax or governmental charge required to be paid with respect to the exchange. The Registrar shall not be required to transfer or exchange this bond if it has been called for redemption or during the period from the last day of any calendar month immediately preceding an interest payment date to such interest payment date. Subject to the provisions for registration, this bond is negotiable under the laws of the State of Indiana.

The City, the Commission, the Registrar and Paying Agent may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

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

In the event this bond is mutilated, lost, stolen or destroyed, the City may execute 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 City and the Registrar, and in the case of this bond being lost, stolen, or destroyed, there shall first be furnished to the City and the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event that this bond, being lost, stolen or destroyed, shall have matured, instead of issuing a duplicate bond the City and the Registrar may, upon receiving indemnity satisfactory to them, pay this bond without surrender hereof. The City 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 City, acting for and on behalf of the District, 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 Resolution, equally and proportionately with any and all other bonds duly issued thereunder.

The Registrar or Paying Agent may at any time resign as Registrar or Paying Agent by giving thirty (30) days' written notice to the Commission and by first-class mail to the registered owners of bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar or Paying Agent, as the case may be, by the Commission. Such notice to the Commission may be served personally or be sent by registered mail. The Registrar or the Paying Agent may be removed at any time as Registrar or Paying Agent by the Commission, in which event the Commission may appoint a successor Registrar or Paying Agent, as the case may be. The Commission shall cause the Registered Owner of this bond to be notified, if then outstanding, by first-class mail, of the removal of the Registrar or Paying Agent. Notices to registered owners of bonds shall

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

If this bond or a portion thereof shall have become due and payable in accordance with its terms or shall have been duly called for redemption or irrevocable instructions to call this bond or a portion thereof for redemption shall have been given, and the whole amount of the principal of and premium, if any, and interest, so due and payable upon all of this bond or a portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks, the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case this bond or such portion thereof shall no longer be deemed outstanding or an indebtedness of the District.

It is hereby certified and recited that all acts, conditions and things required by law and the Constitution of the State of Indiana to be done precedent to and in the execution, issuance, sale and delivery of this bond have been properly done, happened and performed in regular and due form as prescribed by law, and that the issuance of this bond by the District does not cause any constitutional or statutory limitation of indebtedness to be exceeded.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution authorizing this bond until the certificate of authentication hereon shall have been duly executed by an authorized representative of the Registrar.

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

CITY OF HOBART, INDIANA,
ACTING FOR AND ON BEHALF
OF THE CITY OF HOBART, INDIANA,
REDEVELOPMENT DISTRICT

Mayor

(Seal of the City)

ATTEST:

Clerk-Treasurer

Registrar's Certificate of Authentication

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

as Registrar,

By: _____
Authorized Representative

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

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

UNIF GIFT
MIN ACT _____ Custodian _____
(Cust.) (Minor)

under Uniform Gifts to Minors Act of

(State)

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells and transfers unto

(Please print or typewrite name and address of transferee)

this bond and all rights hereunder and hereby irrevocably constitutes and appoints _____
_____, attorney, to transfer this bond on the books kept for the
registration hereof with full power of substitution in the premises.

Date: _____

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

Signature Guaranteed:

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

(End of Bond Form)

SECTION 5. There are hereby created and established in the Redevelopment Special Taxing District Bond Fund the following accounts with respect to the Bonds, each of which the Commission hereby covenants and agrees to cause to be kept and maintained:

(a) Bond Principal and Interest Account. There shall be deposited in the Bond Principal and Interest Account, an amount of money from the Special Tax or the Tax Increment, which, together with any money contained therein, is equal to the aggregate amount of the principal and interest due during that bond year with respect to the Bonds. For this purpose, a "bond year" shall be deemed to be a year to and including February 1. No deposit need be made in the Bond Principal and Interest Account if the amount contained therein is at least equal to the aggregate amount of principal and interest due and payable with respect to the Bonds during the remainder of that bond year. All money in the Bond Principal and Interest Account shall be used and withdrawn solely for the purpose of paying the interest on and the principal of the Bonds as it shall become due and payable to the extent it is required therefor (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(b) Reserve Account. There shall be deposited into the Reserve Account an amount of money that shall be required to maintain the Reserve Account in the full amount of the Debt Service Reserve Requirement (as defined below). The Commission may determine to initially fund the Debt Service Reserve Requirement from amounts on hand and available to the Commission or from proceeds of the Bonds. No deposit need be made in the Reserve Account so long as there shall be on deposit there a sum equal to the least of (i) the maximum annual debt service on the bonds, or (ii) one and one-quarter (1¼) times the average annual debt service on the Bonds, or (iii) ten percent (10%) of the proceeds of the Bonds within the meaning of Section 148(d) of the Internal Revenue

Code of 1986, as amended (the "Code") (the "Debt Service Reserve Requirement"). All money in the Reserve Account shall be used and withdrawn by the Commission solely for the purpose of making deposits into the Bond Principal and Interest Account, in the event of any deficiency at any time in such account, or for the purpose of paying the interest on or principal of or redemption premiums, if any, on the Bonds in the event that no other money is lawfully available therefor, except that so long as there is no default hereunder, any amount in the Reserve Account in excess of the Debt Service Reserve Requirement shall be withdrawn from the Reserve Account and deposited in the Allocation Fund. Money in the Reserve Account shall also be available to make the final payments of interest and principal on the Bonds.

All money in each of the accounts created hereby shall be held in trust for the benefit of the holders of the Bonds and shall be applied, used and withdrawn only for the purposes authorized in this Section 5. Such accounts shall be deposited with a legally qualified depository or depositories for funds of the City as now provided by law and shall be segregated and kept separate and apart from all other funds of the City and may be invested as permitted by law. Interest earned in each account or fund established under this Resolution shall be credited thereto, except that the amount of funds in the Reserve Account shall not exceed the Debt Service Reserve Requirement, and any such excess shall be deposited into the Allocation Fund.

SECTION 6. If, on July 15 of any year (the "Determination Date") while there are any Bonds outstanding, the amounts on deposit in the Bond Principal and Interest Account and the Reserve Account are insufficient on the Determination Date to pay all of the principal and interest obligations on the Bonds due in the twelve (12) month period beginning on the next following July 1 (*i.e.*, August 1 and next following February 1 payment dates) and each twelve (12) month period beginning on each July 1 thereafter (each such period being referred to herein as the "Pledge Period"), then the Commission shall cause to be levied the Special Tax for collection during such Pledge Period upon all of the taxable property of the District at a level sufficient to pay said principal and interest obligations on the Bonds for the applicable Pledge Period. The Commission hereby covenants to levy the Special Tax each year payments are due with respect to the Bonds, but only to the extent the amounts on deposit in the Bond Principal and Interest Account and the Reserve Account on each Determination Date, as described above, are not sufficient to meet the principal and interest obligations during the next applicable Pledge Period. The Commission acknowledges that any such Special Tax must be included within the budget of the City and further acknowledges and agrees that it will take such action as may be necessary to include the same within the budget of the City.

SECTION 7. Proceeds received from the sale of the Bonds shall be deposited as follows:

(a) A sufficient amount of the proceeds shall be deposited with the Escrow Agent to be used to pay the principal of and redemption premium and interest on the Prior Bonds to and on their redemption date.

The City, on behalf of the District, shall enter into the Escrow Agreement pursuant to which moneys in the amounts required to satisfy the provisions of this Section 7 shall be deposited in the irrevocable escrow account applied to the purposes set forth herein, including, without limitation, the redemption of the Prior Bonds. The Clerk-Treasurer is hereby authorized to appoint an authorized bank or trust company to serve as Escrow Agent and the Mayor and Clerk-Treasurer are hereby authorized to approve the Escrow Agreement between the City and the Escrow Agent in such form as may be necessary or appropriate to accomplish the purposes of this Resolution, the issuance of the Bonds, and the refunding of the Prior Bonds. The execution by the Mayor, the Clerk-Treasurer, the Financial Advisor or the underwriter of the Bonds on behalf of the District, the purchase and deposit of government obligations for investments of proceeds of the Bonds (obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or such other direct obligations of) to be held under the Escrow Agreement in a manner consistent with this Resolution is also hereby approved, if, based on the advice of the Financial Advisor such subscription is in the best interest of the District. The Clerk-Treasurer is authorized to designate an escrow verification agent for purposes of, among other things, demonstrating that the amounts to be deposited pursuant to the Escrow Agreement, together with investment income, thereon, will be sufficient to pay the principal of, redemption premium of, and interest on the Prior Bonds to and on their redemption date.

(b) The remaining proceeds from the sale of the Bonds shall be deposited in a special fund designated as the "City of Hobart, Indiana, Redevelopment District 61st Avenue Economic Development Area Allocation Area No. 1 Capital Fund" (the "Capital Fund").

SECTION 8. Proceeds of the Bonds deposited in the Capital Fund shall be deposited with a legally qualified depository or depositories for funds of the City as now provided by law and shall be segregated and kept separate and apart from all other funds of the City and may be invested as permitted by law. The proceeds of the Bonds deposited in the Capital Fund shall be expended only for the purpose of paying the expenses incurred in connection with or on account of the issuance of the Bonds. Any proceeds of the Bonds remaining in the Capital Fund after the payment of the costs of issuance of the Bonds shall be deposited in the Bond Principal and Interest Account and used solely for the purposes of that account.

SECTION 9.

(a) The Bonds may be sold (i) at a public sale in accordance with Indiana Code 5-3-1 or (ii) at a private negotiated sale upon terms acceptable to the President and the Clerk-Treasurer. In no event shall the Bonds be sold at a price of not less than ninety-nine percent (99.0%) of par plus accrued interest, if any, to the date of delivery of the Bonds with the manner of sale to be determined by the President of the Commission and the Clerk-Treasurer and such determination to be set forth in the Issuer's Certificate. The Clerk-Treasurer is hereby authorized to determine, with the

advice of the Financial Advisor, whether to sell the Bonds via a private negotiated sale or a public sale.

(b) In the event the Bonds are sold at a negotiated, private sale, the Clerk-Treasurer and the President of the Commission may negotiate a purchase agreement to be entered into with respect to the purchase of the Bonds (the "Bond Purchase Agreement") or a private placement agreement if the Bonds are sold pursuant to a private placement (the "Placement Agreement"), and either the Clerk-Treasurer or the President of the Commission is hereby authorized to execute and deliver the Bond Purchase Agreement or Placement Agreement. The Clerk-Treasurer and the President of the Commission are further authorized to carry out, on behalf of the City and the Commission the terms and conditions set forth in the Bond Purchase Agreement or Placement Agreement, respectively, consistent with the provisions of this Resolution.

(c) In the event the Bonds are not sold via a negotiated sale, prior to the sale of the Bonds, the Clerk-Treasurer shall cause to be published a notice of intent to sell once each week for two weeks in the Court and Commercial Record, the Times and the Post Tribune. The notice must state that any person interested in submitting a bid for the Bonds may furnish in writing at the address set forth in the notice, the person's name, address, and telephone number, and email address. The notice must also state: (1) the amount of the Bonds to be offered; (2) the denominations; (3) the dates of maturity; (4) the maximum rate or rates of interest; (5) the place of sale; and (6) the time within which the name, address and telephone number must be furnished, which must not be less than seven days after the last publication of the notice. Each person so registered shall be notified of the final principal maturity schedule (if the final schedule is not provided in the notice) and of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by the person, and also by email or facsimile if the person furnishes an email address or a facsimile number.

All bids for Bonds shall be sealed and shall be presented to the Financial Advisor, acting on behalf of the Clerk-Treasurer at the office of the Financial Advisor, and the Financial Advisor, acting on behalf of the Clerk-Treasurer, shall continue to receive all bids offered until the hour fixed for the sale of the Bonds, at which time and place he shall open and consider each bid. Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate set forth herein. The interest rate on Bonds of a given maturity must be at least as great as the interest rate on Bonds of any earlier maturity. 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 single rate of interest. Such rate or rates of interest shall be in multiples of one-eighth (1/8), one-twentieth (1/20) or one-hundredth (1/100) of one percent (1%). Subject to the provisions contained below, the Clerk-Treasurer shall award the Bonds to the bidder offering the lowest net interest cost to the City, to be determined by computing the total interest on all of the Bonds from the date thereof to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount, if any. No bid for less

than ninety-nine percent (99%) of the aggregate principal amount of the bonds, plus accrued interest at the rate or rates named to the date of delivery, will be considered. The Clerk-Treasurer shall have full right to reject any and all bids. In the event no acceptable bid is received at the time fixed for the sale of said Bonds, the Clerk-Treasurer shall be authorized to continue to receive bids from day to day thereafter for a period not to exceed thirty (30) days, without readvertising; provided, however, that if said sale be continued, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale of the Bonds. The winning bidder will be notified and instructed to submit a good faith deposit (the "Deposit") in the form of either a certified check or cashier's check or wire transfer in the amount of one percent (1%) of the principal amount of the Bonds made payable to the order of the City not later than 3:30 p.m. (local time) on the next business day following the award. If such Deposit is not received by that time, the City may reject the bid. No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied to the purchase price of the Bonds. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the City as liquidated damages.

SECTION 10. The President of the Commission and/or the Clerk-Treasurer is hereby authorized to approve the Offering Materials, including to deem any preliminary official statement relating to the issuance of the Bonds to be a "final" official statement as of its date for the purposes of and to the extent required by Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The President of the Commission and/or the Clerk-Treasurer is hereby authorized and directed to execute and deliver, on behalf of the District, the final Offering Materials relating to the issuance of the Bonds with such changes or additions as may be necessary or appropriate, the approval of such changes or additions by the President of the Commission and/or the Clerk-Treasurer to be conclusively evidenced by the execution and delivery of the final official statement relating to the issuance of the Bonds. To the extent required as a term of the sale of the Bonds, the Commission covenants and agrees that it will comply with and carry out the continuing disclosure requirements of the Rule and authorizes the President of the Commission or the Clerk-Treasurer to approve and enter into an undertaking agreement to evidence its agreement to comply with the disclosure requirements of the Rule

SECTION 11. Prior to the delivery of the Bonds, the Clerk-Treasurer shall be authorized to obtain a legal opinion as to the validity of the Bonds from Faegre Baker Daniels LLP, bond counsel, and to furnish such opinion to the purchaser or purchasers of the Bonds. The cost of such opinion shall be considered as part of the costs incidental to the issuance of the Bonds and shall be paid out of proceeds of said Bonds.

SECTION 12. Any Bonds issued under this Resolution may be initially issued in temporary form exchangeable for definitive Bonds. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Commission, shall be in fully registered form and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed, sealed and attested by the President of the Commission and the Clerk-Treasurer in substantially the same manner as provided in Section 1 hereof. If temporary Bonds are issued, definitive Bonds will be executed and furnished without delay and thereupon the temporary bonds may be

surrendered for cancellation at the principal office of the Registrar and the Registrar shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of the same interest rates and maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Resolution as definitive Bonds issued hereunder.

SECTION 13. In order to preserve the exclusion from gross income of interest on the Bonds under federal law and as an inducement to the purchasers of the Bonds, the Commission on behalf of the District represents, covenants and agrees that:

(a) The Commission and the District shall satisfy either (i) or (ii) below (or both):

i. No person or entity or any combination thereof, other than the District, the City or another "governmental unit" within the meaning of Section 141(b)(6) and Section 150(a)(2) of the Code (the "Governmental Unit"), will use more than ten percent (10%) of the proceeds of the Bonds or property financed by said proceeds other than as a member of the general public. Not more than five percent (5%) of the proceeds of the Bonds are to be used (A) for any private business use that is unrelated to the governmental use of the proceeds or (B) for a related private business use that is disproportionate to the governmental use of such proceeds within the meaning of Section 141(b)(3)(B) of the Code. No person or entity or any combination thereof, other than the District or another Governmental Unit, will own more than ten percent (10%) of property financed by Bond proceeds or will have actual or beneficial use of more than ten percent (10%) of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as a take-or-pay or other type of output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large of such property, except pursuant to a management or similar contract which satisfies the requirements of IRS Revenue Procedure 97-13.

ii. Not more than ten percent (10%) of the principal of or interest on the Bonds (under the terms of the Bonds, this Resolution or any underlying arrangement) is secured, directly or indirectly, by an interest in property used or to be used for any private business use or payments in respect of such property or to be derived from payments (whether or not to the District, the Commission or the City) in respect of such property or borrowed money used or to be used for a private business use.

(b) Not more than five percent (5%) of the Bond proceeds will be loaned to any entity or person. No Bond proceeds will be transferred directly, or indirectly transferred or deemed transferred, to a person other than a Governmental Unit in a fashion that would in substance constitute a loan of said Bond proceeds.

(c) The District will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the Bonds pursuant to Section 103(a) of the Code, as in effect on the date of delivery of the Bonds, nor will the Commission act in any manner which would adversely affect such exclusion. The Commission further covenants that it will not make any investment or do any other act or thing during the period that any Bond is outstanding hereunder which would cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Bonds. The Commission shall comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable.

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

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

SECTION 14. If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal of and premium, if any, and interest so due and payable upon all of the Bonds or a portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that

case the Bonds, as the case may be, or such portion thereof issued hereunder shall no longer be deemed outstanding or an indebtedness of the District.

SECTION 15. The Commission may, from time to time and at any time, without the consent of, or notice to, any of the owners of the Bonds, as the case may be, adopt resolutions supplemental hereto (which supplemental resolutions shall thereafter form a part hereof) for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Resolution or in any supplemental resolution;

(b) To grant to or confer upon the owners of the Bonds any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds, or to make any change which, in the judgment of the Commission, is not to the prejudice of the owners of the Bonds;

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

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

(e) To procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental resolution or to obtain or maintain bond insurance or other credit enhancement with respect to payments of principal of and interest on the Bonds, if such supplemental resolution will not adversely affect the owners of the Bonds; or

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

SECTION 16. This Resolution and the rights and obligations of the Commission and the owners of the Bonds may be modified or amended at any time by supplemental resolutions adopted by the Commission with the consent of the owners of the Bonds holding at least a majority in aggregate principal amount of the outstanding Bonds, as the case may be (exclusive of Bonds, if any, owned by the Commission or the City); provided, however, that no such modification or amendment shall, without the express consent of the owners of the Bonds affected, reduce the principal amount of any Bond, reduce the interest rate or premium payable thereon, advance the earliest redemption or prepayment date, extend its maturity or the times for paying interest thereon, permit a privilege or priority of any Bond or Bonds over any other Bond or Bonds, create a lien securing any Bonds other than a lien ratably securing all of the Bonds or outstanding, or change the monetary medium in which principal and interest are payable, nor shall any such modification or amendment reduce the percentage of consent required for amendment or modification.

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

If the Commission shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the respective owners of the Bonds at their addresses appearing on the registration books held by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the Bonds. The Registrar shall not, however, be subject to any liability to any owners of the Bonds by reason of its failure to mail the notice described in this Section 16, and any such failure shall not affect the validity of such supplemental resolution when consented to and approved as provided in this Section 16.

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

Upon the adoption of any supplemental resolution pursuant to the provisions of this Section 16, this Resolution shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

SECTION 17. The appropriate officers of the Commission and the City are hereby authorized to take all actions required to obtain a rating for the Bonds, if economically feasible and desirable, and to enter into any other agreements (including, without limitation, a trust agreement or a trust indenture with a third party trustee, provided that such trust agreement or trust indenture is consistent with the provisions of this Resolution) as may be necessary or desirable for the purpose of further securing the payment of principal of and interest on the Bonds or to otherwise carry out the provisions of this Resolution.

SECTION 18. If the Financial Advisor certifies to the Commission that it would be economically advantageous for the Commission to acquire a municipal bond insurance policy or other credit enhancement for the Bonds, the Commission hereby authorizes and directs the President of the Commission and/or the Clerk-Treasurer to take all actions required to obtain such an insurance policy or other credit enhancement. The acquisition of a municipal bond

insurance policy or other credit enhancement is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance or other credit enhancement and (b) the total debt service on the Bonds if issued with municipal bond insurance or other credit enhancement, is greater than the cost of the premium on the municipal bond insurance policy or cost of such other credit enhancement. If deemed economically advantageous as described in this paragraph, the cost of the premium for such municipal bond insurance policy or cost of such other credit enhancement shall be deemed as a proper cost of issuance of the Bonds.

SECTION 19. As soon as can be done after the adoption of this Resolution, the President and the Secretary of the Commission are hereby directed to deliver on behalf of the Commission a certified copy of this Resolution to the Clerk-Treasurer.

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

SECTION 21. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed, and this Resolution shall be in immediate effect from and after its adoption

SECTION 22. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall be a legal holiday or a day on which banking institutions in the City or the city or town in which the Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Resolution, and no interest shall accrue for the period after such nominal date.

SECTION 23. The Commission hereby directs the Secretary of the Commission to file this Resolution with the Common Council of the City for the purpose of seeking the approval of the Common Council in accordance with Section 25.1(p) of the Act for the issuance of the Bonds as described herein.

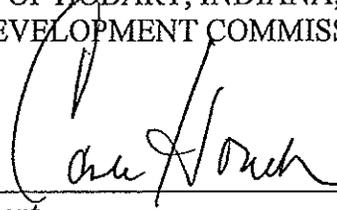
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Adopted at a meeting of the City of Hobart, Indiana, Redevelopment Commission held on April 8, 2016, in the Council Chambers at City Hall at 414 Main Street, Hobart, Indiana.

CITY OF HOBART, INDIANA,
REDEVELOPMENT COMMISSION

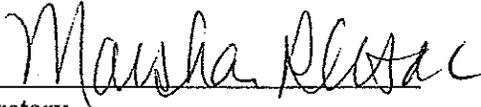
By: _____

President

A handwritten signature in cursive script, appearing to read "Chris Horch", written over a horizontal line.

ATTEST:

Secretary

A handwritten signature in cursive script, appearing to read "Maura Restac", written over a horizontal line.