

**ORDINANCE NO. 2020 - 10**

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HOBART, INDIANA AUTHORIZING THE ISSUANCE OF BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED TO REIMBURSING THE CITY FOR CERTAIN CAPITAL EXPENDITURES PREVIOUSLY INCURRED, TO REFINANCE CERTAIN LEASE AND INSTALLMENT PURCHASE OBLIGATIONS OF THE CITY, AND TO PAY ALL INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS**

WHEREAS, the City of Hobart, Indiana is a governmental unit and political subdivision of the State of Indiana (the "City"); and

WHEREAS, the City has previously incurred expenditures for certain capital expenditures for land acquisition, construction improvements in the City and the purchase of public works and public safety equipment all as more fully described at Exhibit A attached hereto and incorporated herein, and it would be of public utility and benefit and in the best interests of the City and its citizens for the City to reimburse the cost of any or all of such capital expenditures (collectively, the "Capital Expenditures"), including related improvements and incidental expenses in connection therewith and on account of the issuance of bonds therefor, such bonds to be issued as negotiable bonds of the City; and

WHEREAS, the Common Council deems it advisable to issue, pursuant to Indiana Code § 36-4-6-19 and other applicable provisions of the Indiana Code (collectively, the "Act"), the "City of Hobart, Indiana Taxable General Obligation Bonds, Series 2020A" (the "2020A Bonds") in an original principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) (the "Series 2020A Authorized Amount") for the purpose of providing for the reimbursement of all or any portion of the costs of the Capital Expenditures, and all incidental expenses incurred in connection therewith, including necessary engineering, legal, design, and related activities (all of which are deemed to be a part of the Prior Projects), and the payment of the costs associated with sale and issuance of the 2020A Bonds; and

WHEREAS, the City previously entered into an Installment Purchase Contract, dated as of February 5, 2016 (the "Fire House No. 2 Installment Contract") pursuant to Resolution No. 2015-14, adopted by the Common Council of the City (the "Common Council") on October 7, 2015, as amended by Resolution No. 2016-05 adopted by the Common Council on January 20, 2016 (collectively, the "Fire House No. 2 Resolution") which Installment Purchase Contract provided for the financing and construction of a new Fire Station in the City (the "Fire House No. 2 Project"); and

WHEREAS, pursuant to the Fire Station Installment Contract, the City pledged gaming tax revenues to the payment of the City's obligations thereunder and also agreed to use other funds legally available to the City to make such payments, subject to annual appropriation; and

WHEREAS, the total of the remaining principal amount owed by the City under the Fire Station Installment Contract is approximately \$588,437.69;

WHEREAS, the City previously entered into an Installment Purchase Contract, dated as of May 17, 2017 (the "Maintenance Building Installment Contract") pursuant to Resolution No. 2017-10, adopted by the Common Council of the City (the "Common Council") on May 3, 2017, as amended by Resolution No. 2017-11 adopted by the Common Council on May 17, 2017 (collectively, the "Maintenance Building Resolution") which Installment Purchase Contract provided for the financing and construction of a Public Works Maintenance Building (the "Maintenance Building Project"); and

WHEREAS, pursuant to the Maintenance Building Project Installment Contract, the City pledged distributions received by the City from the Motor Vehicle Highway Account and the Local Road and Street Account to the payment of the City's obligations thereunder and also agreed to use other funds legally available to the City to make such payments, subject to annual appropriation; and

WHEREAS, the total of the remaining principal amount owed by the City under the Maintenance Building Project Installment Contract is approximately \$1,071,479.71; and

WHEREAS, the City previously entered into a Master Tax-Exempt Lease/Purchase Agreement, dated as of January 25, 2012 (the "Master Agreement") with U.S. Bancorp Government Leasing and Finance Inc. (U.S. Bancorp), and pursuant to the Master Agreement, the City entered into Property Schedule No. 15, dated as of January 25, 2012 (the "Public Safety Property Schedule") with U.S. Bancorp pursuant to which the City is acquiring by lease/purchase two (2) fire trucks and one (1) ambulance (the "Public Safety Project" and collectively with the Fire Station No. 2 Project and the Maintenance Building Project, the "Projects"); and

WHEREAS, the total of the remaining principal amount owed by the City under the Public Safety Property Schedule is approximately \$1,206,670.99; and

WHEREAS, pursuant to their respective terms, the City may currently pre-pay the amounts owed under the Fire Station Installment Contract, the Maintenance Building Installment Contract and the Public Safety Property Schedule (collectively, the "Obligations"); and

WHEREAS, the City desires to authorize the issuance of the "City of Hobart, Indiana General Obligation Refunding Bonds, Series 2020B" (the "2020B Bonds") in the aggregate principal amount not to exceed Three Million Four Hundred Thousand Dollars (\$3,400,000) (the "Series 2020B Authorized Amount"), for the purposes of currently refunding all or any portion of the Obligations, including the payment of the costs of such refunding, and the payment of the costs associated with sale and issuance of the 2020B Bonds; and

WHEREAS, the original principal amount of the 2020 Bonds, together with the outstanding principal amount of previously issued bonds which constitute a debt of the City, is not more than two percent (2%) of one-third (1/3) of the total net assessed valuation of the City; and

WHEREAS, at the time of the adoption of each of the Fire House No. 2 Resolution, the Maintenance Building Resolution, and approval of the Public Safety Project by the Common Council, none of the Fire House No. 2 Project, the Maintenance Building Project or the Public Safety Project constituted a "controlled project" under Indiana Code § 6-1.1-20; and

WHEREAS, all conditions precedent to the adoption of an ordinance authorizing the issuance of the 2020 Bonds have been complied with in accordance with Indiana Code § 36-4-6-19, Indiana Code § 5-1-5-1, et. seq., and other applicable provisions of Indiana Code (collectively, the “Act”);

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Hobart, Indiana, as follows:

**SECTION 1.** The City is hereby authorized to make a loan for the purpose of funding the costs of the reimbursement of the Capital Expenditures, together with expenses in connection with the sale and issuance of the 2020A Bonds and, in order to procure the loan for the purposes described in this Section, the City is hereby authorized and directed to have prepared and to issue and sell the 2020A Bonds in an aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) as herein authorized. The aggregate principal amount of the 2020A Bonds authorized to be issued hereunder shall not exceed the amount necessary for the purposes described herein. The final aggregate principal amount of the 2020A Bonds shall be certified by the Clerk-Treasurer of the City (the “Clerk-Treasurer”) in a certificate executed in conjunction with the sale of the bonds (the “Clerk-Treasurer’s Certificate”). The City covenants that the proceeds of the 2020A Bonds will not be used for any purpose except as described in this Ordinance.

**SECTION 2.** The City is hereby authorized to make a loan for the purpose of funding the costs of the refinancing and refunding the Obligations, together with expenses in connection with the sale and issuance of the 2020B Bonds and, in order to procure the loan for the purposes described in this Section, the City is hereby authorized and directed to have prepared and to issue and sell the 2020B Bonds in an aggregate principal amount not to exceed Three Million Four Hundred Thousand Dollars (\$3,400,000) as herein authorized. The aggregate principal amount of the 2020B Bonds authorized to be issued hereunder shall not exceed the amount necessary for the purposes described herein. The final aggregate principal amount of the 2020B Bonds shall be certified by the Clerk-Treasurer and set forth in the Clerk-Treasurer’s Certificate. The City covenants that the proceeds of the 2020B Bonds will not be used for any purpose except as described in this Ordinance.

**SECTION 3.** In order to procure said loans for such purposes, the City hereby authorizes the issuance of the 2020 Bonds as described herein. The Clerk-Treasurer is hereby authorized and directed to have prepared and to issue and sell the 2020A Bonds as negotiable, fully registered bonds of the City in an amount not to exceed the Series 2020A Authorized Amount and the 2020B Bonds as negotiable, fully registered bonds of the City in an amount not to exceed the Series 2020B Authorized Amount.

The 2020 Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor of the City (the “Mayor”) and attested by the manual or facsimile signature of the Clerk-Treasurer, who shall affix the seal of the City to each of the 2020 Bonds manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature appears on the 2020 Bonds shall cease to be such officer before the delivery of 2020 Bonds, such signature shall nevertheless be valid and sufficient for all

purposes as if such officer had remained in office until delivery thereof. The 2020 Bonds also shall be, and will not be valid or become obligatory for any purpose or entitled to any benefit under this Ordinance unless and until, authenticated by the manual signature of the Registrar (as defined in Section 4 hereof). Subject to the provisions of this Ordinance regarding the registration of the 2020 Bonds, the 2020 Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2020A Bonds shall be numbered consecutively from 2020AR-1 up, shall be issued in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, or shall be issued in denominations of One Hundred Thousand Dollars (\$100,000) and integral multiples of One Dollar (\$1) above such amount, as determined by the Clerk-Treasurer and set forth in the Clerk-Treasurer's Certificate. The 2020A Bonds shall be originally dated as of the date of issuance and shall bear interest payable semi-annually on each January 1 and July 1 commencing no earlier than July 1, 2021, at a rate or rates not exceeding five percent (5.0%) per annum (the exact rate or rates to be determined by competitive bidding pursuant to Section 6 of the Ordinance), calculated on the basis of a 360-day year comprised of twelve 30-day months.

The 2020B Bonds shall be numbered consecutively from 2020BR-1 up, shall be issued in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, or shall be issued in denominations of One Hundred Thousand Dollars (\$100,000) and integral multiples of One Dollar (\$1) above such amount, as determined by the Clerk-Treasurer and set forth in the Clerk-Treasurer's Certificate. The 2020B Bonds shall be originally dated as of the date of issuance, as determined by the Mayor and the Clerk-Treasurer, and shall bear interest payable semi-annually on each January 1 and July 1 commencing no earlier than January 1, 2021, at a rate or rates not exceeding five percent (5.0%) per annum (the exact rate or rates to be determined by competitive bidding pursuant to Section 6 of the Ordinance), calculated on the basis of a 360-day year comprised of twelve 30-day months.

The 2020A Bonds shall mature on the dates and shall be issued in the principal amounts, as applicable, as determined by the Clerk-Treasurer and set forth in the Clerk-Treasurer's Certificate, provided that the original aggregate principal amount does not exceed the Series 2020A Authorized Amount, that the first maturity shall be no earlier than January 1, 2021, and that the final maturity shall be no later than January 1, 2030.

The 2020B Bonds shall mature on the dates and shall be issued in the principal amounts, as applicable, as determined by the Clerk-Treasurer and set forth in the Clerk-Treasurer's Certificate, provided that the original aggregate principal amount does not exceed the Series 2020B Authorized Amount, that the first maturity shall be no earlier than July 1, 2021, and that the final maturity shall be no later than July 1, 2027.

The 2020 Bonds are as to all the principal thereof, and as to all interest due thereon, general obligations of the City, payable from *ad valorem* property taxes on all taxable property within the City

All payments of interest on the 2020 Bonds shall be paid by check or draft mailed one business day prior to the interest payment date, to the registered owners thereof as of the fifteenth (15th) day of the month preceding the month in which interest is payable (the "Record Date") at the addresses as they appear on the registration and transfer books of the City kept for

that purpose by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent (as defined in Section 4 hereof) in writing by such registered owner. Each registered owner of \$1,000,000 or more in principal amount of 2020 Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of the principal of, and premium, if any, on the 2020 Bonds shall be made upon surrender thereof at the principal office of the Paying Agent in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a registered owner of \$1,000,000 or more in principal amount of 2020 Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

Interest on 2020 Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such 2020 Bonds are authenticated after the Record Date for an interest payment and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before the Record Date for the first interest payment date, in which case they shall bear interest from the original date, until the principal shall be fully paid.

Each 2020 Bond shall be transferable or exchangeable only upon the Registration Record, by the registered owner thereof in writing, or by the registered owner's attorney duly authorized in writing, upon surrender of such 2020 Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or such attorney, 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. The costs of such transfer or exchange shall be borne by the City, except for any tax or governmental charge required to be paid in connection therewith, which shall be payable by the owner requesting such transfer or exchange. The City, Registrar and Paying Agent may treat and consider the persons in whose name such 2020 Bonds are registered as the absolute owners 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 2020 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 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 Registrar evidence of such loss, theft or destruction satisfactory to the Clerk-Treasurer and the Registrar, together with indemnity satisfactory to them. In the event any such 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 2020 Bond with their reasonable fees and expenses in this connection. Any 2020 Bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the City, whether or not the lost, stolen or destroyed 2020 Bond 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 2020 Bonds issued hereunder.

**SECTION 4.** The 2020 Bonds will not be subject to optional redemption prior to maturity. The 2020 Bonds may be subject to mandatory sinking fund redemption at the option of the successful bidder for the 2020 Bonds.

Notice of redemption shall be mailed by first-class mail or by registered or certified mail to the address of each registered owner of a 2020 Bond to be redeemed as shown on the Registration Record not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption except to the extent such redemption notice is waived by owners of 2020 Bonds redeemed, provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any 2020 Bond shall not affect the validity of any proceedings for the redemption of any other 2020 Bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers of the 2020 Bonds called for redemption. The place of redemption may be determined by the Clerk-Treasurer. Interest on the 2020 Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such 2020 Bonds shall no longer be protected by this Ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

If any 2020 Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the 2020 Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any 2020 Bonds maturing as term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each 2020 Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the 2020 Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such 2020 Bonds maturing as term bonds to the extent received on or before the date forty-five (45) days preceding the applicable mandatory redemption date.

All 2020 Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered bonds shall be issued for the unredeemed portion of any 2020 Bond without charge to the holder thereof.

No later than the date fixed for redemption, funds shall be deposited with the Paying Agent or another paying agent to pay, and such agent is hereby authorized and directed to apply such funds to the payment of, the 2020 Bonds or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made upon any 2020 Bond or portion thereof called for redemption until such bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by this Ordinance with respect to any mutilated, lost, stolen or destroyed bond.

**SECTION 5.** The Clerk-Treasurer is hereby directed to appoint a registrar and paying agent for the 2020 Bonds (together with any successor, the "Registrar" or "Paying Agent"). The

Registrar is hereby charged with the responsibility of authenticating the 2020 Bonds, and shall keep and maintain the Registration Record at its office. The Mayor and the Clerk-Treasurer are hereby authorized to enter into such agreements or understandings with any institution hereafter serving in such capacities as will enable the institution to perform the services required of the Registrar and Paying Agent. The Clerk-Treasurer is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days written notice by first-class mail to the Clerk-Treasurer and to each registered owner of the 2020 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 and Paying Agent by the Clerk-Treasurer. Such notice to the Clerk-Treasurer may be served personally or be sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the Clerk-Treasurer, in which event the Clerk-Treasurer may appoint a successor Registrar and Paying Agent. The Clerk-Treasurer shall notify each registered owner of the 2020 Bonds then outstanding by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of the 2020 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 Registration Record. Any predecessor Registrar and Paying Agent shall deliver all the 2020 Bonds, cash related thereto in its possession and the Registration Record to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

**SECTION 6.**            Form of 2020 Bonds; Book-Entry Form.

(a) Form of 2020A Bonds; Book-Entry Form. The form and tenor of the 2020A Bonds shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof:

**(FORM OF BOND)**

No. 2020AR-\_\_\_

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF LAKE

CITY OF HOBART, INDIANA

TAXABLE GENERAL OBLIGATION BOND, SERIES 2020A

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
-------------------------	-------------------------	-------------------------	-------------------------------	--------------

Registered Owner:

Principal Sum:

The City of Hobart, Indiana (the "City"), for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond is called for redemption prior to maturity as hereafter provided), and to pay interest thereon until the Principal Sum shall be fully paid at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month immediately preceding the month in which interest is payable (the "Record Date") and on or before such interest payment date in which case interest shall be paid from such interest payment date, or unless this bond is authenticated on or before \_\_\_\_\_, in which case it shall bear interest from the Original Date, which interest is payable semi-annually on January 1 and July 1 of each year, beginning on \_\_\_\_\_. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at the principal corporate trust office of \_\_\_\_\_ (the "Registrar" or "Paying Agent"), in \_\_\_\_\_, Indiana. All payments of interest on this bond shall be paid by check or draft mailed one business day prior to the interest payment date, to the Registered Owner as of the Record Date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal office of the Paying Agent in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

This bond is one of an authorized issue of bonds of the City of like original date, tenor and effect, except as to denominations, numbering, interest rates, and dates of maturity, in the total amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), numbered from 2020AR-1 up, issued for the purpose of providing funds to refinance certain bonds of the City previously issued to finance construction of improvements to and equipping of certain roads and intersections throughout the City, and for the purpose of paying incidental expenses to be incurred in connection therewith and on account of the sale and issuance of bonds therefor, as authorized by Ordinance No. \_\_\_ adopted by the Common Council of the City on the \_\_\_\_\_ day of \_\_\_\_\_, 2020 (the "Ordinance"), and in strict compliance with Indiana Code § 36-4-6-19, Indiana Code § 5-1-5-1, et. seq. and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"), all as more particularly described in the Ordinance. The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE ORDINANCE, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A GENERAL OBLIGATION OF THE CITY, FROM AN AD VALOREM PROPERTY TAX TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY.

[INSERT REDEMPTION TERMS]

[Notice of such redemption shall be mailed by first-class mail or by registered or certified mail not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption to the address of the registered owner of each bond to be redeemed as shown on the registration record of the City except to the extent such redemption notice is waived by owners of the bond or bonds redeemed, 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 any other bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers, if any, of the bonds called for redemption. The place of redemption may be determined by the Clerk-Treasurer of the City. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.]

This bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond or the redemption price, as the case may be, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the registration record kept for that purpose at the office of the Registrar by the Registered Owner in person, or by the Registered Owner's 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 such 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. The City, any registrar and any paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes

including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

The bonds maturing on any maturity date are issuable only in the denomination of [\$5,000 or any integral multiple thereof/One Hundred Thousand Dollars (\$100,000) and integral multiples of One Dollar (\$1) above such amount], not exceeding the aggregate principal amount of the bonds maturing on such date.

[A Continuing Disclosure Agreement from the City to each registered owner or holder of any Bond, dated as of the date of initial issuance of the Bonds (the "Agreement"), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Agreement contains certain promises of the City to each registered owner or holder of any Bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Agreement and to the exchange of such payment and acceptance for such promises.]

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

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

IN WITNESS WHEREOF, the City of Hobart, State of Indiana, has caused this bond to be executed in the name of such City, by the manual or facsimile signature of the Mayor of said City, and attested by manual or facsimile signature by the Clerk-Treasurer of said City, and the seal of said City or a facsimile thereof to be affixed, engraved, imprinted or otherwise reproduced hereon.

CITY OF HOBART, INDIANA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

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

(Form of Registrar's Certificate of Authentication)

It is hereby certified that this bond is one of the bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

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

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

The following abbreviations, when used in the inscription on 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. TRANS.  
MIN. ACT \_\_\_\_\_ Custodian  
(Cust.) (Minor)

under Uniform Transfers to Minors Act of

\_\_\_\_\_  
(State)

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

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Please Print or Typewrite Name and Address and Social Security or Other Identifying Number) \$ \_\_\_\_\_ principal amount (must be a multiple of \$5,000) of 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.

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 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)

(b) Form of 2020B Bonds; Book-Entry Form. The form and tenor of the 2020B Bonds shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof:

**(FORM OF BOND)**

No. 2020BR-\_\_\_

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF LAKE

CITY OF HOBART, INDIANA

GENERAL OBLIGATION REFUNDING BOND, SERIES 2020B

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
----------------------	----------------------	----------------------	----------------------------	--------------

Registered Owner:

Principal Sum:

The City of Hobart, Indiana (the "City"), for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond is called for redemption prior to maturity as hereafter provided), and to pay interest thereon until the Principal Sum shall be fully paid at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month immediately preceding the month in which interest is payable (the "Record Date") and on or before such interest payment

date in which case interest shall be paid from such interest payment date, or unless this bond is authenticated on or before \_\_\_\_\_, in which case it shall bear interest from the Original Date, which interest is payable semi-annually on January 1 and July 1 of each year, beginning on \_\_\_\_\_. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at the principal corporate trust office of \_\_\_\_\_ (the "Registrar" or "Paying Agent"), in \_\_\_\_\_, Indiana. All payments of interest on this bond shall be paid by check or draft mailed one business day prior to the interest payment date, to the Registered Owner as of the Record Date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal office of the Paying Agent in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

This bond is one of an authorized issue of bonds of the City of like original date, tenor and effect, except as to denominations, numbering, interest rates, and dates of maturity, in the total amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), numbered from 2020BR-1 up, issued for the purpose of providing funds to pay the costs of the acquisition, construction, improvement, and/or equipping of all or any portion of road improvements, including but not limited to a roundabout to be located at the intersection of 126<sup>th</sup> Street and Ford Drive (the "Project"), including related improvements and incidental expenses in connection therewith and on account of the issuance of bonds therefor, as authorized by Ordinance No. \_\_\_ adopted by the Common Council of the City on the \_\_\_\_ day of \_\_\_\_\_, 2020 (the "Ordinance"), and in strict compliance with Indiana Code § 36-4-6-19 and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"), all as more particularly described in the Ordinance. The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE ORDINANCE, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A GENERAL OBLIGATION OF THE CITY, FROM AN AD VALOREM PROPERTY TAX TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY.

[INSERT REDEMPTION TERMS]

[Notice of such redemption shall be mailed by first-class mail or by registered or certified mail not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption to the address of the registered owner of each bond to be redeemed as shown on the registration record of the City except to the extent such redemption notice is waived by owners of the bond or bonds redeemed, 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 any other bonds. The notice shall specify the date and place of redemption, the redemption price and the CUSIP numbers, if any, of the bonds called for redemption. The place of redemption may be determined by the Clerk-Treasurer of the City. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named, and thereafter, such bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.]

This bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond or the redemption price, as the case may be, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the registration record kept for that purpose at the office of the Registrar by the Registered Owner in person, or by the Registered Owner's 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 such 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. The City, any registrar and any paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

The bonds maturing on any maturity date are issuable only in the denomination of [\$5,000 or any integral multiple thereof/One Hundred Thousand Dollars (\$100,000) and integral multiples of One Dollar (\$1) above such amount], not exceeding the aggregate principal amount of the bonds maturing on such date.

[A Continuing Disclosure Agreement from the City to each registered owner or holder of any Bond, dated as of the date of initial issuance of the Bonds (the "Agreement"), has been executed by the City, a copy of which is available from the City and the terms of which are incorporated herein by this reference. The Agreement contains certain promises of the City to each registered owner or holder of any Bond, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Agreement and to the exchange of such payment and acceptance for such promises.]

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

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

IN WITNESS WHEREOF, the City of Hobart, State of Indiana, has caused this bond to be executed in the name of such City, by the manual or facsimile signature of the Mayor of said City, and attested by manual or facsimile signature by the Clerk-Treasurer of said City, and the seal of said City or a facsimile thereof to be affixed, engraved, imprinted or otherwise reproduced hereon.

CITY OF HOBART, INDIANA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

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

(Form of Registrar's Certificate of Authentication)

It is hereby certified that this bond is one of the bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

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

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

The following abbreviations, when used in the inscription on 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. TRANS.  
MIN. ACT

\_\_\_\_\_ Custodian  
(Cust.) (Minor)

under Uniform Transfers to Minors Act of

\_\_\_\_\_  
(State)

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

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Please Print or Typewrite Name and Address and Social Security or Other Identifying Number) \$ \_\_\_\_\_ principal amount (must be a multiple of \$5,000) of 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.

\_\_\_\_\_  
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 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)

(c) The 2020 Bonds may, in compliance with all applicable laws, initially 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 City from time to time (the "Clearing Agency"), without physical distribution of bonds to the purchasers. The following provisions of this section apply in such event.

One definitive 2020 Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City and the Registrar and Paying Agent 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 2020 Bonds as are necessary or appropriate to accomplish or recognize such book-entry form 2020 Bonds.

During any time that the 2020 Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such 2020 Bond 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; (2) the Clearing Agency in whose name such 2020 Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such 2020 Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such 2020 Bond, the receiving of notice and giving of consent; (3) neither the City nor the Registrar or 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 2020 Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any 2020 Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any 2020 Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any 2020 Bond called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

If either the City receives notice from the Clearing Agency which is currently the registered owner of the 2020 Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2020 Bonds, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2020 Bonds, then the City and Registrar and 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 2020 Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the 2020 Bonds and to transfer the ownership of each of the 2020 Bonds to such person or persons, including any other Clearing Agency, as the holders of the 2020 Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2020 Bonds, shall be paid by the City.

During any time that the 2020 Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar 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 owner of 2020 Bonds as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a 2020 Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the 2020 Bonds as the bondholders and any consent, request, direction, approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

During any time that the 2020 Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, the Clerk-Treasurer and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Ordinance, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the 2020 Bonds are held in book-entry form, the provisions of Section 5 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

**SECTION 6.** The Clerk-Treasurer is hereby authorized and directed to have the 2020 Bonds prepared, the Mayor and the Clerk-Treasurer are hereby authorized and directed to execute and attest, respectively, the 2020 Bonds in substantially the form and the manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver the 2020 Bonds to the 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. The 2020 Bonds, when fully paid for and delivered to the purchaser or purchasers, shall be the binding general obligations of the City, payable from an ad valorem property tax to be levied on all taxable property within the City, and the proceeds derived from the sale of the 2020 Bonds shall be and are hereby set aside for the application to the costs of the Refunding. The authorized officers of the City 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 shall be sold at public sale in accordance with Indiana law. The Bonds may be offered and sold pursuant to an Official Statement with respect to the Bonds (the "Official Statement"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission (the "Rule") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The Common Council hereby authorizes the Clerk-Treasurer (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official Statement of the City; (b) on behalf of the City, to designate the Preliminary Official Statement a "final" Official Statement of the City with respect to the Bonds, subject to completion as permitted by and otherwise pursuant to the provisions of the Rule; and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and to

enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the final Official Statement under the Rule.

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 (2) consecutive weeks per Indiana Code 5-3-1-2. 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 that any such person may also furnish a telex number. 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; (6) the time within which the name, address and telephone number must be furnished, which must not be less than seven (7) days after the last publication of the notice of intent to sell; and (7) such other matters as the Clerk-Treasurer shall deem appropriate. Each person so registered shall be notified 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 telex if the person furnishes a telex number.

All bids for Bonds shall be sealed and shall be presented to the Clerk-Treasurer in accord with the terms set forth in the Sale Notice. Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, not exceeding five percent (5.0%) per annum, and such interest rate or rates shall be in multiples of one-eighth (1/8), one-twentieth (1/20), or one-hundredth (1/100) of one percent (1.00%). Bids specifying more than one interest rate shall also specify the amount and maturities of the Bonds bearing each interest rate, and all Bonds maturing on the same date must bear the same rate of interest. Subject to the provisions set forth 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 maturity and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount, if any. No bid for less than 99.50% of the par value of the Bonds, including accrued interest at the rate or rates named to the date of delivery, will be considered. The Clerk-Treasurer may require that the successful bidder provide to the City a good faith deposit in the form of cash, certified or cashier's checks payable to the order of the City, or wire transfer (as instructed by the City) (the "Deposit"), in an amount not to exceed one percent (1%) of the aggregate principal amount of the Bonds as a guaranty of the performance of said bid. The successful bidder shall be required to submit to the City the Deposit not later than 3:30 p.m. (local time) on the next business day following the award. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery or at the time fixed in the notice of sale, then such Deposit and the proceeds thereof shall be the property of the City and shall be considered as its liquidated damages on account of such default. 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 in the notice for the sale of the 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 such 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 originally fixed for such sale.

After the Bonds have been properly sold and executed, the Clerk-Treasurer shall receive from the purchasers payment for the Bonds and shall provide for delivery of the Bonds to the purchasers.

The Mayor and the Clerk-Treasurer may determine to sell only the 2020A Bonds or the 2020B Bonds, or to sell the 2020A Bonds and the 2020B Bonds on different dates.

Prior to the delivery of the 2020 Bonds, the Clerk-Treasurer (i) shall be authorized to investigate and to obtain insurance and/or credit ratings on the 2020 Bonds and (ii) shall obtain a legal opinion as to the validity of the 2020 Bonds from Barnes & Thornburg LLP, South Bend, Indiana, bond counsel for the City, and such opinion shall be furnished to the purchasers of the 2020 Bonds at the expense of the City. 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 2020 Bonds, shall be considered as a part of the costs of issuance of the 2020 Bonds and shall be paid out of the proceeds of the sale of the 2020 Bonds.

The Mayor or the Clerk-Treasurer is hereby authorized to deem final an official statement with respect to the 2020 Bonds, as of its date, in accordance with the provisions of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "SEC Rule"), subject to completion as permitted by the SEC Rule, and the City further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the Mayor or the Clerk-Treasurer in the form of a final official statement.

In order to assist the underwriter of the 2020 Bonds in complying with paragraph (b)(5) of the SEC Rule by undertaking to make available appropriate disclosure about the City and the 2020 Bonds to participants in the municipal securities market, the City hereby covenants, agrees and undertakes, in accordance with the SEC Rule, unless excluded from the applicability of the SEC Rule or otherwise exempted from the provisions of paragraph (b)(5) of the SEC Rule, that it will comply with and carry out all of the provisions of the continuing disclosure agreement. "Continuing disclosure agreement" shall mean that certain continuing disclosure agreement executed by the City and dated the date of issuance of the 2020 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The execution and delivery by the City of the continuing disclosure agreement is hereby approved and the performance by the City of its obligations thereunder by or through any employee or agent of the City is hereby approved, and the City shall comply with and carry out the terms thereof.

**SECTION 7.** Any accrued interest received at the time of delivery of the 2020A Bonds will be applied to payments on the 2020A Bonds on the earliest interest payment dates. The remaining proceeds received from the sale of the 2020B Bonds shall be deposited in the "City of Hobart Taxable General Obligation Bonds, Series 2020A Project Fund" (the "Project Fund"). The proceeds deposited in the Project Fund shall be expended only for the purpose of reimbursing the costs incurred by the City for the Capital Expenditures together with the expenses incidental thereto and on account of the issuance of the 2020A Bonds. Any balance remaining in the Project Fund after the completion of the Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the issuance of the 2020A

Bonds may be used to pay debt service on the 2020A Bonds or otherwise used as permitted by law.

Any accrued interest received at the time of delivery of the 2020B Bonds will be applied to payments on the 2020B Bonds on the earliest interest payment dates. The remaining proceeds received from the sale of the 2020B Bonds shall be deposited in the "City of Hobart 2020B General Obligation Refunding Bond Fund" (the "Refunding Fund"). The Refunding Fund shall consist of the 2020B Refunding Account and the 2020B Costs of Issuance Account. All amounts deposited into the 2020B Refunding Account shall be expended only for the purpose of currently refunding the Obligations. The Clerk-Treasurer is authorized to appoint a financial institution to serve as escrow agent (the "Escrow Agent") if necessary and enter into an escrow agreement between the City and the Escrow Agent (such escrow agreement, the "Escrow Agreement"). The Common Council hereby approves, and authorizes and directs the Mayor and Clerk-Treasurer, for and on behalf of the City, to execute or deliver, and to perform the obligations of the City under, the Escrow Agreement, in the form as the Mayor and Clerk-Treasurer with the advice of counsel, determine to be necessary or appropriate, such determination to be conclusively evidenced by such execution thereof. All amounts in the 2020B Costs of Issuance Account shall be expended only for the purpose of paying the costs of issuance attributable to the issuance of the 2020B Bonds and any other fees and charges associated with the issuance of the 2020B Bonds, including any fees and charges associated with obtaining credit enhancement for the 2020B Bonds. Any balance remaining unexpended in the 2020B Costs of Issuance Account after payment of all such costs, fees and charges shall, not later than thirteen (13) months after the date of issuance of the 2020B Bonds, be used to pay principal of or interest on the 2020B Bonds.

**SECTION 8.** If, when the 2020 Bonds or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the 2020 Bonds or any portion thereof for redemption have been given, and the whole amount of the principal and the interest so due and payable upon such bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the 2020 Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

**SECTION 9.** This Section 9 shall only apply to a series of the 2020 Bonds if at the time of sale such series of 2020 Bonds (such series, the "Tax-Exempt Bonds"), bond counsel opines that interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes. If the 2020A Bonds are determined to be Tax-Exempt Bonds, the "Taxable" designation shall be removed from the form of the 2020A Bonds.

In order to preserve the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Tax-Exempt Bonds, the City represents, covenants and agrees that:

(a) The City will not take any action or fail to take any action with respect to the Tax-Exempt Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder as applicable to the Tax-Exempt Bonds, including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on 2020 Bond proceeds or other monies treated as 2020 Bond proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(b) The City will file an information report on Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(c) The City will not make any investment or do any other act or thing during the period that any 2020 Bond is outstanding hereunder which would cause any 2020 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder as applicable to the Tax-Exempt Bonds.

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

**SECTION 10.** 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 2020 Bonds 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 City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting without the consent of all affected owners of the 2020 Bonds:

(a) An extension of the maturity of the principal of or interest on any 2020 Bond without the consent of the holder of each 2020 Bond so affected; or

(b) A reduction in the principal amount of any 2020 Bond or the rate of interest thereon or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each 2020 Bond so affected; or

(c) A preference or priority of any 2020 Bond over any other 2020 Bond, without the consent of the holders of all 2020 Bonds then outstanding; or

(d) A reduction in the aggregate principal amount of the 2020 Bonds required for consent to such supplemental ordinance, without the consent of the holders of all 2020 Bonds then outstanding.

If the City shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the Registration Record. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the 2020 Bonds. The Registrar shall not, however, be subject to any liability to any owners of the 2020 Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the City shall receive any instrument or instruments purporting to be executed by the owners of the 2020 Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the 2020 Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental ordinance 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 City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the 2020 Bonds, whether or not such owners shall have consented thereto.

No owner of any 2020 Bond 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 City 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 City and all owners of 2020 Bonds 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, duties and obligations of the City and of the owners of the 2020 Bonds, and the terms and provisions of the 2020 Bonds and this Ordinance, or any supplemental ordinance, may be modified or amended in any respect with the consent of the City and the consent of the owners of all the 2020 Bonds then outstanding.

Without notice to or consent of the owners of the 2020 Bonds, the City 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 (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 2020 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the 2020 Bonds; or to make any change which, in the judgment of the Common Council, is not to the prejudice of the owners of the 2020 Bonds;

(c) To modify, amend or supplement this Ordinance to permit the qualification of the 2020 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, to obtain or maintain bond insurance with respect to payments of principal of and interest on the 2020 Bonds to procure a rating on the 2020 Bonds from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the 2020 Bonds; or

(d) to provide for the refunding of the 2020 Bonds; or

(e) to make any other change which, in the determination of the Common Council in its sole discretion, is not to the prejudice of the owners of the 2020 Bonds.

**SECTION 11.** All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed. After the issuance of the 2020 Bonds authorized by this Ordinance and so long as any of the 2020 Bonds or interest thereon remains unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the 2020 Bonds, nor shall the City adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

**SECTION 12.** If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

**SECTION 13.** If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the jurisdiction in which the Registrar or 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 Ordinance, and no interest shall accrue for the period after such nominal date.

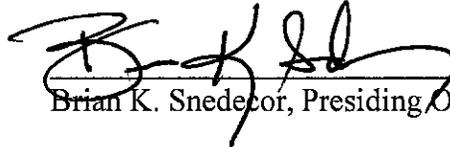
**SECTION 14.** Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

**SECTION 15.** The appropriate officers are hereby authorized to take all actions to obtain a rating, bond insurance or any other form of credit enhancement for the 2020 Bonds if economically feasible and desirable and with the favorable recommendation of the municipal advisors to the City. In addition, the appropriate officers of the City are hereby authorized and directed to take any other action deemed necessary or advisable in order to effectuate the completion of the Projects, the issuance of the 2020 Bonds, or any other purposes of this Ordinance.

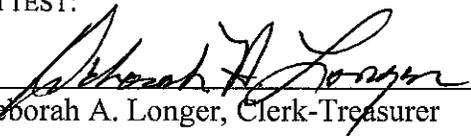
**SECTION 16.** This Ordinance shall be in full force and effect from and after its passage. Upon payment in full of the principal and interest respecting the 2020 Bonds

authorized hereby or upon deposit of an amount sufficient to pay when due such amounts in accord with the defeasance provisions herein, all pledges, covenants and other rights granted by this Ordinance shall cease.

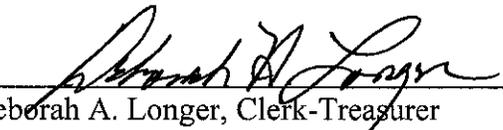
PASSED AND ADOPTED on this 19<sup>th</sup> day of August, 2020, by the Common Council of the City of Hobart, Indiana.

  
\_\_\_\_\_  
Brian K. Snedecor, Presiding Officer

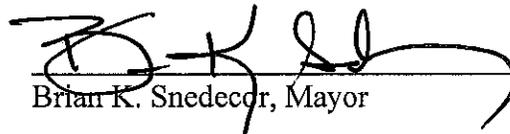
ATTEST:

  
\_\_\_\_\_  
Deborah A. Longer, Clerk-Treasurer

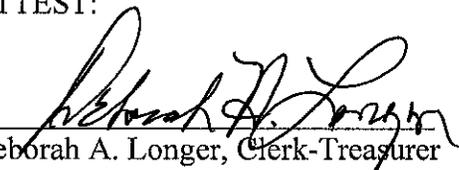
PRESENTED by me, the Clerk-Treasurer of the City of Hobart, Indiana, to the Mayor for his approval this 19<sup>th</sup> day of August, 2020, at 6:45 ~~am~~/p.m.

  
\_\_\_\_\_  
Deborah A. Longer, Clerk-Treasurer

APPROVED, SIGNED AND RETURNED by me to the Common Council of the City of Hobart, Indiana, this 19<sup>th</sup> day of August, 2020.

  
\_\_\_\_\_  
Brian K. Snedecor, Mayor

ATTEST:

  
\_\_\_\_\_  
Deborah A. Longer, Clerk-Treasurer

## EXHIBIT A

### CAPITAL EXPENDITURE DESCRIPTION

<b>CATEGORY</b>	<b>DESCRIPTION</b>
Land	69th Ave Easements Parking Lot 600 blk 3rd St.
Construction	PCC & Brickie Bowl ADA Infrastructure
Construction	Brickie Bowl / ADA Infrastructure Fire House Windows ADA Compliance & Infrastructure
Equipment	Police Cars (Lease/Purchase Financing) 10 cars Toters (Lease/Purchase Financing) Ford Edge 2009 2018 Dodge Ram 2018 Garbage Truck (Lease/Purchase Financing) LaBrie Garbage Truck 2020 Black Tahoe
Construction	Brickie Bowl (ADA Compliance) Rejuvtec Paving Improvements: City Attorney PCC Office buildout
Equipment	Garbage Truck (Lease/Purchase) 2002 GMC Sierra 2018 Leach 25 Rear Yard Garbage Truck 2014 Ford Toters (Lease/Purchase Financing) 2018 Garbage Truck (Lease/Purchase Financing) 2020 Ford Crew Cab La Brie Garbage Truck
Equipment	E-One Fire Truck (Lease/ Purchase) Police & Fire Vehicles (Lease/Purchase) Final Pymt 2016 Ambulance (Lease/Purchase) 2008 & 2012 Chevy Tahoe (Fire Dept) Fire Bunker Gear Cots E-911 Radios (Lease/Purchase) 2013 Fire Truck (Lease/Purchase)

Signal Preemption device  
Lucas Extrication  
Drone  
6 Portable Motorola Radios  
Life Paks  
Fire Hose  
2017 Ambulance (Lease/Purchase)  
Fire Truck Engine Replacement  
Fire Truck Equipment

Land                    Property Acquisition 3rd St. Bridge Project  
                          Property Acquisition 69th Avenue  
Construction        PCC Roof  
Equipment           2014 Chevy Equinox  
                          2011 Jeep Liberty  
                          La Brie Garage Truck

Equipment           Public Wks Garage Lifts & Supports  
                          2018 Garbage Truck (Lease/Purchase Financing)  
                          2018 Silverado Truck  
                          Toters  
                          2016 Garbage Truck (Lease/Purchase)  
                          Grinder  
                          2019 Freightliner Hook Lift  
                          2019 International Truck