

BE IT REMEMBERED THE HENRY COUNTY COUNCIL OF HENRY COUNTY, INDIANA, met in special session in the Courthouse Circuit Courtroom, in the City of New Castle, Indiana, on Friday, January 6, 2012, at 10:00 A.M., with the following members present: Nate LaMar, Richard Bouslog, Michael Thalls, Harold Griffin, Jeff Hancock, Steve Dugger and Joe Bergacs, County Attorney.

Mr. LaMar, opened the meeting by introducing Jason Semler, representing H.J. Umbaugh & Associates. Mr. Semler, stating the reason for the special called meeting was to approve Ordinance #2012-1, which is the amended and restated Bond Ordinance. Mr. Semler also stating the sooner the amended ordinance was approved could mean a difference in the rate the county would receive on the bonds.

A motion was made by Mr. Hancock and seconded by Mr. Griffin to approve Ordinance #2012-1 as presented. Motion carried 5-0.

HENRY COUNTY, INDIANA
ORDINANCE NO. 2012-1
AMENDED AND RESTATED BOND ORDINANCE

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HENRY COUNTY
ORDINANCE NO. 2012-1

AMENDED AND RESTATED BOND ORDINANCE

WHEREAS, the General Assembly of the State of Indiana has enacted IC 6-9-25 which authorizes Henry County, Indiana ("County") to levy an excise tax of one percent (1%) on the gross retail income derived from food and beverage transactions in the County ("Food and Beverage Tax");

WHEREAS, the County Council ("Council") adopted an ordinance on August 12, 1987 imposing the Food and Beverage Tax on food and beverage transactions in the County and has collected the Food and Beverage Tax since October 1, 1987;

WHEREAS, IC 5-1-5, IC 5-1-14, IC 6-9-25, IC 36-1-3, IC 36-1-4-9 and IC 36-2-6-18 through -20, as amended and in effect on the date of issuance of the 2011 Bonds (as defined below) (collectively, the "Act") authorize the County to borrow money to pay County debts other than current running expenses;

WHEREAS, the Council now finds and determines that it will be of public utility and benefit to finance the acquisition of property, building renovations and the redemption of the hereinafter defined 2001 Bonds to obtain a reduction in interest payments and effect a savings to the County, as more particularly described in Exhibit A attached hereto and made a part hereof (collectively, "Projects"), to pay costs associated with the construction of the Projects and the refunding, including the funding of a debt service reserve, and the costs of issuance of bonds ("Costs of the Projects"), and that it should issue bonds, the proceeds of which will be applied on the Costs of the Projects;

WHEREAS, the Council now finds and determines that it has funds on hand in the estimated amount of \$1,000,000 available to apply to the Cost of the Projects, leaving a balance to be financed by the issuance of its revenue bonds in an amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) payable from Tax Revenues (as defined in Section 2) of the County, on a parity with certain hereinafter defined 2004 Bonds, and, to the extent such Tax Revenues are not sufficient, from an ad valorem property tax to be levied on all taxable property in the County;

WHEREAS, the Council finds that there are now outstanding bonds payable out of the Tax Revenues designated: (i) Henry County Food and Beverage Tax Refunding Revenue Bonds, Series 2001, originally dated March 29, 2001, originally issued in the amount of \$1,860,000, now outstanding in the amount of \$880,000 and maturing semiannually over a period ending January 1, 2018 ("2001 Bonds"); and (ii) Henry County Food and Beverage Tax Revenue Bonds of 2004, originally dated November 5, 2004, originally issued in the amount of \$950,000, now outstanding in the amount of

\$540,000 and maturing semiannually over a period ending January 1, 2018 ("2004 Bonds");

WHEREAS, the Ordinance authorizing the 2004 Bonds permits the issuance of additional bonds ranking on a parity with the 2004 Bonds provided certain conditions can be met;

WHEREAS, based upon the estimate of the County's financial advisor, the Council now finds that the County is able to meet the conditions for the issuance of additional parity bonds, and that, accordingly, the 2011 Bonds shall rank on a parity with the 2004 Bonds (hereinafter, "Outstanding Bonds"), and the findings and estimates of the County's financial advisor are hereby approved and confirmed;

WHEREAS, the County Council finds that the 2001 Bonds (hereinafter, "Refunded Bonds") should be refunded pursuant to the provisions of IC 5-1-5 to enable the County to obtain a reduction in interest payments and effect a savings to the County;

WHEREAS, the 2011 Bonds to be issued under Section 3 of this Ordinance are issued pursuant to the authority granted in the Act;

WHEREAS, the County has obtained or will obtain all necessary approvals required by law for the issuance of the 2011 Bonds; and

WHEREAS, the total indebtedness of the County including the amount of the 2011 Bonds does not exceed any constitutional or statutory limitations on indebtedness, and the net assessed valuation of taxable property in the County, as shown by the last complete and final assessment which was made in the year 2010 for state and county taxes collectable in 2011, is \$1,394,703,615;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF HENRY COUNTY, INDIANA, AS FOLLOWS:

SECTION 1. GRANTING CLAUSES. The County, in consideration of the premises and of the purchase and acceptance of the Bonds (as defined in Section 2) by the Owners, in order to secure the payment of the Debt Service (each as defined in Section 2) on the Bonds according to their tenor and effect and to secure the performance and observance by the County of all covenants expressed or implied herein and in the 2011 Bonds, does hereby pledge the rights, interests, properties, moneys and other assets described below ("Trust Estate") to the Trustee for the benefit of the Owners of the Bonds, on a parity with the Outstanding Bonds, for the securing of the performance of the obligations of the County set forth below, such pledge to be effective as set forth in the Act, including IC 5-1-14-4, without the recording of this Ordinance or any other instrument:

(a) All cash and securities now or hereafter held in the Tax Fund (consisting of the Debt Service Reserve Account, the Bond and Interest Account and the General

Account), including the investment earnings thereon and all proceeds thereof (except to the extent transferred or disbursed from such funds and accounts from time to time in accordance with this Ordinance or to pay any rebate amount owed under Section 148(f) of the Code (as defined in Section 2 below));

(b) All Tax Revenues required to be deposited for the benefit of the Bonds (on a parity with the Outstanding Bonds), under this Ordinance;

(c) To the extent Tax Revenues are not sufficient, an ad valorem property tax to be levied on all taxable property in the County; and

(d) Any moneys hereinafter pledged to the Trustee as security to the extent of that pledge;

provided, however, that if the County shall pay or cause to be paid, or there shall otherwise be paid or made provision for payment of Debt Service on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, respectively, and shall pay or cause to be paid or there shall otherwise be paid or made provision for payment to the Owners of the outstanding Bonds of all sums of money due or to become due according to the provisions hereof and shall otherwise comply with Section 16, then this Ordinance and the rights hereby granted shall cease, terminate and be void; otherwise this Ordinance shall be and remain in full force and effect.

This Ordinance further witnesseth, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered, and all these property, rights and interests, including, without limitation, the amounts hereby pledged, are to be dealt with and disposed of, under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the County has agreed and covenanted, and does hereby agree and covenant, with the respective Owners, from time to time, of the Bonds, or any part thereof, as provided in this Ordinance.

SECTION 2. DEFINITIONS. All terms defined in this Ordinance and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. All terms defined elsewhere in this Ordinance shall have the meaning given in such definition. In this Ordinance, unless a different meaning clearly appears from the context:

"Bond and Interest Account" means the Bond and Interest Account continued in Section 10 of this Ordinance.

"Bond Ordinance" or "Ordinance" means this Ordinance, authorizing the issuance of the 2011 Bonds, as it may be supplemented and amended from time to time in accordance with its provisions.

"Bonds" means the 2011 Bonds and any Parity Obligations.

"Certifier" means an independent public accountant who certifies the Tax Revenues to be taken into account for purposes of the Parity Obligation test described in Section 12.

"Code" means the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the 2011 Bonds and the applicable judicial decisions and published rulings and any applicable regulations promulgated thereunder.

"Construction Fund" means the Construction Fund created in Section 9.

"Costs of the Projects" means all costs of the Projects permitted under the Act and incidental costs associated therewith and with the issuance of the 2011 Bonds, including costs of issuance of the 2011 Bonds, funding a debt service reserve for the 2011 Bonds, and includes all costs described in Exhibit A.

"Debt Service" means the principal of and interest on the Bonds and any fiscal agency charges associated with the Bonds and the collection of Tax Revenues.

"Debt Service Reserve Account" means the Debt Service Reserve Account established under Section 10 of this Ordinance.

"Debt Service Reserve Requirement" means the maximum annual principal and interest payable on the 2011 Bonds. The Debt Service Reserve Requirement for Parity Obligations, if any, shall be set forth in the ordinance authorizing the issuance of the Parity Obligations.

"Event of Default" means any occurrence or event specified in Section 19.

"Food and Beverage Tax" means the Henry County Food and Beverage Tax imposed in accordance with IC 6-9-25.

"General Account" means the General Account established in Section 10 of this Ordinance.

"2011 Bonds" means the Bonds authorized in Section 3 of this Ordinance.

"Notice Address" means with respect to the County:

County: Henry County Courthouse
101 South Main Street
New Castle, IN 47362
Attention: County Auditor

The Notice Addresses of the Trustee, Registrar and Paying Agent will be set forth in the Acceptance attached to this Ordinance.

"Owner" means the registered owner of any Bond.

"Parity Obligations" means additional Bonds issued on a parity with the 2011 Bonds under Section 12 or any other parity obligations described therein, including capital leases payable by the County from Tax Revenues or any combination thereof.

"Paying Agent" means the Paying Agent so designated in accordance with Section 3(e), or any successor Paying Agent appointed under this Ordinance.

"Projects" means the Projects described in Exhibit A.

"Purchase Agreement" means the Purchase Agreement entered into between the Purchasers and the County pertaining to the sale of the 2011 Bonds with terms consistent with this Ordinance.

"Purchasers" means the initial purchasers of the 2011 Bonds.

"Qualified Investments" means: (i) any obligation of, or guaranteed by the United States of America; and (ii) other investments which are permitted by IC 5-13, as amended from time to time.

"Registrar" means the Registrar so designated in accordance with Section 3(3), or any successor Registrar appointed under this Ordinance.

"State" means the State of Indiana.

"Tax Fund" means the Food and Beverage Tax Receipts Fund established by the County Treasurer pursuant to the Act.

"Tax Revenues" means revenues from the County's Food and Beverage Tax under IC 6-9-25 up to the amount necessary to pay Debt Service on the Bonds and the Outstanding Bonds and to make required deposits to the Debt Service Reserve Account of the Tax Fund.

"Trustee" means the trustee designated in accordance with Section 3(e), or any successor Trustee appointed under this Ordinance.

"Trust Estate" means the Tax Revenues and investment earnings on and any cash or securities held in the Tax Fund, as more particularly described in Section 1.

SECTION 3. THE BONDS. (a) The County hereby finds that it is necessary to provide funds for the Costs of the Projects, including the current refunding of the Refunded Bonds thereby reducing its interest payments and effecting a savings, as reported by the County's financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP.

(b) For the purpose of procuring funds to be applied to the Costs of the Projects, including the refunding, the Council shall borrow funds and issue bonds in the name of the County, in the aggregate principal amount not to exceed Two Million Five

Hundred Thousand Dollars (\$2,500,000) at an aggregate purchase price of not less than 99% of the aggregate principal amount of the 2011 Bonds.

(c) The Auditor of the County is hereby authorized and directed to have prepared and to issue and sell to the Purchasers the 2011 Bonds, payable, as set forth in Section 8, solely out of the Trust Estate on a parity with the Outstanding Bonds. The 2011 Bonds shall be issued in the name of the County, and shall be designated "Henry County Food and Beverage Tax Revenue and Refunding Revenue Bonds of 2011." The purchase price of the 2011 Bonds, together with expected investment earnings on the proceeds of the 2011 Bonds, does not exceed the total as estimated by the Council of all Costs of the Projects.

The 2011 Bonds shall be issued in fully registered form and shall be lettered and numbered separately from one consecutively upward in order of maturity preceded by the letter "R" and with such further or alternate designation as the Registrar may determine. The 2011 Bonds shall be issued in multiples of \$5,000 or any integral multiples thereof.

The 2011 Bonds shall be dated and accrue interest from the first day of the month in which they are sold or the date of delivery, as determined by the Auditor with the advice of the County's financial advisor, at interest rates not to exceed 6% per annum to be negotiated with the Purchasers. Interest will be payable semiannually on each January 1 and July 1 commencing July 1, 2012, on a basis of twelve thirty-day months for a 360-day year. The 2011 Bonds shall mature, or be subject to mandatory redemption, semiannually on January 1 and July 1 of each year over a period ending no later than fifteen (15) years after their date of issuance and in such amounts as will achieve as level annual Debt Service as practicable with \$5,000 denominations and taking into account the debt service requirements for the Outstanding Bonds. The 2011 Bonds may include one or more term bonds subject to mandatory sinking fund redemption as long as the principal payment schedule, taking into account such mandatory sinking fund redemption, produces approximately level annual Debt Service on the 2011 Bonds, taking into account the debt service requirements for the Outstanding Bonds.

(d) The 2011 Bonds maturing on July 1, 2020 are redeemable at the option of the County on January 1, 2020 or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity determined by the County and by lot within maturity, at face value, with no premium, plus accrued interest to the date of redemption.

Any 2011 Bonds that are subject to mandatory sinking fund redemption shall be redeemed at a price equal to the principal amount plus accrued interest to the date of redemption in accordance with the schedule established upon sale of the 2011 Bonds pursuant to subsection (c).

The Paying Agent shall credit against the mandatory sinking fund requirement for the 2011 Bonds, and corresponding mandatory redemption obligation, in the order determined by the County, any 2011 Bonds maturing on the same date and subject to mandatory sinking fund redemption which have previously been redeemed (other 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 previously applied as a credit against any redemption obligation. Each 2011 Bond so delivered or cancelled shall be credited by the Paying Agent at 100% of its principal amount against the mandatory sinking fund obligation on such mandatory sinking fund date, any excess of such amount shall be credited on future redemption obligations, and the principal amount of 2011 Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced. However, the Paying Agent shall credit the 2011 Bonds subject to mandatory sinking fund redemption only to the extent received by the Paying Agent at least forty-five (45) days preceding the applicable mandatory redemption date as stated above.

If fewer than all of the 2011 Bonds are called for redemption at one time, the 2011 Bonds shall be redeemed in inverse order of maturity and by lot within a maturity. Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional and mandatory redemption.

Notice of such redemption shall be given at least thirty (30) days prior to the date fixed for redemption by mail unless the notice is waived by the registered Owner of a 2011 Bond. The notice shall be mailed to the address of the Owners as shown on the registration records of the County and the Registrar. The notice shall specify the date and place of redemption and sufficient identification of the 2011 Bonds called for redemption. The place of redemption shall be the principal corporate trust office of the Registrar and Paying Agent unless the County selects another place. Interest on the 2011 Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the principal corporate office of the Paying Agent to pay the redemption price on the redemption date. Coincidentally with the payment of the redemption price, the 2011 Bonds called for redemption shall be surrendered for cancellation. If any 2011 Bonds are subject to both optional and mandatory redemption on the same date, the 2011 Bonds to be redeemed by optional redemption shall be selected first.

(e) The Commissioners are hereby authorized to contract with a qualified financial institution or institutions to serve as Trustee, Registrar and Paying Agent for the Bonds. The Registrar is hereby charged with the responsibility of authenticating the Bonds. The Commissioners are hereby authorized to enter into such agreements or understandings with the Trustee, Registrar and Paying Agent as will enable the institution or institutions to perform the services required of a trustee, registrar and paying agent. The County is further authorized to pay from Tax Revenues such fees as the Trustee, Registrar and Paying Agent may charge for the services provided as Trustee, Registrar and Paying Agent and such fees may be paid from the Bond and Interest Account as Debt Service in addition to paying the principal of and interest on the Bonds or from the General Account.

The Bonds shall be authenticated with the manual signature of an authorized representative of the Registrar and no Bond shall be valid or become obligatory for any purpose until the Certificate of Authentication on such Bond shall have been so executed.

Subject to the provisions hereof for registration, the Bonds shall be negotiable under the laws of the State of Indiana.

(f) Each Bond shall be transferable or exchangeable only upon the books of the County kept for that purpose at the office of the Registrar by the Owner in person, or by its 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 Owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the Owner, as the case may be, in exchange therefor. The Registrar shall not be obligated to make any exchange or transfer of Bonds after the fifteenth day of the month immediately preceding an interest payment date on any Bonds until such interest payment date. The Registrar will not be required to (i) register, transfer or exchange any Bond during the period fifteen days next preceding mailing of a notice of redemption on any Bonds, or (ii) to register, transfer or exchange any Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call. The County and the Registrar may treat and consider the person in whose name the 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.

(g) If any Bond is mutilated, lost, stolen or destroyed, the County may execute and the Registrar may authenticate a new Bond which in all respects shall be identical to the Bond which was mutilated, lost, stolen or destroyed including like date, maturity and denomination, except that such new Bond shall be marked in a manner to distinguish it from the Bond for which it was issued. In the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the County and the Registrar, and, in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the County and the Registrar evidence of such loss, theft or destruction satisfactory to the County and the Registrar, together with indemnity satisfactory to them. If any such lost, stolen or destroyed Bond shall have matured, instead of issuing a duplicate Bond, the County and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The County and the Registrar may charge the Owner of the 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 Bond, constitute a substitute contractual obligation of the County, 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 Ordinance, equally and proportionately with any and all other Bonds.

(h) The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation of the Bonds at the principal corporate trust office of the Registrar and Paying Agent. Interest on the Bonds shall be paid by check mailed one business day prior to the interest payment date to each Owner at the address as it appears on the registration books kept by the Registrar as of the fifteenth day of the month immediately preceding the interest payment date or at such other address as provided to the Registrar in writing by such Owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day

funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the 2011 Bonds shall be made 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.

(i) The Bonds shall be executed in the name of the County, by the manual or facsimile signatures of Commissioners, and attested by the manual or facsimile signature of the Auditor of the County, who shall cause the official seal of the County to be impressed upon or a facsimile to be printed on each of the Bonds. These officials, by the execution of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures the facsimile signatures appearing on the 2011 Bonds. If any officer whose signature or facsimile signature appears on the 2011 Bonds shall cease to be such officer before the delivery of the 2011 Bonds, the signature of such officer shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

The 2011 Bonds shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana, subject to the provisions for registration herein.

The 2011 Bonds shall also be authenticated by the manual signature of the Registrar and no 2011 Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

(j) The County has determined that it may be beneficial to the County to have the 2011 Bonds held by a central depository system pursuant to an agreement between the County and The Depository Trust Company, New York, New York ("Depository Trust Company") and have transfers of the 2011 Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The 2011 Bonds may be initially issued in the form of a separate single authenticated fully registered 2011 Bond for the aggregate principal amount of each separate maturity of the 2011 Bonds. In such case, upon initial issuance, the ownership of such 2011 Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the 2011 Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the County and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner")) of the 2011 Bonds with respect to (i) the accuracy of the records of the Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any notice with respect to the 2011 Bonds including any

notice of redemption, or (iii) the payment to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the 2011 Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated 2011 Bond evidencing an obligation of the County to make payments of the principal of and premium, if any, and interest on the 2011 Bonds pursuant to this Ordinance. The County and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of the 2011 Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such 2011 Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such 2011 Bonds; (iii) registering transfers with respect to such 2011 Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the 2011 Bonds only to or upon the order of the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the County's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the 2011 Bonds to the extent of the sum or sums so paid. Upon delivery by the Depository Trust Company to the County of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this Ordinance shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any 2011 Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such 2011 Bonds and all notices with respect to such 2011 Bonds shall be made and given, respectively, to the Depository Trust Company as provided in a representation letter from the County to the Depository Trust Company.

Upon receipt by the County of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the 2011 Bonds shall no longer be restricted to being registered in the register of the County kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the 2011 Bonds shall designate, in accordance with the provisions of this ordinance.

If the County determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered 2011 Bonds, the County may

notify the Depository Trust Company and the Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the 2011 Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the 2011 Bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the County and the Registrar to do so, the Registrar and the County will cooperate with the Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered 2011 Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the 2011 Bonds.

If the 2011 Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the 2011 Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such 2011 Bonds printed until it shall have received from the County indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to bondholders by the County or the Registrar with respect to any consent or other action to be taken by bondholders, the County or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the 2011 Bonds are registered in the name of the Depository Trust Company or CEDE & CO. or any substitute nominee, the County and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the 2011 Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the 2011 Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and the Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the bondholders for purposes of this ordinance and the County and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the 2011 Bonds, together with the dollar amount of each Beneficial Owner's interest in the 2011 Bonds and the current addresses of such Beneficial Owners.

SECTION 4. FORM OF THE BONDS AND FORM OF PARITY OBLIGATIONS. (a)Form of the 2011 Bonds. The form and tenor of the 2011 Bonds

shall be substantially as follows (all blanks to be properly completed prior to the preparation of the 2011 Bonds):

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

NO. R- _____

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF HENRY

HENRY COUNTY, INDIANA
FOOD AND BEVERAGE TAX REVENUE AND
REFUNDING REVENUE BOND OF 2011

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

REGISTERED OWNER:

PRINCIPAL AMOUNT:

Henry County, Indiana ("County"), for value received hereby acknowledges itself indebted and promises to pay, but solely out of the Trust Estate (as defined below), to the Registered Owner (named above) or registered assigns, the Principal Amount set forth [above on the Maturity Date set forth above] [semiannually on January 1 and July 1 as set forth on Exhibit A attached hereto], and to pay interest on such Principal Amount to the registered owner of this 2011 Bond (as defined below) until the County's obligation with respect to the payment of such Principal Amount shall be discharged, at the rate per annum specified [above] [on Exhibit A attached hereto] from the interest payment date immediately preceding the date of authentication of this 2011 Bond unless this 2011 Bond is authenticated on or before _____ 15, 20____, in which case interest shall be paid from the Original Date, or unless this 2011 Bond is authenticated between the fifteenth day of the month preceding an interest payment date and the interest payment date, in which case interest shall be paid from such

interest payment date. Interest shall be payable on January 1 and July 1 of each year, commencing _____ 1, 20____. Interest shall be calculated on the basis of twelve 30-day months for a 360-day year.

The principal on this 2011 Bond is payable in lawful money of the United States of America upon presentation of this 2011 Bond at the principal corporate trust office of _____, as Trustee ("Trustee", "Registrar" or "Paying Agent"), in the _____ of _____, Indiana, or at the principal corporate trust office of any successor paying agent appointed under the Amended and Restated Bond Ordinance defined below. Interest on this 2011 Bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner of this 2011 Bond at the address as it appears on the registration books kept by the Registrar as of the fifteenth day of the month immediately preceding the interest payment date or at such other address as is provided to the Registrar in writing by the registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

This 2011 Bond is [the only] one of an authorized issue of bonds of the County [of like date, tenor and effect, except as to numbering, interest rate, and dates of maturity,] with an aggregate principal amount of \$_____ ("2011 Bonds") designated "Food and Beverage Tax Revenue and Refunding Revenue Bonds of 2011." The 2011 Bonds are numbered consecutively from R-1 upwards, and are issued pursuant to an ordinance adopted by the Henry County Council ("County Council"), on _____, 2011 ("Bond Ordinance") and in strict compliance with IC 6-9-25 and all related and supplemental acts as in effect on the issue date of the 2011 Bonds, including, without limitation, IC 5-1-5, IC 5-1-14, IC 36-2-6-18, IC 36-2-6-19 and IC 36-2-6-20 (collectively, "Act"), for the purpose of providing funds to be applied on the Costs of the Projects, including the current refunding of the Refunded Bonds (each as defined in the Bond Ordinance), funding a debt service reserve for the 2011 Bonds and paying incidental expenses incurred in connection with the issuance of the 2011 Bonds. The 2011 Bonds and any bonds issued on a parity with the 2011 Bonds under the Bond Ordinance are referred to collectively as the "Bonds."

The 2011 Bonds are all equally and ratably secured by and entitled to the protection of the Bond Ordinance. Additional Bonds may be issued as described below. To secure payment of the Debt Service (as defined in the Bond Ordinance) on all the Bonds and performance of all other covenants of the County under the Bond Ordinance, the County has pledged the Trust Estate to the Trustee. The County Council has covenanted not to impair the pledge of Tax Revenues and not to rescind the Food and

Beverage Tax so long as the Bonds are outstanding. Reference is hereby made to the Bond Ordinance for a description of the rights, duties and obligations of the County, the Trustee, and the owners of the Bonds, the terms and conditions upon which the Bonds are or may be issued and the terms and conditions upon which the Bonds will be paid at or prior to maturity, or will be deemed to be paid and discharged upon the making of provisions for payment therefor. Copies of the Bond Ordinance are on file at the principal corporate trust office of the Trustee. THE OWNER OF THIS BOND, BY ACCEPTANCE OF THIS BOND, HEREBY AGREES TO ALL OF THE TERMS AND PROVISIONS IN THE BOND ORDINANCE.

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

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

The 2011 Bonds of this issue maturing on July 1, 2020, and thereafter, are redeemable at the option of the County on January 1, 2020, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity and by lot within a maturity, at face value, with no premium, plus in each case accrued interest to the date fixed for redemption.

[The 2011 Bonds maturing on _____ 1, _____ are subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to the principal amount plus accrued interest to the date of redemption on the dates end in the amounts in accordance with the following schedules:

<u>Date</u>	_____ Term Bonds	<u>Amount</u>
	*	\$

*Final Maturity]

[In either case,] notice of such redemption shall be mailed to the address of the registered owner as shown on the registration records of the County and the Registrar at least thirty (30) days prior to the date fixed for redemption unless the notice is waived by the registered owner of this 2011 Bond. The notice shall specify the date and place of redemption and sufficient identification of the 2011 Bonds called for redemption. The place of redemption shall be the principal corporate trust office of the Registrar and Paying Agent unless the County selects another place. Interest on the 2011 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 redemption date. If fewer than all of the 2011 Bonds are called for redemption at one time, the 2011 Bonds shall be redeemed in inverse order of maturity and by lot within a maturity. Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. [If any 2011 Bonds are subject to both optional and mandatory redemption on the same date, the 2011 Bonds to be redeemed by optional redemption shall be selected first.]

The County reserves the right to authorize and issue additional Bonds or other obligations, including lease obligations described in the Bond Ordinance, payable from Tax Revenues, ranking on a parity with the Outstanding Bonds ("Parity Obligations") for the purpose of raising money for future projects which can be financed with obligations payable from Tax Revenues or to refund the 2011 Bonds or Parity Obligations. The authorization and issuance of the Parity Obligations shall be subject to the conditions set forth in the Bond Ordinance.

This 2011 Bond is transferable or exchangeable only upon the books of the County kept for that purpose at the office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of this 2011 Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or its attorney duly authorized in writing, and thereupon a new fully registered 2011 Bond or 2011 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, therefor. The County and the Registrar for this 2011 Bond may treat and consider the person in whose name this 2011 Bond is registered as the absolute owner for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon. The Registrar shall not be required to register, transfer or exchange any 2011 Bond after the fifteenth day of the month immediately preceding an interest payment date on the 2011 Bonds until such interest payment date. The Registrar will not be required to (i) register, transfer or exchange any Bond during the period fifteen days next preceding mailing of a notice of redemption on any Bonds, or (ii) to register, transfer or exchange any Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call.

The 2011 Bonds are issuable only in fully registered form in the denomination of \$5,000 principal amount or any integral multiples thereof not exceeding the aggregate principal amount of the 2011 Bonds maturing in such year.

The County has designated the 2011 Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended and in effect on the issue date of the 2011 Bonds.

If this Bond 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 interest so due and payable on this Bond or portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) noncallable, 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, 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 shall no longer be deemed outstanding or an indebtedness of the County.

It is hereby certified, recited and declared that all acts, conditions and things required to be done precedent to and in the execution, issuance, sale and delivery of this 2011 Bond have been properly done, happened and performed in regular and due form as prescribed by law, and that the total indebtedness of the County, including the 2011 Bonds, does not exceed any constitutional, statutory or local ordinance or ordinance code limitation of indebtedness.

This 2011 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication shall have been duly executed by the authorized representative of the Registrar.

IN WITNESS WHEREOF, the Board of Commissioners of the County have caused this 2011 Bond to be executed by the manual or facsimile signatures of the Commissioners, and attested by the manual or facsimile signature of the Auditor of the County, who has caused the seal of the County to be impressed or a facsimile to be printed on this 2011 Bond.

HENRY COUNTY, INDIANA

By: _____
Commissioner

By: _____
Commissioner

By: _____
Commissioner

(SEAL)

Attest:

Auditor

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the 2011 Bonds described in the within mentioned Bond Ordinance.

_____, as
Trustee
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(insert name, address and federal tax identification number)

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.

Signature Guaranteed:

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

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

[EXHIBIT A]

(end of bond form)

(b) Form of Parity Obligations. The form of any Parity Obligations shall be set forth in the ordinance approving the issuance of such Parity Obligations.

SECTION 5. SALE OF THE 2011 BONDS. (a) The Commissioners are hereby authorized and directed to sell the 2011 Bonds with terms consistent with this Ordinance to the Purchasers at a negotiated sale upon receipt of the purchase price in immediately available funds. The 2011 Bonds shall be sold to the Purchasers at the price set forth in the Purchase Agreement plus accrued interest to the issue date of the 2011 Bonds, if any.

(b) Prior to the delivery of the 2011 Bonds, the Auditor shall obtain a legal opinion addressed to the County as to the validity of the 2011 Bonds from Ice Miller LLP of Indianapolis, Indiana, bond counsel, and shall furnish such opinion to the Purchasers. The cost of such opinion shall be considered as part of the costs incidental to these proceedings and shall be paid out of proceeds of the 2011 Bonds.

(c) Accrued interest received upon delivery of the 2011 Bonds to the Purchasers, if any, shall be deposited in the Bond and Interest Account and applied to the interest due on the 2011 Bonds on July 1, 2012. Proceeds of the 2011 Bonds in an amount not to exceed the Debt Service Reserve Requirement may, at the direction of the Auditor upon advice of the County's financial advisor, be deposited in the Debt Service Reserve Account. The remaining proceeds of the Bonds, after deposit to the Escrow Fund as set forth in the hereinafter defined Escrow Agreement, shall be deposited in the Construction Fund.

(d) The Auditor is hereby authorized to appoint a qualified financial institution to serve as escrow trustee ("Escrow Trustee") for the Refunded Bonds in accordance with the terms of the Escrow Agreement between the County and the Escrow Trustee ("Escrow Agreement"). The Board of Commissioners and the Auditor are hereby authorized and directed to complete, execute and attest the Escrow Agreement on behalf of the County so long as its provisions are consistent with this Ordinance and the Purchase Agreement.

The execution, by either the Commissioners, Auditor or the Purchasers, of a subscription for United States Treasury Obligations -- State and Local Government Series for investments of a portion of the proceeds of the 2011 Bonds to be held under the Escrow Agreement in a manner consistent with this Ordinance is hereby approved.

SECTION 6. DELIVERY OF INSTRUMENTS. The Council hereby authorizes and directs the President of the Council, the Commissioners, and the Auditor of the County, and each of them, for and on behalf of the County, to prepare, execute and deliver any and all other instruments, letters, certificates, agreements and documents as the official executing the same determines is necessary or appropriate to consummate the transactions contemplated by this Ordinance, including the Purchase Agreement, and such determination shall be conclusively evidenced by their execution. The instruments, letters, certificates, agreements and documents, including the 2011 Bonds, necessary or appropriate to consummate the transactions contemplated by this Ordinance shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the County, the full performance and satisfaction of which by the County is hereby authorized and directed.

SECTION 7. PURCHASE AGREEMENT AND OFFICIAL STATEMENT. (a)

The Council hereby approves the execution of a Purchase Agreement by which the 2011 Bonds are to be sold to the Purchasers with terms consistent with this Ordinance. The Commissioners and the President of the Council are hereby authorized and directed to execute, and the Auditor of the County is hereby authorized and directed to attest and affix the seal of the County to, the Purchase Agreement with such changes and revisions thereto as they deem necessary or appropriate to consummate the transactions contemplated thereby and such execution and attestation shall be conclusive evidence of their approval of such changes and revisions. The Purchase Agreement shall establish a final principal amount, interest rate, maturity schedule and mandatory redemption provisions, if any. The Purchase Agreement in the form executed shall constitute the valid and binding obligation of the County, the full performance and satisfaction of which by the County is hereby authorized and directed.

(b) Distribution of an Official Statement (preliminary and final) prepared by H.J. Umbaugh & Associates, Certified Public Accountants, LLP, on behalf of the Commission and the County, is hereby approved and the Board of Commissioners or the Auditor are authorized and directed to execute the Official Statement on behalf of the Commission and County in the form consistent with this resolution. The Board of Commissioners or the Auditor are hereby authorized to designate the Official Statement as "nearly final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

SECTION 8. EXECUTION OF 2011 BONDS. The Commissioners are hereby authorized to execute signatures and the Auditor is hereby authorized and directed to have the 2011 Bonds prepared, attest the 2011 Bonds with his or her manual or facsimile signature, and cause the seal of the County to be impressed or a facsimile thereof to be printed on the 2011 Bonds, all in the form and manner provided in this Ordinance. Upon the consummation of the sale of the 2011 Bonds, the Auditor shall be authorized to receive from the Purchasers the amount to be paid for the 2011 Bonds and the Auditor shall deliver the 2011 Bonds to, or at the direction of, the Purchasers.

SECTION 9. REFUNDING OF THE REFUNDED BONDS, COSTS OF ISSUANCE AND CONSTRUCTION FUND. (a) Concurrently with the delivery of the 2011 Bonds, the Auditor may acquire, with the proceeds of the 2011 Bonds and cash on hand, direct obligations of or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") to be used, together with certain cash from the proceeds of the Refunding Bonds and cash on hand as set forth in the Escrow Agreement, to currently refund and legally defease the 2001 Bonds all as set forth in the Escrow Agreement. In order to refund the 2001 Bonds, the Auditor may deposit Government Obligations and certain cash with the Escrow Trustee under the Escrow Agreement in an amount sufficient to provide moneys for the payment of the principal of and interest on the 2001 Bonds until the earliest date upon which the 2001 Bonds may be called for redemption.

The Auditor shall obtain a verification of an accountant as to the sufficiency of the funds deposited in the Trust Account under the Escrow Agreement to accomplish the current refunding and legal defeasance of the 2001 Bonds.

(b) Proceeds of the 2011 Bonds in an amount sufficient to pay issuance expenses of the 2011 Bonds shall be held by the Trustee in the Construction Fund and may be invested only in Qualified Investments and at the direction of the County or its authorized representative. The Trustee shall administer the moneys in the Construction Fund in accordance with this Ordinance and the Act. The proceeds in the Construction Fund and investment earnings on amounts in the Construction Fund shall be expended only to pay the Costs of the Projects.

(c) There may be disbursed from the Construction Fund the amount required for the payment of Costs of the Projects upon the receipt of a requisition signed by the Auditor or his or her designated representative ("Authorized Representative") which shall state with respect to each payment to be made:

- (i) The requisition number;
- (ii) The name and address of the person, firm or corporation to whom payment is due or to whom a reimbursement of an advance, if any, by the County has been made;
- (iii) The amount to be paid; and
- (iv) That each obligation mentioned in the requisition has been properly incurred, is currently due and payable, is a proper charge against the Construction Fund, is unpaid or unreimbursed, and has not been the basis of any previous requisition.
- (v) If, after payment of all requisitions tendered under the provisions of this Section, there shall remain any funds in the Construction Fund, the Auditor shall direct the Trustee to transfer all moneys then in the Construction Fund (except moneys reserved to pay any disputed or unpaid claims), as directed by the Commissioners, to fund or replenish the Debt Service Reserve Account, to pay Debt Service on the Bonds or to reduce the rate or amount of ad valorem property taxes imposed or allocated to the County, as set forth in IC 5-1-13.

SECTION 10. FLOW OF FUNDS. (a) Tax Fund. (i) There is hereby continued within the Tax Fund a Bond and Interest Account, a Debt Service Reserve Account and a General Account. Any moneys heretofore accumulated in the Tax Fund that are not used to pay the Costs of the Projects and to refund the Refunded Bonds shall be transferred to the Trustee and applied as set forth in this Section.

(ii) The Tax Fund shall be held by the Trustee. Tax Revenues shall immediately upon receipt by the County be paid to the Trustee and set aside in the various accounts of the Tax Fund in the priorities set forth below. The Tax Fund shall be

held in trust and pledged for the benefit of the Owners of the Bonds and shall be applied, used and withdrawn only for the purposes authorized in this Section 10.

(iii) Moneys in the Tax Fund shall be invested only in Qualified Investments. Interest earned shall be credited to the account within the Tax Fund in which the interest was earned. Tax Revenues or such investment earnings may also be used to pay rebate, if any, to the United States of America under Section 148(f) of the Code for amounts of such rebate, if any, including amounts attributable to the Construction Fund.

(b) Bond and Interest Account. Accrued interest received by the County upon delivery of the 2011 Bonds to the Purchasers, if any, shall be deposited in the Bond and Interest Account. Beginning with the first distribution of Tax Revenues to the County after the issuance of the 2011 Bonds, the Trustee shall deposit in the Bond and Interest Account all Tax Revenues until the balance in the Bond and Interest Account is equal to the sum of the principal and interest payable on the Outstanding Bonds and the 2011 Bonds (and lease payments for Parity Obligations which are leases) during the next twelve calendar months. To the extent that moneys currently on deposit in the Bond and Interest Account and the Debt Service Reserve Account on August 1 of each year are not sufficient to pay the principal of and interest on the 2011 Bonds for the next eighteen calendar months, the County shall levy an ad valorem property tax on all taxable property in the County as set forth in Section 13 of this ordinance. Except as provided in Subsection (a)(iii), all money in the Bond and Interest Account shall be used and withdrawn solely for the purpose of paying Debt Service on the Outstanding Bonds and the 2011 Bonds, as it shall become due and payable.

(c) Debt Service Reserve Account. Proceeds of the 2011 Bonds in an amount not to exceed the Debt Service Reserve Requirement shall be deposited in the Debt Service Reserve Account hereby established for the 2011 Bonds. Moneys deposited and maintained in the Debt Service Reserve Account and allocated to the 2011 Bonds shall never exceed the Debt Service Reserve Requirement for the 2011 Bonds. The Debt Service Reserve Account shall constitute a margin for safety and as protection against default in the payment of principal of and interest on the 2011 Bonds, and the moneys in the Debt Service Reserve Account shall be used to pay current principal and interest on the 2011 Bonds to the extent that moneys in the Bond and Interest Account and the General Account are insufficient for that purpose.

If moneys in the Debt Service Reserve Account are transferred to the Bond and Interest Account to pay principal and interest on the 2011 Bonds, the depletion of the balance in the Debt Service Reserve Account shall be made up from any moneys in the General Account and from 100% of monthly installments of Tax Revenues until the balance equals the Debt Service Reserve Requirement. Any moneys in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement will be immediately deposited in the Bond and Interest Account to meet the requirements of Section 10(b), used for the redemption of principal on the 2011 Bonds which are then callable, used for the purchase of 2011 Bonds, or transferred to the General Account and applied as set forth in Section 10(d).

The Council, upon the advice of its financial advisor and the Purchasers, hereby finds that funding the Debt Service Reserve Account is reasonably required and that the Debt Service Reserve Requirement is no larger than necessary to market the 2011 Bonds. The Council further finds that the Debt Service Reserve Account is directly related to the Projects because the 2011 Bonds could not be issued to fund the Projects without the Debt Service Reserve Account.

The Debt Service Reserve Requirement, if any, for Parity Obligations, shall be set forth in the Ordinance authorizing the Parity Obligations and shall be held in a separate subaccount of the Debt Service Reserve Account.

(d) General Account. After making the deposits described in (b) and (c), the Tax Revenues and any investment earnings remaining in the Tax Fund shall be deposited in the General Account and shall be available in the following order of priority:

- (i) to pay Debt Service on the outstanding Bonds, the 2011 Bonds and lease payments on any Parity Obligations which are leases;
- (ii) to fund or replenish the Debt Service Reserve Account;
- (iii) to pay any obligations of the County payable from Tax Revenues which are subordinate to the 2011 Bonds including payments under subordinate leases;
- (iv) to pay any rebate obligation owed on the outstanding Bonds or the 2011 Bonds under Section 148(f) of the Code; and
- (v) to pay any costs permitted by the Act.

(e) Pledge of Tax Revenues. As set forth in Section 1, the Tax Revenues shall be irrevocably pledged for the purposes set forth in this Section 10.

(f) No Prior Liens. The County represents and warrants that other than the Outstanding Bonds, there no prior liens, encumbrances or other restrictions on the Food and Beverage Tax or on the County's ability to pledge the Tax Revenues.

(g) Disposition of Excess Tax Revenues. If moneys on deposit in the Tax Fund, together with investment earnings on such moneys, are sufficient to pay all of the Debt Service on all outstanding Bonds, any excess Tax Revenues shall be released to the County and used for any lawful purposes.

SECTION 11. CONTINUING DISCLOSURE. The Council hereby approves the execution of a continuing disclosure undertaking agreement ("Undertaking"), and the Commissioners and Auditor are hereby authorized and directed to complete, execute and attest the Undertaking on behalf of the County. Notwithstanding any other provisions of this ordinance, failure of the County to comply with this Undertaking shall not be considered an event of default under the 2011 Bonds or this Ordinance.

SECTION 12. ISSUANCE OF ADDITIONAL BONDS. The County reserves the right to authorize and issue Parity Obligations for the purpose of raising money for future projects which can be financed with obligations payable from Tax Revenues, or any combination thereof, or to refund the 2011 Bonds or Parity Obligations. If any Parity Obligations are issued pursuant to this Section 12, the term "Bonds" in this Bond Ordinance shall, unless the context otherwise requires, be deemed to refer to the 2011 Bonds and such Parity Obligations. The authorization and issuance of Parity Obligations shall be subject to the following conditions precedent:

(a) All interest and principal payments with respect to the outstanding Bonds and the 2011 Bonds and all Parity Obligations, and lease payments on Parity Obligations which are leases shall be current to date in accordance with their terms, with no payment in arrears;

(b) The County and the Trustee shall have received a certificate prepared by an independent public accountant ("Certifier") certifying that the amount of the Tax Revenues received in any twelve consecutive calendar months out of the most recent eighteen calendar months, which amount shall be at least equal to one hundred twenty-five percent (125%) of the annual principal and interest, and lease payment requirements with respect to the outstanding Bonds and the proposed a Parity Obligations for each year during the term of the outstanding Bonds.

All interest and principal payments on any Parity Obligations (or lease payments on any Parity Obligations that are leases) or junior bonds shall be payable semiannually on January 1 and July 1.

(c) The County shall maintain for each issue of Parity Obligations a debt service reserve account, that is separate and segregated from the Debt Service Reserve Accounts for the Outstanding Bonds and the 2011 Bonds. Such debt service reserve accounts shall be funded in an amount calculated using the same formula as the Debt Service Reserve Requirement for the 2011 Bonds.

The Council shall approve and confirm the findings and estimates set forth in the above-described certificate in any supplemental ordinance authorizing the issuance of the Parity Obligations.

Any lease obligation of the County payable from Tax Revenues shall be considered a Parity Obligation only if the foregoing tests are met by treating the obligation to make such lease rental payments as debt service payments.

SECTION 13. COVENANT TO LEVY TAX. The ad valorem property tax of the County is hereby irrevocably pledged to the punctual payment of the principal of and the interest on the Bonds according to their terms, to the extent that Tax Revenues are not sufficient. In order to provide for the payment of the principal of and interest on the Bonds, to the extent Tax Revenues and revenues currently on deposit in the Debt Service Reserve Account are not sufficient to pay the principal of and interest on the 2011 Bonds for the next eighteen calendar months, there shall be levied an ad valorem property tax on

all taxable property in the County in an amount and in such manner sufficient to meet and pay the principal of and interest on the Bonds as they become due and the proceeds of this tax are hereby pledged solely to the payment of the Bonds. The ad valorem property tax levy shall remain in place until such time as the balance in the Bond and Interest Account, when added to the balance in the Debt Service Reserve Account is sufficient to pay the principal of and interest on the 2011 Bonds for the next eighteen calendar months. Such tax proceeds shall be deposited into the Bond and Interest Account and used solely to pay the principal of and interest on the Bonds, when due, together with any fiscal agency charges.

SECTION 14. TAX COVENANTS. In order to preserve the exclusion of interest on the 2011 Bonds from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the 2011 Bonds ("Code") and as an inducement to purchasers of the 2011 Bonds, the County represents, covenants and agrees that:

(a) Since the date of issuance of the Refunded Bonds and until the earlier of the last date of the reasonably expected economic life of the project constructed with funds from the bonds refunded by the Refunded Bonds or the latest maturity date of the 2011 Bonds ("Combined Measurement Period"), the Project will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. During the Combined Measurement Period, no person or entity, other than the County or another state or local governmental unit, will use more than 10% of the proceeds of the 2011 Bonds or property financed by proceeds of the 2011 Bonds other than as a member of the general public. The Project consists of the acquisition of property and building renovations and will be available for general public use. During the Combined Measurement Period, no person or entity, other than the County or another state or local governmental unit, will own property financed by 2011 Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from the use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the 2011 Bonds. If the County enters into a management contract for any of the Project, the terms of the contract will comply with IRS Revenue Procedure 97-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the 2011 Bonds.

(b) No more than 10% of the payment of the principal of or interest on the 2011 Bonds over the Combined Measurement Period will be (under the terms of the 2011 Bonds, the Ordinance or any underlying arrangement), directly or indirectly, secured by any 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 in the County) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the 2011 Bond proceeds will be loaned to any entity or person other than another state or local government entity. No more than 5% of the 2011 Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the 2011 Bond proceeds.

(d) The County reasonably expects, as of the date hereof, that the 2011 Bonds will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above for the Combined Measurement Period.

(e) During the Combined Measurement Period, no more than 5% of the proceeds of the 2011 Bonds will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The County will not take any action or fail to take any action with respect to the 2011 Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the 2011 Bonds under Section 103 of the Code, nor will the County act in any other manner which would adversely affect such exclusion. The County covenants and agrees not to enter into any contracts or arrangements which would cause the 2011 Bonds to be treated as private activity bonds under Section 141 of the Code.

(g) It shall be not an event of default under this Ordinance if the interest on any 2011 Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the 2011 Bonds.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of the 2011 Bonds.

(i) The County represents that:

- (1) The 2011 Bonds are not private activity bonds as defined in Section 141 of the Code;
- (2) The County hereby designates the 2011 Bonds, to the extent such 2011 Bonds are not deemed designated, as qualified tax exempt obligations for purposes of Section 265(b) of the Code;
- (3) The reasonably anticipated amount of qualified tax exempt obligations (including qualified 501(c)(3) obligations and tax exempt leases but excluding other private activity bonds) which

will be issued by the County, and all entities subordinate to the County during 2011 does not exceed \$10,000,000; and

- (4) The County will not designate more than \$10,000,000 of qualified tax exempt obligations during 2011.

Therefore, the 2011 Bonds qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax exempt obligations.

(j) The County represents that:

- (1) The County is a governmental unit with general taxing powers, which powers include the power to impose taxes of general applicability that, when collected, may be used for the general purposes of the County;
- (2) The 2011 Bonds are not private activity bonds as defined in Section 141 of the Code;
- (3) At least 95% of the net proceeds of the 2011 Bonds will be used for local governmental activities of the County or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the County;
- (4) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County and all units subordinate to the County, including on-behalf-of issuers and subordinate entities as those terms are defined in Regulations Section 1.148-8(c)(2), is not reasonably expected to exceed \$5,000,000 in calendar year 2011; and
- (5) The County has not been formed or availed of to otherwise avoid the purposes of the \$5,000,000 size limitation.

Therefore, the County meets the requirements of Section 148(f)(4)(D) of the Code and will not have to rebate any arbitrage profits to the United States.

SECTION 15. CONTRACTUAL NATURE OF THIS ORDINANCE AND COMPLIANCE WITH CONSTITUTIONAL DEBT LIMITATION. The provisions of this Ordinance shall constitute a contract by and between the County and the Owners of the Bonds. After the issuance of the Bonds, this Ordinance or the definition of, the manner of collecting and distributing, or pledge of Tax Revenues and, to the extent Tax Revenues are not sufficient, an ad valorem property tax levied on all taxable property in the County, or the lien created by this Ordinance, shall not be repealed or amended (except as specifically provided in Sections 16 and 17), or impaired in any respect which will adversely affect the rights of Owners of the Bonds, nor shall the County adopt any

law, resolution, order or ordinance which in any way adversely affects the rights of such Owners so long as any of the Bonds or the interest thereon remains unpaid.

The County will take no action to rescind the Food and Beverage Tax so long as the Bonds or leases or other obligations payable from the Food and Beverage Tax are outstanding.

The total indebtedness of the County does not exceed any constitutional or statutory limitations of indebtedness. The net assessed valuation of taxable property in the County, as shown by the last complete and final assessment for state and county taxes, is \$1,394,703,615.

SECTION 16. DEFEASANCE OF BONDS. If the Bonds or a portion thereof shall have become due and payable in accordance with their terms, and the whole amount of the principal, interest and redemption premium, if any, 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) obligations of any state of the United States of America or any political subdivision thereof, the full payment of principal of, and interest on which (a) are unconditionally guaranteed or insured by the United States of America, or (b) are provided for by an irrevocable deposit of securities described in clause (ii) and are not subject to call or redemption by the issuer thereof prior to maturity or for which irrevocable instructions to redeem have been given, 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 or such portion thereof issued hereunder shall no longer be deemed outstanding or an indebtedness of the County, acting in the name of the County.

No such deposit shall be deemed a payment of such Bonds unless the Trustee shall have received a verification from an accountant or firm of accountants appointed by the Auditor and acceptable to the Trustee verifying the sufficiency of the deposit to pay the principal of and interest on the Bonds to the due date.

SECTION 17. AMENDING SUPPLEMENTAL ORDINANCES. The Council may, without the consent of, or notice to, any of the Owners of the Bonds, adopt a supplemental ordinance for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Ordinance;
- (b) To grant to or confer upon the Owners of the Bonds any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Owners of the Bonds;
- (c) To modify, amend or supplement this Ordinance 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 or the qualification of this Ordinance under the Trust Indenture Act of 1939, as amended, or any similar federal

statute hereafter in effect if such modification, amendment or supplement will not have a material adverse effect on the Owners of the Bonds;

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

(e) To provide for the issuance of Parity Obligations by the County;

(f) Any other purpose which in the judgment of the Trustee does not adversely affect the interests of the Owners of the Bonds in any material way; and

(g) To amend the Ordinance to permit the County to comply with any future federal tax law or any covenants contained in any supplemental ordinance with respect to compliance with future federal tax law.

SECTION 18. CONSENT TO SUPPLEMENTAL ORDINANCES. The Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding who are, in the sole judgment of the Trustee, affected shall have the right, from time to time, anything contained in the Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the Council of such supplemental ordinances as shall be deemed necessary and desirable by the Council 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 other than those provisions covered by Section 16; provided however, that nothing in this Section contained shall permit, or be construed as permitting, without the consent of the Owners of all the then outstanding Bonds affected, any of the following: (a) an extension of the maturity, or mandatory sinking fund redemption schedule, of the principal of and interest on any bonds payable from Tax Revenues, (b) a reduction in the principal amount of any Bond or change in the rate of interest, (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance, (e) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds at any time outstanding hereunder (except as now provided in this Ordinance), (f) a reduction in the Debt Service Reserve Requirement, or (g) a change in the method of accrual of interest on any Bonds.

If at any time the Council desires to adopt a supplemental ordinance for any of the purposes set forth in this Section, the Council shall cause notice of the proposed adoption of such supplemental ordinance to be mailed by registered or certified mail to each Owner of a Bond at the address shown on the registration books maintained by the Registrar. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that copies thereof are on file at its office for inspection by all Owners of Bonds. If, within 60 days, or such longer period as shall be prescribed by the County, following the mailing of such notice, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds outstanding at the time of the execution of any such supplemental ordinance shall have consented to and approved the execution of such supplemental ordinance, no Owner of any Bond

shall have any right 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 County from adopting the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any such supplemental ordinance as is permitted and provided by this Section, this Ordinance shall be and be deemed to be modified and amended in accordance therewith.

Any consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Owners of the Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners of the Bonds in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of the Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the County with regard to any action taken by it or them under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved (i) by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or (ii) by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the registration books maintained by the Registrar.

SECTION 19. EVENTS OF DEFAULT. (a) If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default":

- (i) Default in the due and punctual payment of any interest on any Bond; or
- (ii) Default in the due and punctual payment of the principal of any Bond at its stated maturity or at the date required for mandatory redemption.
- (iii) The County shall notify the Trustee of the occurrence of any Event of Default as soon as it has knowledge of such occurrence. The Trustee shall notify the Owners of all Bonds then outstanding of such Event of Default by registered or certified mail, and will have the following rights and remedies:
 - (i) The Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds then outstanding.
 - (ii) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Owners

under this Ordinance, the Trustee will be entitled, as a matter of right, and to the extent permitted by law, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

- (iii) If the Trustee certifies that there are sufficient moneys on deposit in the funds and accounts under this Ordinance to pay Debt Service on all the outstanding Bonds, the Trustee may declare the principal of and accrued interest on all Bonds to be due and payable immediately in accordance with this Ordinance.
- (iv) The Trustee may use any money in the Construction Fund and the Tax Fund to pay Debt Service if there is an Event of Default.

If an Event of Default shall have occurred and if requested so to do by the Owners of 25% or more in aggregate principal amount of all Bonds then outstanding and if indemnified as provided in Section 20(k), the Trustee shall be obligated to exercise such one or more of the rights, remedies and powers conferred by this subsection as the Trustee, advised by counsel, shall deem most expedient in the interests of the Owners.

No right or remedy by the terms of this Ordinance conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to Trustee or to the Owners hereunder or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default, whether by the Trustee or by the Owners, shall extend to, shall affect any subsequent Event of Default, or shall impair any rights or remedies consequent thereon.

Anything in this Ordinance to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of Bonds then outstanding shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Ordinance, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law.

All moneys received pursuant to any right or remedy given or action taken upon occurrence of an Event of Default under this Ordinance shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made hereunder, be deposited in the Tax Fund and all such moneys shall be applied to the Bonds as follows:

All such moneys shall be applied as follows:

FIRST, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, including interest on any past due principal of any Bond at the rate borne by such Bond, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto without any discrimination or privilege;

SECOND, to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Bonds due on any particular date, together with such interest, then to such payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD, to be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Bonds which may thereafter become due at maturity and, if the amount available shall not be sufficient to pay in full the principal of and interest on Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege.

(b) Whenever moneys are to be applied pursuant to the provisions of this subsection, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall establish a special record date for such payments and shall mail, at least 15 days prior to such special record date, such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date. The Trustee shall not be required to make payment of principal to the Owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all principal of and interest on all Bonds have been paid under the provisions of this subsection and all expenses and charges of the Trustee have been paid, any balance remaining in the Tax Fund shall be paid as provided in Section 11(g).

(d) All rights of action (including the right to file proof of claims) under this Ordinance or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding related thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the Owners of all the outstanding Bonds.

(e) No Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Ordinance or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred, (b) such default shall have become an Event of Default and the Owners of not less than 25% in aggregate principal amount of Bonds then outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) such Owners of Bonds have offered to the Trustee indemnity as provided in Section 20(k) and (q) the Trustee has refused, or for 60 days after receipt of such request and offer of indemnification has failed, to exercise the remedies hereinbefore granted, or to institute such action, suit or proceeding in its own name. Such request and offer of indemnity are hereby declared in every case at the option of Trustee to be conditions precedent to the execution of the powers and trusts of this Ordinance, and to any action or cause of action for the enforcement of this Ordinance, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Ordinance by the Owner's or Owners' action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal and ratable benefit of the Owners of all Bonds then outstanding. However, nothing contained in this Ordinance shall affect or impair the right of any Owner to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the limited obligation of the County, acting in the name of the County, to pay the principal of and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed in the Bonds.

(f) If the Trustee or any Owner of any Bonds shall have proceeded to enforce any right under this Ordinance by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the County, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, and with regard to the property subject to this Ordinance, and all rights, remedies and powers of the Trustee and the Owners of Bonds shall continue as if no such proceedings had been taken.

(g) The Trustee may at its discretion waive any Event of Default and its consequences, and shall do so upon the written request of the Owners of (a) more than 66-2/3% in aggregate principal amount of all the Bonds then outstanding in respect of which an Event of Default in the payment of principal or interest exists, or (b) more than 50% in aggregate principal amount of all Bonds then outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (x) any Event of Default in the payment of the principal of any outstanding Bond at the date of maturity specified therein or (y) any Event of Default in the payment when due of the interest on any outstanding Bond unless prior to such waiver all arrears of interest or all arrears of payments of principal when due, as the case may be, with interest on overdue principal at the rate borne by such Bond, and all expenses of the Trustee in connection with such Event of Default shall have been paid or provided for. In case of any such waiver, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the County, the Trustee and the Owners shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Event of Default, or impair any rights consequent thereon.

(h) Anything in this Ordinance to the contrary notwithstanding, no default under subsection (A)(1) or (2) of this Section shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given to the County by the Trustee or the Owners of not less than 25% in aggregate principal amount of all Bonds then outstanding and the County shall have had 60 days after receipt of such notice to correct the default or cause the default to be corrected, and shall not have corrected the default or caused the default to be corrected within the applicable period; provided, however, if the default is such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the County within the applicable period and diligently pursued until the default is corrected. If a default is cured under this subsection (h), then it will not constitute an Event of Default.

(i) With regard to any alleged default concerning which notice is given to the County under the provisions of this subsection, the County hereby grants to the Trustee full authority for the account of the County to perform any covenant or obligation the failure of performance of which is alleged in such notice to constitute a default, in the name and stead of the County with full power to do any and all things and acts to the same extent that the County could do and perform any such things and acts and with power of substitution.

SECTION 20. THE TRUSTEE AND THE REGISTRAR AND PAYING AGENT. (a) The Trustee and the Registrar and the Paying Agent hereby respectively accept the trusts and duties imposed upon them by this Ordinance, and agree to perform such trusts and duties with the same degree of care and skill in their exercise, as prudent people would exercise or use under the circumstances in the conduct of their own affairs, but only upon and subject to the following express terms and conditions:

(b) The Trustee and the Registrar and Paying Agent may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees but shall be answerable for the conduct of the same in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee and the Registrar and Paying Agent may act upon the opinion or advice of any attorneys (who may be the attorney or attorneys for the County), approved by the Trustee or the Registrar and Paying Agent, as applicable, in the exercise of reasonable care. The Trustee and the Registrar and Paying Agent shall not be responsible for any loss or damage resulting from any of their respective action or nonaction in good faith in reliance upon such opinion or advice.

(c) The Trustee and the Registrar and Paying Agent shall not be responsible for any recital herein or in the Bonds, except that the Registrar and Paying Agent shall be responsible for the Certificate of Authentication required by this Ordinance, or for the validity of the execution by the Council of this Ordinance or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(d) The Trustee and the Registrar and Paying Agent shall not be accountable for the use of any Bond authenticated or delivered hereunder. The Trustee or the Registrar and Paying Agent may become the Owner of any Bond secured hereby with the same rights which it would have if not the Trustee or the Registrar and Paying Agent, respectively and any Bond owned by the Trustee or the Registrar and Paying Agent shall be deemed outstanding unless cancelled pursuant to the provisions hereof.

(e) The Trustee and the Registrar and Paying Agent shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee and the Registrar and Paying Agent shall not withhold unreasonably its consent, approval or action to any reasonable request of the County. Any action taken by the Trustee and the Registrar and Paying Agent pursuant to this Ordinance upon the request or consent of any person who at the time of making such request or giving such consent is the Owner of any of the Bonds, shall be conclusive and binding upon all future Owners of the Bonds and upon Owners of any Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled in good faith to rely upon a certificate signed by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has become aware shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee and the Registrar and Paying Agent

may accept a certificate of an Authorized Representative to the effect that a resolution or ordinance in the form therein set forth has been adopted by the Council as conclusive evidence that such resolution or ordinance has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee or the Registrar and Paying Agent to do things enumerated in this Ordinance shall not be construed as a duty and neither shall be answerable for other than their respective negligence or willful default.

(h) At any and all reasonable times the Trustee or the Registrar and Paying Agent and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect any and all of the books, papers and records of the County pertaining to the revenues and receipts pledged to the payment of the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee and the Registrar and Paying Agent shall not be required to give any bond or surety in respect of the execution of such trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere in this Ordinance contained, the Trustee or the Registrar and Paying Agent shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Ordinance, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, deemed desirable by the Trustee or the Registrar and Paying Agent for the purpose of establishing the right of the County to the authentication of the Bonds, the withdrawal of any cash or the taking of any other action by the Trustee or the Registrar and Paying Agent.

(k) Before taking the action referred to in Section 20(e) or (h), the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default, by reason of any action so taken.

(l) All moneys received by the Trustee or the Paying Agent shall, until used, applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee and the Paying Agent shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(m) The Trustee for all purposes of this Ordinance shall be deemed to be aware of any Event of Default in the payment of principal of or interest on the Bonds.

(n) The Trustee and the Registrar and Paying Agent may be the same institution.

(o) The Trustee and the Registrar and Paying Agent shall be entitled to payment and reimbursement for reasonable fees for their services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee and the Registrar and Paying Agent in connection with such services, but solely from moneys available therefor under the Ordinance or, to the extent permitted by law, pursuant to Section 10. Upon any Event of Default, but only upon an Event of Default, the Trustee shall have a first lien with right of payment prior to payment on account of principal of or interest on any Bond upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

(p) In any judicial proceeding to which the County is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the Owners of the Bonds, the Trustee may intervene on behalf of the Owners, and shall do so if requested in writing by the Owners of at least 25% of the aggregate principal amount of Bonds then Outstanding.

(q) Any corporation or association into which the Trustee or the Registrar and Paying Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party ("Reorganization"), ipso facto shall be and become successor Trustee or the Registrar and Paying Agent hereunder, respectively, if legally qualified to serve as such. The successor Trustee shall be vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided that within thirty (30) days of the effective date of such Reorganization, the Commissioners, the Council or the Auditor may object to such corporation or association becoming the successor Trustee or the successor Registrar and Paying Agent by filing written notice of such objection with the Trustee or the Registrar and Paying Agent, as appropriate, and by mailing such notice to the Owners whereupon a successor or temporary Trustee or Registrar and Paying Agent shall be appointed in accordance with subsection (t).

(r) The Trustee and any successor Trustee or the Registrar and Paying Agent or any successor Registrar and Paying Agent may at any time resign from the trusts hereby created by giving 30 days' written notice by registered or certified mail to the Auditor, the Commissioners, and the Owners of the Bonds, and such resignation shall take effect upon the appointment of a successor Trustee or a successor Registrar and Paying Agent, respectively, in accordance with subsection (t) and acceptance of such appointment by the successor Trustee or a successor Registrar and Paying Agent, respectively. If the Commissioners fail to appoint a successor Trustee or a successor Registrar and Paying Agent, respectively, within 60 days of receipt of notice of the Trustee's or Registrar and Paying Agent's resignation, the Trustee or Registrar and Paying Agent, respectively, may petition a court of competent jurisdiction to appoint a successor Trustee or a successor Registrar and Paying Agent, respectively.

(s) The Trustee or Registrar and Paying Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to the Trustee or Registrar and Paying Agent, respectively, and to the Auditor and the Commissioners and signed by the Owners of a majority of the aggregate principal amount of the outstanding Bonds or their attorneys-in-fact duly authorized. Notice of the removal of the Trustee or Registrar and Paying Agent shall be given in the same manner as provided in subsection (r) with respect to the resignation of the Trustee or Registrar and Paying Agent, respectively, and such removal shall take effect upon the appointment of a successor Trustee or a successor Registrar and Paying Agent, respectively. The Commissioners shall appoint a successor Trustee or a successor Registrar and Paying Agent immediately upon the removal of the Trustee or Registrar and Paying Agent, respectively. So long as no Event of Default, or an event which with the passage of time would become an Event of Default, shall have occurred and be continuing, the Trustee or Registrar and Paying Agent may be removed at any time, upon appointment of a successor Trustee or a successor Registrar and Paying Agent, respectively, by order of the Commissioners filed with the Trustee or a successor Registrar and Paying Agent, respectively.

(t) If the Trustee or Registrar and Paying Agent shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Owners of a majority of the aggregate principal amount of all Bonds then outstanding by an instrument or concurrent instruments in writing signed by the Owners or by their attorneys-in-fact duly authorized, a copy of which shall be delivered personally or sent by registered or certified mail to the County. Nevertheless, in case of such vacancy the Commissioners by order may appoint a temporary Trustee or a temporary Registrar and Paying Agent, respectively, to fill such vacancy. Within ninety (90) days after such appointment, the Owners may appoint a successor Trustee or a temporary Registrar and Paying Agent, respectively; and any such temporary Trustee or Registrar and Paying Agent so appointed by the Commissioners shall become the successor Trustee or a successor Registrar and Paying Agent, respectively, if no appointment is made by the Owners within such period but if an appointment is made by the Owners, such appointment shall immediately and without further act be superseded by any Trustee or Registrar and Paying Agent so appointed by such Owners. Notice of the appointment of a temporary or successor Trustee or a successor Registrar and Paying Agent, shall be given in the same manner as provided by subsection (r) with respect to the resignation of a Trustee or Registrar and Paying Agent. Every such Trustee or Registrar and Paying Agent appointed pursuant to the provisions of this Section shall be a trust company or bank having a reported capital and surplus of not less than \$50,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(u) Every successor Trustee or Registrar and Paying Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Auditor and the Commissioners an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance,

shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Auditor or the Commissioners, after the payment of all fees, charges and expenses which may be due and owing to such predecessor pursuant to the provisions of subsection (o), execute and deliver an instrument transferring to such successor Trustee or Registrar and Paying Agent, respectively, all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee or Registrar and Paying Agent shall deliver all securities, moneys and other property or documents held by it as Trustee or Registrar and Paying Agent, respectively, to its successor hereunder. Should any instrument in writing from the Commissioners or the Auditor be required by any successor Trustee or Registrar and Paying Agent for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Commissioners or the Auditor.

(v) In certain cases, it may be necessary that the Trustee or Registrar and Paying Agent, with the approval of the Commissioners or the Auditor, appoint an additional individual or institution as a separate or co-trustee or as a separate or co-registrar or co-paying agent. The following provisions of this subsection are to accomplish this end:

- (i) If the Trustee with the approval of the Commissioners appoints an additional individual or institution as a separate or co-trustee or if the Registrar and Paying Agent with the approval of the Commissioners appoints an additional individual or institution as a separate or co-registrar or paying agent, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Ordinance to be exercised by or vested in or conveyed to the Trustee or Registrar and Paying Agent, respectively, with respect thereto shall be exercisable by and vested in such separate or co-trustee or separate co-registrar or co-paying agent but only to the extent necessary to enable such separate or co-trustee, or separate or co-registrar or co-paying agent, to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee, or separate co-registrar or co-paying agent, shall run to and be enforceable by either of them.
- (ii) Should any instrument in writing from the County be required by the separate or co-trustee, or separate registrar or paying agent, so appointed by the Trustee or the Registrar and Paying Agent, respectively, for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Commissioners or the Auditor. In case any separate or co-trustee, or separate or co-registrar or co-paying agent, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or

co-trustee, registrar or paying agent so far as permitted by law, shall vest in and be exercised by the Trustee or Registrar and Paying Agent, respectively, until the appointment of a new or successor Trustee.

SECTION 21. NOTICES. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram, addressed to the appropriate Notice Address. The County, the Trustee or the Registrar and Paying Agent may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 22. BUSINESS DAYS. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a Saturday, Sunday or a day on which banking institutions located in Indianapolis, Indiana, New Castle, Indiana, the city in which the principal corporate trust office of the Trustee is located or the city in which the principal corporate trust office of the Registrar and Paying Agent is located are required or authorized by law to close or a day on which the New York Stock Exchange is closed, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity.

SECTION 23. SEVERABILITY. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 24. REPEAL OF CONFLICTING PROVISIONS. All ordinances, ordinances and orders, or parts thereof, in conflict with the provision of this Ordinance, are, to the extent of such conflict, hereby repealed or amended; provided, however, that this ordinance shall not be construed as modifying, amending or repealing the ordinances authorizing the Outstanding Bonds or as adversely affecting the rights of the holders of the aforementioned Outstanding Bonds or the Refunded Bonds.

SECTION 25. EFFECTIVE DATE. This Ordinance shall be in full force and effect immediately upon its passage and signing.

Adopted at the meeting of the Henry County Council held on the 16th day of November, 2011.

HENRY COUNTY COUNCIL

ACCEPTANCE OF OFFICE OF TRUSTEE

The undersigned hereby accepts the duties and obligations of Trustee imposed by the foregoing Ordinance. The Notice Address is:

_____,
as Trustee

By: _____

Title: _____

ATTEST:

Date: _____, 2011

EXHIBIT A

Description and Costs of Projects

<u>Expenditure</u>	<u>Estimated Cost</u>
Building/land acquisition	\$525,000
Building renovations	1,680,000
Redemption of Refunded Bonds	826,283

A motion was made by Mr. Bouslog and seconded by Mr. Thalls to adjourn the meeting.
Motion carried 5-0.

Nate LaMar, President

Richard Bouslog, Vice President

Michael Thalls

Harold Griffin

Jeff Hancock

Steve Dugger

ATTESTED BY: _____
Cheryl L. Scales, Chief Deputy Auditor