

**AN ORDINANCE OF THE TOWN OF SELLERSBURG, INDIANA,
AUTHORIZING THE INCURRENCE OF INDEBTEDNESS FOR THE
PURPOSE OF PROVIDING FUNDS TO PAY FOR CERTAIN PROJECTS
OF THE TOWN AND INCIDENTAL EXPENSES IN CONNECTION
THEREWITH**

WHEREAS, the Town Council (the “Town Council”) of the Town of Sellersburg, Indiana (the “Town”) has considered undertaking the planning and construction of certain projects of the Town as more fully described on Exhibit A attached hereto (collectively, the “Project”);

WHEREAS, the Town Council has found that it is in the best interests of the Town and its citizens to pay the costs of all or a portion of the Project through the issuance of financial obligations of the Town;

WHEREAS, the Town Council deems it advisable to issue, pursuant to IC 36-5-2-11, and other applicable provisions of the Indiana Code (collectively, the “Act”), the “Town of Sellersburg, Indiana Police Station Obligations of 2021” (the “Obligations”) in an original principal amount not to exceed One Million Eight Hundred Thousand Dollars (\$1,800,000) for the purpose of providing for the payment or reimbursement of (i) all or a portion of the costs of the Project, (ii) preliminary expenses related thereto and all incidental expenses incurred in connection therewith, (all of which are deemed to be a part of the Project), and (iii) the costs of selling and issuing the Obligations;

WHEREAS, the Town Council has been advised that the Obligations will not be used to finance a controlled project, as defined in IC 6-1.1-20-1.1;

WHEREAS, the Obligations shall not be secured by the taxing authority of the Town, and shall instead be subject to existing revenues and annual appropriation pursuant to IC 6-1.1-18, and accordingly shall not be considered bonded indebtedness of the Town for purposes of IC 6-1.1-18.5;

WHEREAS, the amount of proceeds of the Obligations allocated to pay costs of the Project, together with any estimated investment earnings thereon, does not exceed the cost of the Project as estimated by the Town Council;

WHEREAS, the Town Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the Obligations have been complied with in accordance with the Act; and

WHEREAS, Section 1.150-2 of the United States Treasury Regulations (the “Reimbursement Regulations”) specifies conditions under which a reimbursement allocation may be treated as an expenditure of proceeds, and the Town intends by this ordinance to qualify any

amounts advanced by the Town to the Project for reimbursement from proceeds of the Obligations in accordance with the requirements of the Reimbursement Regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SELLERSBURG, INDIANA THAT:

SECTION 1. Authorization for Obligations. In order to provide financing for the Project and incidental expenses incurred in connection therewith and on account of the issuance of the Obligations, the Town shall borrow money and issue the Obligations as herein authorized. The Town reasonably expects to reimburse any previously incurred expenditures for the Project with proceeds of the Obligations and this constitutes a declaration of official intent pursuant to Treasury Regulation 1.150-2(e) and IC 5-1-14-6(c).

SECTION 2. General Terms of Obligations. In order to procure funds for the Project, the Clerk-Treasurer, as the fiscal officer of the Town, is hereby authorized and directed to have prepared and to issue a promissory note or bond of the Town in an amount not to exceed One Million Eight Hundred Thousand Dollars (\$1,800,000) (the "Authorized Amount"), to be designated "Town of Sellersburg, Indiana Police Station Obligations of 2021" or similar designation for the purpose of providing financing for the Project and incidental expenses, such expenses to include without limitation all expenses of every kind incurred preliminary to the funding of the Project and the costs of issuing the Obligations, including any origination fees charged by the purchasers of the Obligations.

The Obligations shall be signed in the name of the Town by the manual or facsimile signature of the President of the Town Council (the "President") and attested by the manual or facsimile signature of the Clerk-Treasurer of the Town (the "Clerk-Treasurer"), who may affix the seal of the Town, if necessary and if any, to each of the promissory notes or bonds, as appropriate, manually or may have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears on the Obligations shall cease to be such officer before the delivery of the Obligations, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof.

The Obligations may be, as to all the principal thereof and interest due thereon, payable from the Town's General Fund, or such other revenues as may be available to the Town. The Obligations shall be unsecured and subject to existing revenues and annual appropriation pursuant to I.C. 6-1.1-18.

Principal and Interest on the Obligations shall be payable in equal semiannual installments commencing on January 1, 2022. Interest on the Obligations shall accrue at a rate or rates not exceeding three and 00/100 percent (3.00%) per annum calculated on a 365/365 simple interest basis, or upon such other terms as may be determined by the President and the Clerk-Treasurer upon consultation with the Town's municipal advisor. The final maturity of the Obligations shall be no later than July 1, 2041, however the Town shall have the right to prepay the outstanding principal amount of the Obligations at any time without prepayment penalty, or upon such other terms as may be determined by the President and the Clerk-Treasurer upon consultation with the Town's municipal advisor.

SECTION 3. Terms of Prepayment. The President and the Clerk-Treasurer, upon consultation with the Town's municipal advisor, may designate any amount of Obligations that shall be subject to mandatory sinking fund prepayment on the corresponding prepayment dates, and in the amounts so approved. Except as otherwise set forth in this Ordinance, the President and the Clerk-Treasurer, upon consultation with the Town's municipal advisor, are hereby authorized and directed to determine the terms governing any such prepayment, as evidenced by the delivery of the Obligations.

SECTION 4. Form of Obligations. The form and tenor of the Obligations shall be in such form as determined appropriate by the Town Council President as evidenced by his manual signature on any such documents as attested by the Clerk-Treasurer, provided that the terms of any such document shall not be inconsistent with this Ordinance.

SECTION 5. Sale of Obligations. The Obligations shall be sold in a negotiated or public sale pursuant to IC 5-1-11-1. The Clerk-Treasurer shall cause to be published a notice of preliminary determination once each week for two consecutive weeks per IC 5-3-1-2. The date fixed for the sale shall not be earlier than fifteen (15) days after the adoption of this Ordinance.

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

The Clerk-Treasurer is hereby authorized and directed to obtain a legal opinion as to the validity of the Obligations from Jacob C. Elder, Attorney-at-Law, and as to the tax-exempt status of the interest on the Obligations from Frost Brown Todd LLC, and to furnish such opinions to the purchasers of the Obligations. The cost of such opinions shall be paid out of the proceeds of the Obligations.

SECTION 6. Use of Proceeds. The Clerk-Treasurer is hereby authorized to create a new fund designated the Town of Sellersburg, Indiana 2021 Police Station Fund (the "Police Station Fund"). The proceeds received from the Obligations shall be deposited in the Police Station Fund and be used to pay expenses incurred in connection with the Project together with the expenses incidental thereto on account of the issuance of the Obligations. The proceeds deposited in the Police Station Fund shall be expended only for the purpose of paying expenses incurred in connection with the Project together with the expenses incidental thereto and on account of the issuance of the Obligations. Any balance remaining in the Police Station Fund after the completion of the Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the issuance of the Obligations may be used to pay debt service on the Obligations or otherwise used as permitted by law. The Clerk-Treasurer is hereby authorized to create a new fund designated the 2021 Obligation Sinking Fund (the "2021 Obligation Sinking Fund") into which any other funds to be used to pay debt service on the Obligations shall be deposited prior to the payment of principal, interest and premium, if any, on the Obligations. Any surplus remaining in the Police Station Fund after all costs and expenses are fully paid shall be transferred to the 2021 Obligation Sinking Fund.

SECTION 7. Defeasance. If, when the Obligations or any portion thereof shall have become due and payable in accordance with their terms irrevocable instructions to prepay the

Obligations or any portion thereof have been given, and the whole amount of the principal and the interest so due and payable or any portion thereof then outstanding shall be paid, or cash shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Obligations or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

SECTION 8. Tax Covenants. In order to preserve the exclusion of interest on the Obligations from gross income for federal income tax purposes and as an inducement to purchasers of the Obligations, the Town represents, covenants and agrees that:

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

(b) No person or entity, other than the Town or another state or local governmental unit, will use proceeds of the Obligations or property financed by the proceeds of the Obligations other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by the proceeds of the Obligations or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as a take-or-pay or output contract, or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(c) No proceeds of the Obligations will be loaned to any entity or person other than a state or local governmental unit. No proceeds of the Obligations will be transferred, directly or indirectly, or deemed transferred to a non-governmental person in any manner that would in substance constitute a loan of the proceeds of the Obligations.

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

(e) The Town will not make any investment or do any other act or thing during the period that any Obligations are outstanding hereunder which would cause the Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Obligations.

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

SECTION 9. Amendments. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Obligations then outstanding shall have the right, from time to time, to consent to and approve the adoption by the Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on the Obligations, without the consent of the holder of any Obligations so affected; or

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

(c) A preference or priority of the Obligations over any other indebtedness of the Town, without the consent of the holders of all Obligations then outstanding; or

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

Whenever at any time within one (1) year after the date of the mailing of such notice, the Town shall receive any instrument or instruments purporting to be executed by the owners of the Obligations of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Obligations then outstanding, which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, but not otherwise, the Town may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the Obligations, whether or not such owners shall have consented thereto.

No owner of any Obligation shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Town or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the

Town and all owners of Obligations then outstanding, shall thereafter be determined exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the Town and of the owners of the Obligations, and the terms and provisions of the Obligations and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the Obligations then outstanding.

Without notice to or consent of the owners of the Obligations, the Town may, from time to time and at any time, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental ordinances shall thereafter form a part hereof),

- (a) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance; or
- (b) To grant to or confer upon the owners of the Obligations any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Obligations; or
- (c) To procure a rating on the Obligations from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the Obligations; or
- (d) To obtain or maintain insurance with respect to the Obligations; or
- (e) To provide for the prepayment, refunding or advance refunding of the Obligations; or
- (f) To make any other change which, in the determination of the Town Council in its sole discretion, is not to the prejudice of the owners of the Obligations.

SECTION 10. Other Action. The appropriate officers are hereby authorized to take all actions to obtain a rating, insurance or any other form of credit enhancement for the Obligations if economically feasible and desirable and with the favorable recommendation of the municipal advisors to the Town. In addition, the appropriate officers of the Town are hereby authorized and directed to take any other action deemed necessary or advisable in order to effectuate the acquisition, construction and equipping of the Project, the issuance of the Obligations, or any other purposes of this Ordinance, including without limitation, the execution of any documents deemed necessary by the President or the Clerk-Treasurer of the Town.

SECTION 11. No Conflict. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed. After the issuance of the Obligations and so long as any of the Obligations or interest thereon

remains unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Obligations, nor shall the Town adopt any law, ordinance or resolution which in any way adversely affects the rights of such holders.

SECTION 12. Severability; Interpretation. 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. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

SECTION 13. Holidays, Etc. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the Town are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

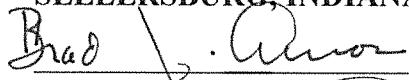
SECTION 14. Interpretation. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

SECTION 15. Effectiveness. This Ordinance shall be in full force and effect from and after its adoption and the procedures required by law. Upon payment in full of the principal and interest respecting the Obligations authorized hereby or upon deposit of an amount sufficient to pay when due such amounts in accord with the defeasance provisions herein, all pledges, covenants and other rights granted by this ordinance shall cease.


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SAID ORDINANCE is hereby passed and adopted by the Town Council of the Town of Sellersburg, Indiana, this 23rd day of August, 2021.

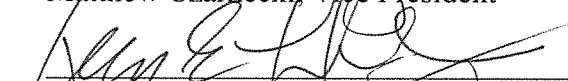
**TOWN COUNCIL OF THE TOWN OF
SELLERSBURG, INDIANA**




Brad Amos, President




Matthew Czarnecki, Vice President



Terry Langford, Member

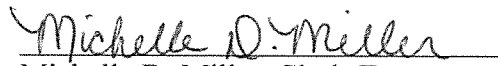


Scott McVoy, Member



Randall Mobley, Member

Attest:



Michelle D. Miller, Clerk-Treasurer

Exhibit A

PROJECT DESCRIPTION

The Project shall consist of the acquisition of certain real property located at 8757 Old Highway 60, Sellersburg, Indiana 47172 and an existing structure constructed thereon, and the redevelopment and repurposing the same as a police station and any related improvements.

4812-5960-9332v8

