

RESOLUTION NO. 2014-18

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DEPARTMENT OF STORM WATER MANAGEMENT OF THE TOWN OF GRIFFITH, INDIANA, AUTHORIZING THE ISSUANCE OF SPECIAL TAXING DISTRICT BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED TO THE REFUNDING OF CERTAIN OUTSTANDING STORM WATER DISTRICT BONDS, AND ALL RELATED MATTERS

WHEREAS, the Town Council of the Town of Griffith, Indiana (the “**Town**”) has, pursuant to Indiana Code 8-1.5-5, created a Department of Storm Water Management for the Town, being the governing body of the Storm Water District of the Town (the “**District**” or “**Storm Water District**”), which is treated as a special taxing district pursuant to Indiana Code 8-1.5-5; and

WHEREAS, pursuant to Resolution No. 2004-2, entitled “Final Bond Resolution of the Board of Directors of the Department of Storm Water Management of the Town of Griffith, Indiana,” adopted by the Board of Directors of the Department of Storm Water Management of the Town (the “**Board**”) on March 30, 2004 (the “**2004 Resolution**”), the District has heretofore caused to be issued in the name of the Town the “Town of Griffith Storm Water District Bonds of 2004” (the “**Prior Bonds**”) in the original principal amount of \$7,700,000, payable from a special benefits tax and as otherwise provided in the 2004 Resolution, said Prior Bonds currently outstanding in the principal amount of \$5,130,000, and maturing annually over a period ending on February 15, 2025; and

WHEREAS, the Board finds that the Prior Bonds should be refunded to obtain a reduction in interest payments and effect a savings to the District (the “**Refunding**”); that the Refunding of the Prior Bonds, together with redemption premium and accrued interest thereon and including all costs related to the refunding, cannot be provided for out of funds of the District now on hand and that the Refunding should be accomplished by the issuance of special taxing district bonds of the District; and

WHEREAS, the Board has found that it is beneficial to currently refund the Prior Bonds pursuant to the provisions of Indiana Code 5-1-5 to enable the District to obtain a reduction in interest payments and effect a savings to the District and hereby authorizes the same by issuance of refunding bonds (the “**Refunding Bonds**” or the “**2014 Bonds**”); and

WHEREAS, the Refunding Bonds will constitute special taxing district bonds of the District payable from a special benefits tax to be levied on all taxable property in the District, subject to the provisions of Indiana law and the terms and restrictions of this Resolution; and

WHEREAS, the Board now finds that all conditions precedent to the adoption of a resolution authorizing the issuance of the Refunding Bonds have been complied with in accordance with the provisions of Indiana Code 8-1.5 and Indiana Code 5-1-5, each as in effect on the date of delivery of the Refunding Bonds authorized herein (collectively, the “**Act**”);

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DEPARTMENT OF STORM WATER MANAGEMENT OF THE TOWN OF GRIFFITH AS FOLLOWS:

Section 1. **Authorization for Bonds.** In order to provide for the current refunding of the Prior Bonds, the Town shall borrow money and issue the Refunding Bonds as herein authorized.

Section 2. **General Terms of Bonds.** In order to procure said loan for such purposes, the Board hereby authorizes the issuance of the Refunding Bonds as described herein. The Clerk-Treasurer of the Town (the "**Clerk-Treasurer**") is hereby authorized and directed to have prepared and to issue and sell negotiable special taxing district bonds of the Storm Water District in an amount not to exceed Five Million Three Hundred Thousand Dollars (\$5,300,000), to be designated "Town of Griffith, Indiana, Storm Water District Refunding Bonds, Series 2014" for the purpose of providing for the Refunding of the Prior Bonds and incidental expenses, such expenses to include without limitation all costs of issuing the Refunding Bonds. Such Refunding Bonds shall be signed in the name of the Town, acting for and on behalf of the Storm Water District, by the manual or facsimile signature of the President of the Town Council and attested by the manual or facsimile signature of the Clerk-Treasurer of the Town, who shall affix the seal of the Town to each of the Refunding Bonds manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears on the Refunding Bonds shall cease to be such officer before the delivery of the Refunding Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The Refunding Bonds shall also be authenticated by the manual signature of the Registrar (as hereafter defined).

The Refunding Bonds are, as to all the principal thereof and interest due thereon, obligations of the Storm Water District, as a special taxing district, payable from special ad valorem property taxes on all taxable property within the Storm Water District pursuant to Indiana Code §8-1.5-5.

The Refunding Bonds shall be issued in fully registered form in such denominations as the Clerk-Treasurer of the Town shall determine prior to the sale of the Refunding Bonds, shall be numbered consecutively from 1 upward, shall be originally dated as of the first day of the month in which the Refunding Bonds are sold or the date of issuance as determined by the Clerk-Treasurer, and shall bear interest payable semiannually commencing not sooner than August 15, 2014, and each February 15 and August 15 thereafter at a rate or rates not exceeding four and one-half percent (4.5%) per annum (the exact rate or rates to be determined by negotiation with the Purchaser (as defined below)). Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. The Refunding Bonds shall mature serially or be subject to mandatory sinking fund redemption on February 15 and August 15 of each year beginning not sooner than August 15, 2014, in such principal amounts as shall be determined by the Clerk-Treasurer, and having a final maturity date not later than February 15, 2025.

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All or a portion of the Refunding Bonds may be issued as one or more term bonds, as determined by the Clerk-Treasurer of the Town prior to the sale of the Refunding Bonds. Such term bonds shall have a stated maturity or maturities consistent with the principal payment schedule to be established as described above. The term bonds shall be subject to mandatory sinking fund redemption and final payments at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are in accordance with the schedule to be determined in accordance with the above paragraph.

All payments of interest on the Refunding Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the last day of the month preceding the date on which interest is payable (the "**Record Date**") at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent (as hereafter defined) in writing by such registered owner. Each registered owner of \$1,000,000 or more in principal amount of Refunding Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All principal payments on the Refunding Bonds shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent, in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts, or in the case of a registered owner of \$1,000,000 or more in principal amount of Refunding Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

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

Each Refunding Bond shall be transferable or exchangeable only upon the books of the Storm Water District kept for that purpose by the Registrar, by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Refunding Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered Refunding Bond or Bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the Storm Water District, except for any tax or governmental charge required to be paid in connection therewith, which shall be payable by the person requesting such transfer or exchange. The Registrar and Paying Agent will not be required to (i) register, transfer or exchange any Refunding Bond during the period of 15 days next preceding mailing of a notice of redemption of any Refunding Bonds, or (ii) to register, transfer or exchange any Refunding Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call. The Storm Water District, Registrar and Paying Agent may treat and consider the persons in whose names such Refunding Bonds are

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registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

In the event any Refunding Bond is mutilated, lost, stolen or destroyed, the President of the Town Council and the Clerk-Treasurer may execute and the Registrar may authenticate a new bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new bond shall be marked in a manner to distinguish it from the bond for which it was issued, provided that, in the case of any mutilated bond, such mutilated bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the Storm Water District and the Registrar, together with indemnity satisfactory to them. In the event any such bond shall have matured, instead of issuing a duplicate bond, the Storm Water District and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The Storm Water District and the Registrar may charge the owner of such Refunding Bond with their reasonable fees and expenses in this connection. Any bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the Storm Water District, whether or not the lost, stolen or destroyed Refunding Bond shall be found at any time, and shall be entitled to all the benefits of this Resolution, equally and proportionately with any and all other Refunding Bonds issued hereunder.

Section 3. Terms of Redemption. The Refunding Bonds may be called for redemption at the option of the District no sooner than February 15, 2022, as determined by the Clerk-Treasurer prior to the sale of the Refunding Bonds, and on any date thereafter, on thirty (30) days' notice, in whole or in part, in the order and amounts of maturity determined by the District and by lot within a maturity, at a price of par plus accrued interest to the date fixed for redemption.

If any Refunding Bond is issued as a term bond, the Registrar shall credit against the mandatory sinking fund requirement for the Refunding Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the District, any term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the District and not theretofore applied as a credit against any redemption obligation. Each term bond so delivered or canceled shall be credited by the Registrar at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date for that term bond. Any excess of such amount shall be credited on future redemption obligations, and the principal amount of that term bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced.

If less than an entire maturity of the Refunding Bonds is called for redemption at one time, the Bonds to be called shall be selected by lot by the Registrar. Each portion of a Refunding Bond in the authorized minimum principal amount shall be considered a separate Refunding Bond for purposes of optional and mandatory redemption. If some Refunding Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Refunding Bonds for optional redemption before selecting the Refunding Bonds by lot for the mandatory sinking fund redemption.

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In either case, notice of redemption shall be mailed to the address of the registered owner as shown on the registration records of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless notice is waived by the owner of the Refunding Bond or Refunding Bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Refunding Bonds called for redemption. The place of redemption may be determined by the District. Interest on the Refunding Bonds so called for redemption shall cease and the Refunding Bonds will no longer be deemed outstanding under this resolution on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price, including accrued interest to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any Refunding Bond shall not affect the validity of any proceedings for redemption of other Refunding Bonds.

If the Refunding Bonds are not presented for payment or redemption on the date fixed therefor, the District may deposit in trust with the Paying Agent, an amount sufficient to pay such Refunding Bond or the redemption price, as the case may be, including accrued interest to the date of such payment or redemption, and thereafter the registered owner shall look only to the funds so deposited in trust with the Paying Agent for payment, and the District shall have no further obligation or liability in respect thereto.

Section 4. **Appointment of Registrar and Paying Agent.** The Clerk-Treasurer may serve or may appoint a financial institution or other qualified entity or person to serve as registrar and paying agent for the Refunding Bonds (the “**Registrar**” or “**Paying Agent**”). The Registrar is hereby charged with the responsibility of authenticating the Refunding Bonds, and shall keep and maintain at its principal corporate trust office books for the registration and transfer of the Refunding Bonds. The President of the Board is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of the Registrar and Paying Agent. The Clerk-Treasurer is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days written notice to the Clerk-Treasurer and to each registered owner of the Refunding Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the Storm Water District. Such notice to the Clerk-Treasurer may be served personally or be sent by first-class or registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the Storm Water District, in which event the Storm Water District may appoint a successor Registrar and Paying Agent. The Storm Water District shall notify each registered owner of the Refunding Bonds then outstanding of the removal of the Registrar and Paying Agent. Notices to registered owners of the Refunding Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the bond register. Any predecessor Registrar and Paying Agent shall deliver all the Refunding Bonds, cash and investments in its possession and the bond register to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

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Section 5. **Form of Bonds; Book-Entry Only System.** The form and tenor of the Refunding Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

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UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF LAKE

TOWN OF GRIFFITH, INDIANA
STORM WATER DISTRICT REFUNDING BOND, SERIES 2014

Interest Rate	Maturity Date	Original Date	Authentication Date	CUSIP
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REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS (\$_____)

The Town of Griffith, in Lake County, Indiana (the "Town"), acting for and on behalf of the Storm Water District of the Town of Griffith, Indiana (the "Storm Water District") for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above (unless this Bond is subject to and is called for redemption prior to maturity as hereafter provided), and to pay interest thereon until the Principal Sum shall be fully paid, at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the last day of the month prior to the date on which interest is payable (the "Record Date") and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____, in which case it shall bear interest from the Original Date, which interest is payable semiannually commencing _____ 15, 201_ and on each February 15 and August 15 thereafter. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of and premium, if any, on this bond are payable at the principal corporate trust office of _____ (the "Registrar" or "Paying Agent"), in _____, Indiana. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof as of the Record Date at the address as it appears on the

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registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Each registered owner of \$1,000,000 or more in principal amount of bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal corporate trust office of the Paying Agent 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, or in the case of a Registered Owner of \$1,000,000 or more in principal amount of bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law, and that this bond and the total issue of the bonds is within every limit of indebtedness as prescribed by the constitution and laws of the State of Indiana.

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

This bond is one of an authorized issue of negotiable special taxing district bonds of the Storm Water District, of like original date, tenor and effect, except as to denomination, numbering, interest rates, redemption terms, and dates of maturity, in the total amount of _____ Dollars (\$_____), numbered consecutively from 1 upward, issued for the purpose of providing funds for the current refunding of the Town of Griffith Storm Water District Bonds of 2004 and the costs of the issuance of bonds therefor, as authorized by Resolution No. _____ adopted by the Board of the Storm Water District on the ____ day of _____, 2014, entitled "RESOLUTION OF THE BOARD OF DIRECTORS OF THE DEPARTMENT OF STORM WATER MANAGEMENT OF THE TOWN OF GRIFFITH, INDIANA, AUTHORIZING THE ISSUANCE OF SPECIAL TAXING DISTRICT BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED TO THE REFUNDING OF CERTAIN OUTSTANDING STORM WATER DISTRICT BONDS, AND ALL RELATED MATTERS" (the "Resolution"), and in accordance with the provisions of the Indiana Code and other applicable laws, as amended (collectively, the "Act"). The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Resolution and the Act.

This bond and the issue of bonds of which it is a part have NOT been designated as qualified tax-exempt obligations to qualify the bonds for the \$10,000,000 exception from the provisions of Section 265(b) of the internal

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Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

The bonds of this issue maturing on and after _____, _____, are redeemable at the option of the District, on _____", _____, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the District and by lot within a maturity, at face value, plus accrued interest to the date fixed for redemption, and without premium.

[The bonds maturing on _____ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on _____ on the dates and in the amounts set forth below:

<u>Date</u>	<u>Amount</u>
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*Final Maturity]

If less than an entire maturity of the bonds is called for redemption at one time, the bonds to be called shall be selected by lot by the Registrar. Each _____ Dollars (\$_____) principal amount shall be considered a separate bond for purposes of optional [and mandatory] redemption. [If some bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the bonds for optional redemption before selecting the bonds by lot for the mandatory sinking fund redemption.]

Notice of redemption shall be mailed to the address of the registered owner as shown on the registration record of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless said notice is waived by the registered owner of this bond. Any notice shall specify the date and place of redemption and sufficient identification of the bonds called for redemption. The place of redemption may be determined by the District. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price, including interest accrued to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any bond shall not affect the validity of any proceedings for redemption of other bonds.

This bond is subject to defeasance prior to payment or redemption as provided in the Resolution.

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

This bond is transferable or exchangeable only upon the books of the Storm Water District kept for that purpose at the office of the Registrar by the Registered Owner in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount, and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the Registered Owner, as the case may be, in exchange therefor. The Registrar and Paying Agent will not be required to (i) register, transfer or exchange any bond during the period of 15 days next preceding mailing of a notice of redemption of 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 Storm Water District, any registrar and any paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest and premium, if any, due hereon.

The bonds are issuable only in fully registered form in the denomination of \$_____ or any integral multiples of \$_____ in excess thereof.

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

IN WITNESS WHEREOF, the Board of Directors of the Department of Storm Water Management of the Town of Griffith, Indiana, in Lake County, Indiana, has caused this bond to be executed in the name of the Town, for and on behalf of the Storm Water District of the Town, by the manual or facsimile signatures of the duly elected, qualified and acting President of the Town Council, and the corporate seal of the Town to be hereunto affixed, imprinted

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or impressed by any means and attested manually or by facsimile by the Clerk-Treasurer of the Town.

TOWN OF GRIFFITH,
INDIANA

By _____
President of Town Council

(SEAL)

ATTEST:

Clerk-Treasurer

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

_____, as Registrar

By _____
Authorized Representative

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

TEN. COM. as tenants in common

TEN. ENT. as tenants by the entirety

JT. TEN. as joint tenants with right of survivorship and
not as tenants in common

UNIF. TRANS.

MIN. ACT

_Custodian

(Cust.)

(Minor)

under Uniform Transfers to Minors Act of
_____ (State)

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

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FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please Print or Typewrite Name and Address) \$_____ principal amount (must be a multiple of \$_____ or an integral multiple of \$_____ in excess thereof) of the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints, attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

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

Signature Guaranteed:

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

(End of Bond Form)

The Refunding Bonds may, in compliance with all applicable laws, initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the Storm Water District from time to time (the "*Clearing Agency*"), without physical distribution of bonds to the purchasers. The following provisions of this section apply in such event.

One definitive Refunding Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The Storm Water District and the Registrar and Paying Agent may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Refunding Bonds as are necessary or appropriate to accomplish or recognize such book-entry form Refunding Bonds.

During any time that the Refunding Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such Refunding Bond may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (2) the Clearing Agency in whose name such Refunding Bond is so registered shall be, and the Storm Water District and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Refunding Bond for all purposes of this Resolution, including, without limitation, the receiving of payment of the principal of and interest and premium, if any, on such Refunding Bond, the receiving of notice and giving of consent; (3) neither the Storm Water District nor the Registrar or Paying Agent shall have any responsibility or

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obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Refunding Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Refunding Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Refunding Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any Refunding Bond called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption.

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

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

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

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Section 6. **Sale of Bonds.** The Board, having satisfied all the statutory requirements for the issuance of the Refunding Bonds, may issue the Refunding Bonds to a financial institution, underwriter or any other purchaser (the "**Purchaser**") at a price not less than 99.25% of the par amount thereof pursuant to a bond purchase agreement, in such form as shall be approved by the Clerk-Treasurer with the advice of by Barnes & Thornburg LLP.

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

In connection with the sale of the Refunding Bonds, the President of the Board of Directors of the Storm Water District and the Secretary of the Board of Directors of the Storm Water District are each authorized to take such actions and to execute and deliver such agreements and instruments as they deem advisable to sell the Refunding Bonds, obtain a rating or to purchase bond insurance for the Refunding Bonds, and the taking of such actions and the execution and delivery of such agreements and instruments are hereby approved.

The President of the Board of Directors of the Storm Water District is hereby authorized and directed to obtain a legal opinion as to the validity of the Refunding Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the Refunding Bonds or to cause a copy of said legal opinion to be printed on each Refunding Bond. The cost of such opinion shall be paid out of the proceeds of the Refunding Bonds.

Section 7. **Disposition of Proceeds of the Refunding Bonds.** Concurrently with the delivery of the Refunding Bonds, the Clerk-Treasurer shall acquire, with the proceeds of the Refunding Bonds and cash on hand, investments as permitted under the 2004 Resolution (the "**Obligations**") to be used, together with cash on hand, if any, as set forth in an escrow agreement (if any) (the "**Escrow Agreement**"), to currently refund the Refunded Bonds all as set forth in the Escrow Agreement (if any); provided, however, that the Clerk-Treasurer may determine to hold such funds uninvested until the date of redemption. In order to currently refund the Refunded Bonds, the Clerk-Treasurer shall deposit the Obligations and/or cash with the Escrow Trustee (if any) under the Escrow Agreement (if any) in an amount sufficient to provide moneys for the payment of the principal of and interest on the Refunded Bonds until and as soon as the Refunded Bonds may be called for redemption. In the event an Escrow Agreement is not used and an Escrow Trustee is not engaged, then the Clerk-Treasurer shall deposit the full amount of cash necessary in the Revenue Fund (as hereinafter defined) in order to fully redeem the Refunded Bonds at the earliest opportunity. The proper officers of the Town and the District are hereby authorized to enter into the Escrow Agreement on behalf of the Town and/or the District having such terms as such officers shall deem appropriate.

Costs of issuance of the Refunding Bonds not otherwise paid shall be paid from the remaining proceeds by the Clerk-Treasurer. When all the costs of issuance of the Refunding Bonds have been paid, the Clerk-Treasurer shall then transfer any amount then remaining from the proceeds of the Refunding Bonds to the Revenue Fund herein created.

Each of the funds and accounts of the District relating to the Refunding Bonds shall be continued to be deposited, held, secured or invested in accordance with the laws of the State of

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Indiana relating to the depositing, holding, securing or investing of public funds, including, particularly, applicable provisions of Indiana Code 5-13-9, as amended. Any interest or income derived from any such investments shall become a part of the moneys in the fund or account so invested.

Section 8. **Bond Fund.** There is hereby created a separate fund, designated as the "Town of Griffith Storm Water District Refunding Bond Fund" (the "*Bond Fund*"), which shall be applied to the payment of the principal and interest on the Refunding Bonds, and all other bonds payable from the special tax collected by the Storm Water District as contemplated hereby, and to no other purpose not allowed under Indiana Code §8-1.5-5.

Section 9. **Defeasance.** If, when the Refunding Bonds or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Refunding Bonds or any portion thereof for redemption have been given, and the whole amount of the principal, premium, if any, and the interest so due and payable upon all of such bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of or unconditionally guaranteed by (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient moneys, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Refunding Bonds or any designated portion thereof shall no longer be deemed outstanding or secured by this Resolution.

Section 10. **Tax Covenants.** In order to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Refunding Bonds, the Storm Water District represents, covenants and agrees that:

(a) No person or entity, other than the Storm Water District or another state or local governmental unit, will use proceeds of the Refunding Bonds or property refinanced by the Refunding Bond proceeds other than as a member of the general public. No person or entity other than the Storm Water District or another state or local governmental unit will own property refinanced by Refunding Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as 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.

(b) No Refunding Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No Refunding Bond proceeds 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 Refunding Bond proceeds.

(c) The Storm Water District will not take any action or fail to take any action with respect to the Refunding Bonds that would result in the loss of the exclusion from

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gross income for federal income tax purposes of interest on the Refunding Bonds pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the Refunding Bonds (the “**Code**”), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on Refunding Bond proceeds or other monies treated as Refunding Bond proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

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

(e) The Storm Water District will not make any investment or do any other act or thing during the period that any Refunding Bond is outstanding hereunder which would cause any Refunding Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Refunding Bonds.

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

Section 11. **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 Refunding Bonds then outstanding shall have the right, from time to time, to consent to and approve the adoption by the Storm Water District of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the Storm Water District for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Resolution, or in any supplemental resolution; 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 any Refunding Bond or an advancement of the earliest redemption date on any Refunding Bond, without the consent of the holder of each Refunding Bond so affected; or

(b) A reduction in the principal amount of any Refunding Bond or the redemption premium 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 Refunding Bond so affected; or

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

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

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

Whenever at any time within one year after the date of the mailing of such notice, the Storm Water District shall receive any instrument or instruments purporting to be executed by the owners of the Refunding Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the Refunding Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental resolution described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the Storm Water District may adopt such supplemental resolution in substantially such form, without liability or responsibility to any owners of the Refunding Bonds, whether or not such owners shall have consented thereto.

No owner of any Refunding Bond shall have any right to object to the adoption of such supplemental resolution 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 Storm Water District or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental resolution pursuant to the provisions of this section, this Resolution shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Storm Water District and all owners of Refunding Bonds then outstanding, shall thereafter be determined, exercised and enforced in accordance with this Resolution, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Resolution, the rights and obligations of the Storm Water District and of the owners of the Refunding Bonds, and the terms and provisions of the Refunding Bonds and this Resolution, or any supplemental resolution, may be modified or altered in any respect with the consent of the Storm Water District and the consent of the owners of all the Refunding Bonds then outstanding.

Without notice to or consent of the owners of the Refunding Bonds, the Storm Water District may, from time to time and at any time, adopt such resolutions supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental resolutions shall thereafter form a part hereof),

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

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

(c) To procure a rating on the Refunding Bonds from a nationally recognized securities rating agency designated in such supplemental resolution, if such supplemental resolution will not adversely affect the owners of the Refunding Bonds; or

(d) To obtain or maintain bond insurance with respect to the Refunding Bonds; or

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

(f) To make any other change which, in the determination of the Storm Water District in its sole discretion, is not to the prejudice of the owners of the Refunding Bonds.

Section 12. Approval of Official Statement and Continuing Disclosure Undertaking. The President and Secretary of the Storm Water District are hereby authorized, if necessary, to deem final an official statement with respect to the Refunding Bonds, as of its date, in accordance with the provisions of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the “**SEC Rule**”), subject to completion as permitted by the SEC Rule, and the Board further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the Secretary of the Storm Water District in the form of a final official statement.

If deemed necessary to comply with federal securities laws, the proper officers of the District and/or the Town are hereby authorized to execute and deliver a Continuing Disclosure Undertaking Agreement upon delivery of the Refunding Bonds. Notwithstanding any other provision of this resolution, failure of the District or the Town to comply with the Continuing Disclosure Undertaking Agreement shall not be considered an event of default under the Refunding Bonds or this resolution.

Section 13. Other Actions. The President of the Town Council, the Clerk-Treasurer, the President of the Storm Water District, or the Secretary of the Storm Water District may take such other actions or deliver such other certificates and documents needed for the Refunding as they deem necessary or desirable in connection therewith.

Section 14. No Conflict. All resolutions, resolutions, and orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed. After the issuance of the Refunding Bonds and so long as any of the Refunding Bonds or interest or premium, if any, thereon remains unpaid, except as expressly provided herein, this Resolution shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Refunding Bonds, nor shall the Storm Water District adopt any law, resolution or resolution which in any way adversely affects the rights of such holders.

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Section 15. **Severability.** If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

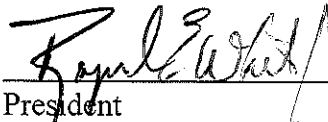
Section 16. **Holidays, *Etc.*** If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall be a legal holiday or a day on which banking institutions in the Storm Water District or the city or town in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Resolution, and no interest shall accrue for the period after such nominal date.

Section 17. **Effectiveness.** This Resolution shall be in full force and effect from and after its passage.

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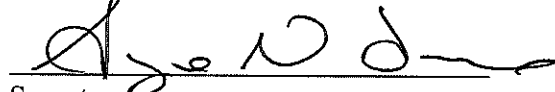
Adopted by the Board of Directors of the Department of Storm Water Management of the Town of Griffith, Indiana, on this 20th day of May, 2014.

BOARD OF DIRECTORS OF THE
DEPARTMENT OF STORM WATER
MANAGEMENT, GRIFFITH, INDIANA



President

ATTEST:



Secretary