

**THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK**

RESOLUTION NO.2, 2013

WHEREAS, The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank") is a public body corporate and politic created and existing under the authority of Indiana Code 5-1.4, as amended (the "Act"), for the purpose of purchasing and selling "securities" and making loans to "qualified entities" (as those terms are defined in the Act); and

WHEREAS, the Bond Bank has previously established and implemented a program under which the Bond Bank issued its bonds designated as "The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2003 B", dated May 29, 2003, in the original aggregate principal amount of \$12,310,000 (the "2003 B Bonds"), pursuant to the Trust Indenture, dated as of January 15, 1997, between the Bond Bank and The Bank of New York Mellon Trust Company, N.A. (formerly Bank One Trust Company, National Association (successor to Bank One, Indianapolis, NA)), as trustee (the "Prior Trustee"), as amended and supplemented by the First Supplemental Trust Indenture, dated as of May 1, 2003 (collectively, the "Prior Indenture"), for the purpose of providing funds to purchase the bonds of the Indianapolis-Marion County Building Authority (the "Qualified Entity") designated as the "Indianapolis-Marion County Building Authority Arrestee Processing Center Lease Rental Revenue Bonds of 2003", dated May 29, 2003, in the original aggregate principal amount of \$12,310,000 (the "Prior Qualified Obligations"), which were issued by the Qualified Entity to fund improvements to a building located in the City of Indianapolis, Indiana for use as an intake processing, holding and housing facility for persons in the custody of law enforcement, retire an outstanding note of the Qualified Entity, and pay capitalized interest and costs of issuance on the Prior Qualified Obligations; and

WHEREAS, as of January 15, 2013, the 2003 B Bonds will be outstanding in the aggregate principal amount of \$7,475,000 (the "Refunded Bonds") and will be subject to optional redemption prior to maturity thereof on any date on or after January 15, 2013 at a redemption price equal to the face amount thereof plus accrued interest to the date of redemption; and

WHEREAS, pursuant to the terms of the Prior Qualified Obligations, the Qualified Entity has the right to redeem any of its Prior Qualified Obligations maturing on or after January 1, 2014 on any date on or after January 1, 2013 (the "Call Rights"); and

WHEREAS, the Board of Directors of the Bond Bank (the "Board") has met in public session and now desires to establish a program, through the issuance of the Bond Bank's special obligation revenue refunding bonds, in order to provide funds to: (a) effect a current refunding of all of the Refunded Bonds, subject to the terms and conditions set forth herein (clause (a), collectively, the "Refunding"); (b) induce the Qualified Entity to waive its Call Rights by providing the Qualified Entity with a credit against a portion of the amount owed (the "Call Rights Waiver Credit") on its Amended Qualified Obligations (as hereinafter defined), thereby sharing a portion of the economic benefits from the Refunding with the Qualified Entity; and (c)

pay all costs incidental to or on account of the issuance of such refunding bonds and the program (clauses (a) through (c), collectively, the "Refunding Program"); and

WHEREAS, pursuant to the Refunding Program, the Qualified Entity will waive its Call Rights and, in order to evidence such waiver, will execute and deliver its amended qualified obligations (the "Amended Qualified Obligations") to the Bond Bank (which Amended Qualified Obligations shall not be subject to optional redemption), in exchange for (a) receiving a Call Rights Waiver Credit, and (b) the cancellation by the Bond Bank and the return of the Prior Qualified Obligations so cancelled to the Qualified Entity; and

WHEREAS, the Bond Bank will assign the Amended Qualified Obligations to the Trustee (as hereinafter defined) pursuant to the Indenture (as hereinafter defined) to secure the payment of the 2013 Bonds (as hereinafter defined); and

WHEREAS, the Bond Bank has investigated whether a net present value savings could be achieved through the Refunding, and has been advised that, under current market conditions, a significant net present value savings could be achieved through such Refunding; and

WHEREAS, the Bond Bank has publicized its intention to operate the Refunding Program and now desires to authorize the Refunding, the provision of the Call Rights Waiver Credit to the Qualified Entity, the assignment to the Trustee of the Amended Qualified Obligations, and the issuance of its special program bonds to finance the Refunding Program, all subject to the terms and conditions set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD THAT:

1. The Refunding is hereby approved. The Bond Bank is authorized to execute the Refunding on the conditions that: (a) such Refunding will result in a sufficient net present value savings for the Bond Bank, with such determination to be made by the Chairperson, the Executive Director, or the Deputy Director & General Counsel, based upon the advice of the Financial Advisor (as defined herein) under prevailing market conditions prior to the sale of the 2013 Bonds, (b) the Refunded Bonds shall have been called for redemption and defeased in accordance with the terms of the Prior Indenture, and (c) the Bond Bank has bond proceeds available to provide for the Refunding.

2. The Bond Bank is authorized to provide the Call Rights Waiver Credit to the Qualified Entity, with the aggregate amount of such credits not to exceed the actual savings generated from the Refunding, less any costs incurred or amounts otherwise retained by the Bond Bank in undertaking the Refunding Program, and to cancel and exchange the Prior Qualified Obligations for the Amended Qualified Obligations, all upon the conditions that: (a) the Bond Bank receives from the Qualified Entity an opinion of nationally recognized bond counsel to the effect that its Amended Qualified Obligations are validly executed and delivered and are enforceable in accordance with their terms, and the interest thereon is excludable from gross income for federal income tax purposes and exempt from State income taxation, (b) the Qualified Entity has complied with the terms of its Purchase Agreement (as hereinafter defined) through and including the time of the execution and delivery of the Amended Qualified

Obligations, and (c) the Bond Bank has moneys sufficient to provide such credits to the Qualified Entity for such purpose.

3. The establishment and implementation of the Refunding Program is hereby authorized and approved, including the issuance and sale of the Bond Bank's special obligation revenue refunding bonds, to be designated as "The Indianapolis Local Public Improvement Bond Bank Refunding Bonds, Series 2013 E" (with such further or different series designation as the officers of the Bond Bank may hereafter approve) (the "2013 Bonds"), in an original aggregate principal amount not to exceed \$8,000,000.

4. The issuance of the 2013 Bonds and the use of the proceeds therefrom to: (a) undertake the Refunding; (b) induce the Qualified Entity to waive its Call Rights by providing the Qualified Entity with the Call Rights Waiver Credit, thereby sharing a portion of the economic benefits from the Refunding with the Qualified Entity; and (c) pay all costs incidental to or on account of the issuance of the 2013 Bonds and the Refunding Program; are hereby determined to be consistent with the public purposes set forth in the Act and are hereby authorized and approved.

5. Notwithstanding anything in this Resolution to the contrary, the issuance of the 2013 Bonds shall be subject to prior approval by Resolution of the Board of substantially final forms of (i) the Trust Indenture, between the Bond Bank and a trustee to be selected by the Executive Director, or the Deputy Director & General Counsel (the "Trustee"), securing the 2013 Bonds (the "Indenture"), (ii) the Qualified Entity Purchase Agreement, between the Bond Bank and the Qualified Entity, providing the terms under which the Qualified Entity will execute and deliver its Amended Qualified Obligations in exchange for receiving a Call Rights Waiver Credit (the "Purchase Agreement"), (iii) the Bond Purchase Contract, among the Bond Bank, the Qualified Entity and JP Morgan Chase Bank, N.A. (the "Purchaser"), providing the terms under which the Bond Bank will sell its 2013 Bonds to the Purchaser (the "Purchase Contract"), and (iv) the Escrow Agreement, among the Bond Bank, the Prior Trustee and an escrow trustee to be selected by the Executive Director, or the Deputy Director & General Counsel, providing the terms under which the Refunded Bonds will be defeased (the "Escrow Agreement").

6. The 2013 Bonds, in the maximum aggregate principal amount of \$8,000,000, are hereby authorized to be issued under, pursuant to, and in accordance with, the Act, the Indenture and this Resolution, and are hereby authorized to be sold at a price not less than ninety-eight percent (98%) of the par amount of the 2013 Bonds. The net effective interest rate for the 2013 Bonds shall not exceed four percent (4.00%) per annum. The 2013 Bonds shall mature on the dates and in the amounts provided for under the Indenture. The proceeds of the 2013 Bonds shall be delivered to the Trustee and applied by the Trustee in accordance with the Indenture.

7. On behalf of the Bond Bank and subject to Section 5 of this Resolution, the Chairperson is authorized to execute and deliver, and the Executive Director or the Deputy Director & General Counsel, is authorized to attest, the Indenture, the Escrow Agreement, the Purchase Agreement and the Purchase Contract, together with such other documents, instruments and certificates as may be necessary, appropriate or desirable in connection with the issuance of the 2013 Bonds.

8. Subject to Section 5 of this Resolution, the Chairperson, the Executive Director, and the Deputy Director & General Counsel are each authorized to execute and deliver the 2013 Bonds by manual or facsimile signature, and to direct the Trustee to authenticate and deliver the 2013 Bonds in the manner, in the form, and at the place or places requested by the Purchaser consistent with the terms of the Indenture.

9. Subject to Section 5 of this Resolution, the Chairperson, the Executive Director, and the Deputy Director & General Counsel, together with such other staff members, service providers, and firms as the Chairperson, the Executive Director, or the Deputy Director & General Counsel may direct, are hereby authorized and directed to use the proceeds of the 2013 Bonds and other monies available to finance and implement the Refunding Program, including the purchase of securities in the manner provided by the Act and the Indenture.

10. The Bond Bank hereby approves and confirms the following parties to act in their respective capacities with respect to the Refunding Program: (i) JP Morgan Chase Bank, N.A., as Purchaser; (ii) Barnes & Thornburg LLP, as counsel to the Purchaser; (iii) Bose McKinney & Evans LLP, as bond counsel to the Bond Bank and the Qualified Entity; (iv) Crowe Horwath LLP, as financial advisor to the Bond Bank (the "Financial Advisor"); and (v) such other staff members, service providers and firms as the Executive Director or the Deputy Director & General Counsel may hereafter determine to be necessary, desirable or appropriate in connection with the Refunding Program (collectively, the "Financing Team").

11. The Chairperson, the Executive Director, the Deputy Director & General Counsel, and the Financing Team are each hereby authorized and directed to take any and all other actions and to execute such additional documents and instruments on behalf of the Bond Bank as may be necessary, appropriate or desirable to implement the Refunding Program and the Refunding and carry out the purposes of this Resolution and the issuance and sale of the 2013 Bonds in accordance with the Act, the Indenture and this Resolution.

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Approved and adopted this 14th day of January, 2013, in Indianapolis, Indiana.

THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK



Chairperson

Attest:



Deron S. Kintner, Executive Director