

**THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK**

Resolution No. 3

WHEREAS, the Board of Directors (the "Board") of The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank") has received a request from the Board of Public Works, the governing body of the Sanitary District of the City of Indianapolis, Indiana (the "Qualified Entity"), to issue notes to enable the Qualified Entity to finance certain improvements to the sanitary sewer system as listed in Exhibit A attached hereto; and

WHEREAS, the Qualified Entity has determined to issue one or more series of notes designated as City of Indianapolis Sanitary District Limited Recourse Notes, Series 2010 (the "Qualified Obligations"); and

WHEREAS, the Board finds that the issuance of notes of the Bond Bank for the purpose of purchasing the Qualified Obligations will serve the public purposes set forth in Indiana Code 5-1.4 (the "Act");

WHEREAS, the Bond Bank expects that the Qualified Obligations, and in turn the Bond Bank notes, will be refinanced with the proceeds of bonds to be authorized and issued by the Qualified Entity and purchased with the proceeds of bonds issued by the Bond Bank, which bonds may be secured by a debt service reserve fund established by the Bond Bank that will be subject to the provisions of Indiana Code 5-1.4-5-1.

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

1. For the purpose of purchasing the Qualified Obligations and for the purposes set forth in the Indenture (as defined herein), the Board hereby authorizes the issuance of notes of the Bond Bank in one or more series to be designated as "The Indianapolis Local Public Improvement Bond Bank Notes, Series 2010A" (the "Series 2010A Notes"). The Series 2010A Notes are hereby authorized to be outstanding in a maximum principal amount not to exceed Eighty-Five Million Dollars (\$85,000,000). The Series 2010A Notes will be issued with a maturity of not more than five years (provided, that, the Series 2010A Notes may be subject to mandatory tender on a date prior to maturity of the Series 2010A Notes) and bear interest at a maximum rate not to exceed eight percent (8.0%) per annum. The Series 2010A Notes shall be sold to Wells Fargo, National Association ("Wells Fargo"). The Series 2010A Notes may be issued on a revolving loan basis; provided that this resolution authorizes a total loan amount not to exceed Eighty-Five Million Dollars. The proceeds of the Series 2010 Notes may be received in installments. The Series 2010A Notes may be prepaid as set forth in the Trust Indenture between the Bond Bank and a third party trustee to be selected by the Executive Director (the "Indenture"). The Series 2010A Notes may be issued in book entry only form.

2. The Indenture, substantially in the form attached hereto and incorporated herein by reference, is hereby approved, and the issuance, delivery, and execution of the Series 2010A Notes are approved. Either the Chair or the Vice Chair of the Bond Bank is hereby authorized and directed to execute and deliver the Indenture and the Series 2010A Notes on

behalf of the Bond Bank with such changes or modifications therein as the officer executing the same may approve with the advice of counsel, such approval to be conclusively evidenced by the execution thereof, and the Executive Director is hereby authorized and directed to attest the Indenture and the Series 2010A Notes. Such officers are authorized and directed to cause the Indenture to be completed by causing the appropriate items to be inserted or completed at the appropriate places.

3. The Qualified Entity Purchase Agreement (the "QE Purchase Agreement") between the Bond Bank and each of the Qualified Entity relating to the purchase by the Bond Bank of the Qualified Obligations, substantially in the form attached hereto and incorporated herein by reference, is hereby approved. Either the Chair or the Vice Chair of the Bond Bank is hereby authorized and directed to execute and deliver the QE Purchase Agreement on behalf of the Bond Bank with such changes or modifications therein as the officer executing the same may approve with the advice of counsel, such approval to be conclusively evidenced by the execution thereof, and the Executive Director is hereby authorized to attest the QE Purchase Agreement. Such officers are authorized and directed to cause the QE Purchase Agreement to be completed at the appropriate places.

4. A Note Purchase Agreement (the "Note Purchase Agreement") between the Bond Bank and Wells Fargo pursuant to which Wells Fargo will purchase the Series 2010A Notes, a substantially final form of which shall be approved by the Executive Director, with advice of counsel, prior to the sale of the Series 2010A Notes. Either the Chair or the Vice Chair of the Bond Bank is hereby authorized and directed to execute and deliver the Note Purchase Agreement on behalf of the Bond Bank to the Bank and the Executive Director is hereby authorized to attest the Note Purchase Agreement

5. Either the Chair, the Vice Chair, or the Executive Director of the Bond Bank is hereby authorized and directed to execute and deliver a Rebate Agreement (the "Rebate Agreement") on behalf of the Bond Bank in such form as the officer executing the same may approve with the advice of bond counsel, such approval to be conclusively evidenced by his or her execution thereof, and the Executive Director of the Bond Bank is hereby authorized to attest the Rebate Agreement.

6. The Chair, the Executive Director, and such staff members of the Bond Bank as they may direct are hereby authorized to work with the financing team to further develop the necessary documentation to implement the purchase of the Qualified Obligations, including the issuance of the Series 2010A Notes for such purpose.

7. The Chair, the Vice Chair, and the Executive Director of the Bond Bank are hereby authorized and directed, for and on behalf of the Bond Bank, to execute, attest, and seal all such documents, instruments, certificates, closing papers, and other papers, and do all such acts and things as may be necessary or desirable to carry out the intent of the Indenture, the QE Purchase Agreement, the Rebate Agreement, or other agreements of the Bond Bank or to take any other action necessary or desirable for the issuance of the Series 2010A Notes and to carry out the purposes and intent of this Resolution.

ADOPTED this 22nd day of February, 2010.

THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK

Briane M. House

Briane M. House, Chair

ATTEST:

Kevin D. Taylor

Kevin D. Taylor, Executive Director