

**THE INDIANAPOLIS LOCAL PUBLIC  
IMPROVEMENT BOND BANK**

**Resolution No. 5, 2011**

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 "Board of 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 of the Qualified Entity; and

WHEREAS, the Qualified Entity has previously issued notes designated as "City of Indianapolis Sanitary District Limited Recourse Notes, Series 2010A" (the "2010 Qualified Obligations"), authorized to be outstanding in a maximum principal amount not to exceed Eighty-Five Million Dollars (\$85,000,000); and

WHEREAS, the Bond Bank previously issued notes designated as "The Indianapolis Local Public Improvement Bond Bank Notes, Series 2010A (Sanitary District Project)," (the "2010 Notes"), pursuant to a Trust Indenture dated as of February 1, 2010 (the "2010 Indenture"), by and between the Bond Bank and UMB Bank, N.A., as trustee (the "Trustee"), for the purpose of acquiring the 2010 Qualified Obligations; and

WHEREAS, the Qualified Entity has determined the need to issue additional notes on a parity with the 2010 Qualified Obligations to finance certain additional improvements to the sanitary sewer system as listed in Exhibit A attached hereto, in one or more series and to be designated as City of Indianapolis Sanitary District Limited Recourse Notes, Series 2011A (the "2011 Qualified Obligations" and together with the 2010 Qualified Obligations, collectively, the "Qualified Obligations"); and

WHEREAS, the Qualified Obligations are payable solely by the Qualified Entity from the sources and in the manner provided in Resolution No. 43-1998 adopted by the Board of Works on July 8, 1998, as the same has been amended and supplemented (the "Master Resolution"), for Subordinate Securities (as defined in the Master Resolution).

WHEREAS, the Board finds that the issuance of notes of the Bond Bank for the purpose of purchasing the 2011 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 2011A" (the "Series 2011 Notes"). The Series 2011 Notes shall be issued on a parity with the 2010 Notes pursuant to the terms and provisions of the 2010 Indenture, as amended and supplemented by a First Supplemental Trust Indenture dated as of May 15, 2011 (the "Supplemental Indenture" and collectively with the 2010 Indenture, the "Indenture"). The Series 2011 Notes are hereby authorized to be outstanding in a maximum principal amount not to exceed Sixty Million Dollars (\$60,000,000). The Series 2011 Notes will be issued with a maturity of not more than five (5) years from each respective date of issuance of such Series 2011 Notes and bear interest at a maximum rate not to exceed eight percent (8.0%) per annum. The Series 2011 Notes shall be sold to Wells Fargo Bank, National Association (the "Purchaser"), pursuant to a Purchase Agreement between the Bond Bank and the Purchaser (the "Purchase Agreement"). If the Series 2011 Notes are issued in more than one (1) series, each series of the Series 2011 Notes will be issued pursuant to a supplemental indenture in substantially the form attached hereto and shall be sold to the Purchaser pursuant to a purchase agreement in substantially the form attached hereto. The Series 2011 Notes may be prepaid as set forth in the Indenture. The Series 2011 Notes may be issued in book entry only form.

2. The Supplemental Indenture, substantially in the form attached hereto and incorporated herein by reference, is hereby approved, and the issuance, delivery, and execution of the Series 2011 Notes are approved. Either the Chairman or the Vice Chairman of the Bond Bank is hereby authorized and directed to execute and deliver the Supplemental Indenture and the Series 2011 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 Supplemental Indenture and the Series 2011 Notes. Such officers are authorized and directed to cause the Supplemental Indenture to be completed by causing the appropriate items to be inserted or completed at the appropriate places.

3. The Purchase Agreement, substantially in the form attached hereto and incorporated herein by reference, and by and between the Bond Bank and the Purchaser relating to the sale by the Bond Bank and the purchase by the Purchaser of the Series 2011 Notes, is hereby approved. Either the Chairman or the Vice Chairman of the Bond Bank is hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the Bond Bank to the Purchaser 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 Purchase Agreement. Such officers are authorized and directed to cause the Purchase Agreement to be completed by causing the appropriate items to be inserted or completed at the appropriate places.

4. 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 2011 Qualified Obligations, substantially in the form attached hereto and

incorporated herein by reference, is hereby approved. Either the Chairman or the Vice Chairman 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.

5. Either the Chairman, the Vice Chairman, 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.

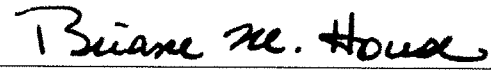
6. The Chairman, the Executive Director, and such staff members of the Bond Bank as they may direct are hereby authorized to work with the financing team to further develop the necessary documentation to implement the purchase of the 2011 Qualified Obligations, including the issuance of the Series 2011 Notes for such purpose.

7. The Chairman, the Vice Chairman, 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 Purchase Agreement, the QE Purchase Agreement, or other agreements of the Bond Bank or to take any other action necessary or desirable for the issuance of the Series 2011 Notes and to carry out the purposes and intent of this Resolution.

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ADOPTED this 16th day of May, 2011.

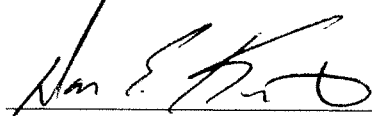
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Briane M. House, Chairperson

ATTEST:



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Deron S. Kintner, Executive Director