

ORDINANCE NO. 13, 2000

**ORDINANCE AUTHORIZING VALPARAISO TO
ISSUE ITS "TAXABLE ECONOMIC DEVELOPMENT
REVENUE BONDS, SERIES 2000 (JET CORR, INC. PROJECT)"
AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO**

WHEREAS, the Valparaiso Economic Development Commission conducted a public hearing on May 8, 2000, and adopted a Resolution on May 8, 2000, which Resolution has been transmitted hereto, finding that the financing of certain economic development facilities of Jet Corr, Inc., a subsidiary of Pratt Industries (U.S.A.), Inc., complies with the purposes and provisions of IC 36-7-11.9 and -12 (collectively, the "Act") and that such financing will be of benefit to the health and welfare of the City of Valparaiso and its citizens; and

WHEREAS, the Valparaiso Economic Development Commission has heretofore approved and recommended the adoption of this form of Ordinance by this Common Council, has considered the issue of adverse competitive effect and has approved the forms of and has transmitted for approval by the Common Council the Loan Agreement between Valparaiso and the Borrower; the Trust Indenture (including form of Bonds) between the Issuer and the Trustee; and the Bond Purchase Agreement;

NOW, THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA THAT:

Section 1. It is hereby found that the financing of the economic development facilities referred to in the Loan Agreement approved by the Valparaiso Economic Development Commission and presented to this Common Council, the issuance and sale of the City of Valparaiso Taxable Economic Development Revenue Bonds, Series 2000 (Jet Corr, Inc. Project) ("Bonds"), the loan of the proceeds of the Bonds to Jet Corr, Inc. ("Borrower"), for the construction of such facilities, the

payment of the Bonds by the note payments of the Borrower under the Loan Agreement and Note, offset by the pledge of TIF Revenues (as defined in the Trust Indenture) and the securing of said Bonds by granting a security interest in the Trust Estate (as defined in the Indenture) to the Trustee under the Trust Indenture (including form of Bonds), complies with the purposes and provisions of the Act, and will be of benefit to the health and welfare of the City of Valparaiso and its citizens.

Section 2. The economic development facilities will consist of the construction of infrastructure improvements, including road, water, drainage and railroad improvements, and any capital projects for said facilities permissible under the Act and IC 36-7-14, located in Valparaiso, Indiana ("Project").

Section 3. At the public hearing held before the Valparaiso Economic Development Commission, the Commission considered whether the Project would have an adverse competitive effect on any similar facilities located in Valparaiso, and subsequently found, based on special findings of fact set forth in the Resolution transmitted hereto, that the Project would not have an adverse competitive effect. This Common Council hereby confirms the findings set forth in the Commission's Resolution, and concludes that the economic development facilities will not have an adverse competitive effect on any other similar facilities in Valparaiso, and the Project will be of benefit to the health and welfare of the citizens of Valparaiso.

Section 4. The substantially final forms of the Loan Agreement; the Trust Indenture (including form of Bonds); and the Bond Purchase Agreement approved by the Valparaiso Economic Development Commission are hereby approved (herein collectively referred to as the "Financing Agreement" referred to in IC 36-7-11.9 and -12), and the Financing Agreement shall be incorporated herein by reference and shall be inserted in the minutes of the Common Council and kept on file by

the Clerk-Treasurer. In accordance with the provisions of IC 36-1-5-4, two (2) copies of the Financing Agreement are on file in the office of the Clerk-Treasurer for public inspection.

Section 5. Valparaiso shall issue its Bonds in the total principal amount not to exceed \$2,660,000 and maturing no later than February 1, 2021 and shall be subject to mandatory sinking fund redemption beginning no earlier than February 1, 2004 with payments structured to maximize the amount of Bond proceeds raised from the projected TIF Revenues. Said Bonds are to be issued for the purpose of procuring funds to pay the costs of the construction and/or acquisition of the Project, capitalized interest and the payment of certain costs of issuance, all as more particularly set out in the Trust Indenture (including form of Bonds) and Loan Agreement, which Bonds will be payable solely and only from payments made by the Borrower under the Loan Agreement and TIF Revenues, and the payment of certain costs of issuance. The Bonds shall be issued in fully registered form in the denomination of \$5,000 or integral multiples thereof and shall be redeemable at any time at a price of 100% of the principal amount outstanding plus interest accrued to the redemption date. The Bond shall be issued as a Term Bond subject to mandatory sinking fund redemption. Payments on the Bonds are payable in lawful money of the United States of America by check mailed or delivered to the registered owners. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Valparaiso as described in the Trust Indenture. Norwest Bank Indiana, N.A. is hereby appointed to serve as trustee for the Bonds under the Trust Indenture.

Section 6. The Mayor and Clerk-Treasurer are authorized and directed to sell the Bonds to the purchasers thereof at the price of 100% of the principal amount thereof.

Section 7. The Mayor and the Clerk-Treasurer are authorized and directed to execute, attest, affix or imprint by any means the City seal to the documents constituting the Financing Agreement

approved herein on behalf of the City and any other document which may be necessary or desirable to consummate the transaction, including the Bonds authorized herein. The Mayor and Clerk-Treasurer are hereby expressly authorized to approve any modifications or additions to the documents constituting the Financing Agreement which take place after the date of this Ordinance with the review and advice of the City Attorney; it being the express understanding of this Common Council that said Financing Agreement is in substantially final form as of the date of this Ordinance. The approval of said modifications or additions shall be conclusively evidenced by the execution and attestation thereof and the affixing of the seal thereto or the imprinting of the seal thereon; provided, however, that no such modification or addition shall change the maximum principal amount interest rate on or term of the Bonds as approved by the Common Council by this Ordinance without further consideration by the Common Council. The signatures of the Mayor and the Clerk-Treasurer on the Bonds may be either manual or facsimile signatures. The Clerk-Treasurer is authorized to arrange for delivery of such Bonds to the Trustee named in the Trust Indenture (including form of Bonds). Payment for the Bonds will be made to the Trustee named in the Trust Indenture (including form of Bonds), and after such payment the Bonds will be delivered by the Trustee to the purchasers thereof. The Bonds shall be originally dated as of the issue date.

Section 8. The provisions of this Ordinance and the Trust Indenture (including form of Bonds) securing the Bonds shall constitute a contract binding between Valparaiso and the holders of the Bonds, and after the issuance of the Bonds, this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as said Bonds or the interest thereon remains unpaid.

Section 9. This Ordinance shall be in full force and effect from and after its passage and execution by the Mayor.

Passed and adopted by the Common Council of the City of Valparaiso, Indiana on the 8th
day of May, 2000.

VALPARAISO COMMON COUNCIL

[Signature]

President, Common Council

Attest:

[Signature]
Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso on the 8th day of May 2000
2000, at the hour of 7:45pm.

[Signature]
Clerk-Treasurer

This Ordinance approved and signed by me, the Mayor of the City of Valparaiso, on the
8th day of May, 2000, at the hour of 7:45p.m.

[Signature]

Mayor