

ORDINANCE NO. 11, 2024

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF VALPARAISO, INDIANA, EXEMPT FACILITIES REFUNDING REVENUE BONDS (PRATT PAPER (IN), LLC PROJECT), SERIES 2024, AND THE LENDING OF THE PROCEEDS THEREOF TO PRATT PAPER (IN), LLC, AND AUTHORIZING AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the City of Valparaiso, Indiana (the “City”), is a political subdivision of the State of Indiana and, by virtue of I.C. 36-7-11.9 and I.C. 36-7-12 (collectively, the “Act”), is authorized and empowered to adopt this ordinance (this “Bond Ordinance”) and to carry out its provisions;

WHEREAS, Pratt Paper (IN), LLC, or any affiliate thereof (the “Borrower”), desires to refinance all or a portion of the costs of the acquisition, construction and installation of a recycled linerboard and corrugated medium manufacturing facility located at 3050 Anthony Pratt Drive, Valparaiso, Indiana 46383 (the “Project”), such refinancing to be accomplished by refunding the City’s outstanding Exempt Facilities Revenue Bonds (Pratt Paper (IN), LLC Project), Series 2013, issued on November 21, 2013;

WHEREAS, the Borrower has advised the City of Valparaiso Economic Development Commission (the “Commission”) and the City that it proposes that the City issue its Exempt Facilities Refunding Revenue Bonds (Pratt Paper (IN), LLC Project), Series 2024, in an aggregate principal amount not to exceed One Hundred Seventy-Five Million Dollars (\$175,000,000) (the “Bonds”), under the Act, and loan the proceeds of the Bonds to the Borrower for the purpose of refinancing the Project;

WHEREAS, the Project has resulted and will continue to result in the diversification of industry, the creation or retention of opportunities for gainful employment, the creation of business opportunities, and the abatement, reduction or prevention of solid waste;

WHEREAS, pursuant to I.C. § 36-7-12-24, the Commission published notice of a public hearing (the “Public Hearing”) on the proposed issuance of the Bonds to refinance the Project;

WHEREAS, on April 8, 2024, the Commission held the Public Hearing on the Project; and

WHEREAS, the Commission has performed all actions required of it by the Act preliminary to the adoption of this Bond Ordinance and has approved and forwarded to the Common Council of the City (the “Common Council”) the forms of the following documents relating to the Bonds: (1) a Loan Agreement between the City and the Borrower (the “Loan Agreement”); (2) an Indenture of Trust (the “Trust Indenture”) between the City and Regions Bank or any other bank or trust company, as trustee (the “Trustee”); (3) the Bonds; (4) a Promissory Note from the Borrower to the City (the “Note”), as assigned by an Assignment from the City to the Trustee (the “Assignment”); (5) a Bond Purchase Agreement between the City and BofA Securities, Inc. or any other underwriter or underwriters (the “Underwriter”), and approved by the

Borrower (the "Bond Purchase Agreement"); (6) a Preliminary Official Statement (the "Preliminary Official Statement"); and (7) this Bond Ordinance (the Loan Agreement, the Trust Indenture, the Bonds, the Note, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement (as hereinafter defined) and this Bond Ordinance, collectively, the "Financing Agreements");

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

Section 1. Findings; Public Benefits. The Common Council hereby finds and determines that the Project constitutes "economic development facilities" and "pollution control facilities" as those terms are used in the Act; that the Project has and will continue to (i) increase diversification of industry, (ii) create or retain opportunities for gainful employment, (iii) create business opportunities, (iv) improve and promote the economic stability, development and welfare in the City, (v) encourage and promote the expansion of industry, trade and commerce in the City and the location of other new industries in the City, and (vi) abate, reduce or prevent solid waste; that the public benefits to be accomplished by this Bond Ordinance, in tending to overcome insufficient diversification of industry, opportunities for gainful employment and business opportunities and in abating, reducing or preventing solid waste, are greater than the cost of public works or services (as that term is used in the Act) which will be required by the Project; and, therefore, that the refinancing of the Project by the issuance of the Bonds under the Act: (a) will be of benefit to the health and general welfare of the City; and (b) complies with the Act.

Section 2. Approval of Financing. The proposed refinancing of the Project by the issuance of the Bonds under the Act, in the form that such refinancing was approved by the Commission, is hereby approved.

Section 3. Authorization of the Bonds. The issuance of the Bonds, payable solely from revenues and receipts derived from the Loan Agreement and the other property pledged thereto under the Trust Indenture, is hereby authorized.

Section 4. Terms of the Bonds. (a) The Bonds, in an aggregate principal amount not to exceed One Hundred Seventy-Five Million Dollars (\$175,000,000), shall (i) be executed at or prior to the closing date by the manual or facsimile signatures of the Mayor and the Clerk-Treasurer of the City, as provided in the Financing Agreements; (ii) be dated as of the date of their delivery, as provided in the Financing Agreements; (iii) mature on a date or dates, not later than forty (40) years after the date of issuance, as provided in the Financing Agreements; (iv) bear interest at such rate or rates, not more than twelve percent (12%) per annum, as determined through negotiation with the Underwriter, as provided in the Financing Agreements; (v) be issuable in denominations set forth in the Financing Agreements; (vi) be issuable only in fully registered form, as provided in the Financing Agreements; (vii) be subject to registration on the bond register, as provided in the Financing Agreements; (viii) be payable in lawful money of the United States of America, as provided in the Financing Agreements; (ix) be payable at any office of the

Trustee or paying agent, as provided in the Financing Agreements; (x) be subject to optional and mandatory redemption prior to maturity, as provided in the Financing Agreements; (xi) be issued in one or more series, as provided in the Financing Agreements; and (xii) contain such other terms and provisions as are provided in the Financing Agreements.

(b) The Bonds and the interest thereon do not and shall never constitute an indebtedness of, or a charge against the general credit or taxing power of, the City, but shall be special and limited obligations of the City, payable solely from revenues and receipts derived from the Loan Agreement and the other property pledged thereto under the Trust Indenture. Forms of the Financing Agreements are before this meeting and are by this reference incorporated in this Bond Ordinance, and the Clerk-Treasurer of the City is hereby directed, in the name and on behalf of the City, to insert them into the minutes of the Common Council and to keep them on file.

Section 5. Preliminary Official Statement; Official Statement. The Underwriter is hereby authorized to distribute to prospective investors the Preliminary Official Statement and an Official Statement, in substantially the form of the Preliminary Official Statement (with the addition of any offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings or other terms of the Bonds depending on such matters, and the identity of the underwriters) (the "Official Statement").

Section 6. Sale of the Bonds. The Mayor and the Clerk-Treasurer of the City are hereby authorized and directed, in the name and on behalf of the City, to sell the Bonds to the Underwriter in accordance with the Bond Purchase Agreement at such price and on such terms and conditions as may be determined at the time of sale.

Section 7. Execution and Delivery of Financing Agreements. The Mayor and Clerk-Treasurer of the City are hereby authorized and directed, in the name and on behalf of the City, to execute and deliver the Loan Agreement, the Trust Indenture, the Bonds, the Assignment, the Bond Purchase Agreement and the Official Statement, all in the forms submitted to the Common Council, which are hereby approved in all respects.

Section 8. Changes in Financing Agreements. The Mayor and Clerk-Treasurer of the City are hereby authorized, in the name and on behalf of the City, without further approval of the Common Council or the Commission, to approve such changes in the Financing Agreements as may be permitted by Act, such approval to be conclusively evidenced by their execution thereof.

Section 9. General. The Mayor and Clerk-Treasurer of the City, and each of them, are hereby authorized and directed, in the name and on behalf of the City, to execute and deliver any and all agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by them, or any of them, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this Bond Ordinance (including the preambles hereto and the

documents mentioned herein), the Project, the issuance and sale of the Bonds and the securing of the Bonds, and any such execution, delivery, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

Section 10. TEFRA Hearing. It is hereby acknowledged and affirmed that a duly authorized public hearing on the issuance of the Bonds was held and conducted on behalf of the City by its duly appointed hearing officer on April 8, 2024, at 2:00 p.m., after reasonable, published public notice, all within the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). As the elected legislative body of the City, the Common Council hereby approves the Bonds as a result of such hearing pursuant to Section 147(f) of the Code.

Section 11. Binding Effect. The provisions of this Bond Ordinance shall constitute a binding contract between the City and the holders of the Bonds, and after issuance of the Bonds this Bond Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of the holders of the Bonds as long as the Bonds or interest thereon remains unpaid.

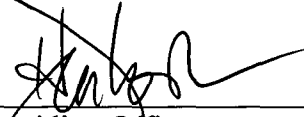
Section 12. Repeal. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 13. Effective Date. This Bond Ordinance shall be in full force and effect immediately upon adoption and compliance with I.C. 36-4-6.

Section 14. Copies of Financing Agreements on File. Two copies of the Financing Agreements incorporated into this Bond Ordinance were duly filed in the office of the Clerk-Treasurer of the City, and are available for public inspection in accordance with I.C. § 36-1-5-4.

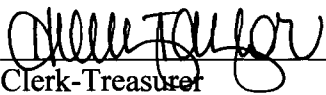
Passed and adopted by the Common Council of the City of Valparaiso on the 8th day of April, 2024.

COMMON COUNCIL OF THE CITY
OF VALPARAISO, INDIANA



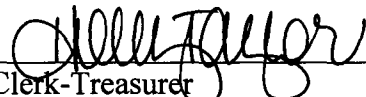
Presiding Officer

ATTEST:



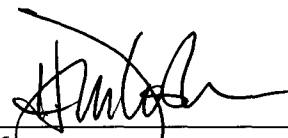
Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso on the 8th day of April, 2024, at 8:27 o'clock p.m.



Clerk-Treasurer

This ordinance approved and signed by me on the 8th day of April, 2024, at 8:27 o'clock p.m.



Mayor