

25-09

Sponsor: Bill Emerson,  
4<sup>th</sup> District CouncilmanORDINANCE NO. 9672

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF  
HAMMOND, INDIANA, AUTHORIZING THE ISSUANCE AND SALE OF  
BONDS OF THE CITY OF HAMMOND, INDIANA, TO FINANCE  
THE COSTS OF STREET AND ROAD PROJECTS WITHIN THE CITY,  
AND THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES IN  
ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS,  
APPROPRIATING THE PROCEEDS DERIVED FROM THE SALE OF SUCH BONDS  
AND BOND ANTICIPATION NOTES, AND OTHER MATTERS RELATED THERETO**

WHEREAS, Indiana Code 36-4-6-19, as amended (the "Act"), authorizes the legislative body of a city to, by ordinance, make loans of money and issue bonds for the purpose of refunding those loans, for the purpose of procuring money to be used in the exercise of the powers of the city or for the payment of city debts; and

WHEREAS, the Common Council (the "Common Council") of the City of Hammond, Indiana (the "City") now determines that it will be necessary and desirable and will be of general benefit to the residents of the City to issue bonds of the City in one or more series, payable from such sources as described in Section 2 hereof, in an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000), to procure funds to be used to finance the costs of street and road projects within the City (collectively, the "Project"), together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the bonds therefor, which amount (together with estimated investment earnings thereon) is not expected to exceed the total costs of the Project, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the bonds therefor; and

WHEREAS, the payment of the costs of the Project, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of bonds of the City, are necessary and are authorized by the Act, and will be of general benefit to the City and its citizens; and

WHEREAS, Indiana Code 5-1-14-5 authorizes the City to issue its bond anticipation notes to provide interim financing with respect to the Project; and

WHEREAS, the City does not have sufficient funds available or provided for in the existing budgets or tax levies to be applied to the payment of the Project proposed to be financed from the proceeds of the bonds or, if necessary, the bond anticipation notes described herein, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the bonds or, if necessary, the bond anticipation notes therefor, making it necessary to authorize the issuance of bonds and, if necessary, bond anticipation notes of the City and to make the additional appropriation hereinafter set forth; and

WHEREAS, notice of a hearing on said appropriation has been duly given by publication as required by law, and the hearing on said appropriation has been held, at which all taxpayers and other interested persons had an opportunity to appear and express their views as to such appropriation; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of bonds and bond anticipation notes of the City as described herein have been complied with in accordance with the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA, AS FOLLOWS:

SECTION 1. Authorization of Loan. The City is hereby authorized to make a loan in an amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) to procure funds to be applied to the costs of the Project, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the bonds therefor.

SECTION 2. The Bonds. In order to procure the funds for such loan, the Controller of the City (the "Controller") is hereby authorized and directed to have prepared and to issue and sell the negotiable bonds of the City, in one or more series. Such bonds shall be designated as "City of Hammond, Indiana, Revenue Bonds, Series 20 \_\_\_\_" (with the blank to be completed to reflect the calendar year of issuance and with a separate letter designation for each series if more than one series of bonds are to be issued in one calendar year; and provided, that the designation may contain such other language to reflect the source of payment for the bonds), and shall be issued in an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) (the "Bonds"). The final aggregate principal amount of each series of the Bonds shall be certified by the Controller prior to the sale of such series of the Bonds in the Controller's Certificate (as hereinafter defined). The Controller's Certificate shall be conclusive for purposes of establishing the final aggregate principal amount of each series of the Bonds.

The principal of and interest on the Bonds shall be payable either from (a) wheel tax revenues received by the City pursuant to Indiana Code 6-3.5-11 (the "Wheel Tax Revenues") or (b) legally available revenues of the City, but subject to and conditioned upon the appropriation on an annual basis by the Common Council of the necessary funds to pay the principal of and interest on the Bonds from one or more funds or accounts of the City and the transfer and deposit of any amounts so appropriated to the Sinking Fund (as defined herein), as determined by the Common Council in its sole discretion (the "Available Revenues"). The Controller shall determine whether the Bonds will be payable either from Wheel Tax Revenues or Available Revenues prior to the sale of the Bonds, based upon the advice of the municipal advisor of the City (the "Municipal Advisor"), as provided in this Section 2.

Notwithstanding anything herein to the contrary, the Bonds may be payable from Wheel Tax Revenues only if, at the time of issuance of the Bonds, the principal amount of the Bonds to be issued shall not cause the indebtedness of the City to exceed the limitations on indebtedness provided by the Indiana Constitution. If, at the time of issuance of the Bonds, the principal

amount of the Bonds to be issued would cause the indebtedness of the City to exceed such limitation on indebtedness, then the Bonds shall be payable from Available Revenues as provided in the following paragraph.

In the event the Bonds are payable solely from Available Revenues, (i) the principal of and interest on the Bonds shall never be paid from "property taxes," as such term is defined under Indiana Code 6-1.1-20-1.6, which are exempt from the levy limitations of Indiana Code 6-1.1-18.5; (ii) the Bonds and the interest thereon do not and shall not constitute an indebtedness of the City, the State of Indiana (the "State") or any political subdivision thereof within the meaning of any constitutional limitation but shall be special and limited obligations of the City, payable solely from any revenues annually appropriated and deposited into the Sinking Fund (as defined herein) as determined by the Common Council in its sole discretion; (iii) each Bond must state plainly on its face that it is payable solely from any amounts annually appropriated for such purpose and deposited into the Sinking Fund and that it does not constitute a general obligation of, an indebtedness of, or charge against the general credit of, the City, the State or any political subdivision thereof; (iv) neither the faith and credit nor the taxing power of the City is or may be pledged for the payment of the principal of or interest on the Bonds; and (v) an owner of the Bonds is not entitled to compel the exercise of the taxing power by the City or the forfeiture of any of its property in connection with any default on the Bonds.

Each series of the Bonds shall be issued in fully registered form in denominations of (i) Five Thousand Dollars (\$5,000) or any integral multiple thereof, or (ii) One Hundred Thousand Dollars (\$100,000) or any integral multiple of One Thousand Dollars (\$1,000) in excess thereof (e.g., \$100,000, or \$101,000, or \$102,000, etc.), with the final authorized denominations for each series of the Bonds to be set forth in the Controller's Certificate prior to the sale of such series of the Bonds. The Bonds shall be numbered consecutively from \_\_\_R-1 upwards (with the blank to be completed with the last two numbers of the calendar year of issuance and with a separate letter designation for each series if more than one series of bonds are to be issued in one calendar year). The Bonds shall bear interest at a rate or rates not exceeding seven percent (7.0%) per annum (the exact rate or rates to be determined by private, negotiated sale as further described herein). The interest on the Bonds shall be payable semiannually on January 15 and July 15 of each year, commencing not earlier than January 15, 2026. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year. The Bonds shall mature and be payable on January 15 and/or July 15 of each year, commencing not earlier than January 15, 2026, and ending not later than July 15, 2030. The first interest payment date and the final principal maturity schedule for each series of the Bonds shall be certified by the Controller in the Controller's Certificate prior to the sale of such series of the Bonds.

**SECTION 3. The BANs.** In anticipation of the issuance and sale of the Bonds authorized herein, and to provide interim financing to apply to the costs of the Project, the City is hereby authorized to have prepared and to issue and sell negotiable BANs of the City to an eligible purchaser of the BANs under Indiana Code 5-1-14-5, pursuant to a Bond Anticipation Note Purchase Agreement (the "BAN Purchase Agreement") entered into between the City and the purchaser of the BANs, in one or more series, in an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000), to be designated "City of Hammond,

Indiana, Revenue Bond Anticipation Notes, Series 20 \_\_\_\_" (with the blank to be filled in with the last two digits of the calendar year in which such series of the BANs is issued, with an appropriate series designation in the event more than one series of BANs is expected to be issued in such calendar year). The BANs shall be issued in fully registered form, shall be numbered consecutively from \_\_\_\_R-1 (with the blank to be filled in with the last two digits of the calendar year in which such series of the BANs is issued, with an appropriate series designation in the event more than one series of BANs is expected to be issued in such calendar year) upwards, shall be in multiples of One Hundred Thousand Dollars (\$100,000) and integral multiples of One Thousand Dollars (\$1,000) in excess thereof, shall be dated as of the date of issuance of the BANs, and shall bear interest at a rate or rates not exceeding seven percent (7.0%) per annum, the exact rate or rates of interest to be determined by negotiations with the purchaser of the BANs and payable as provided in the BAN Purchase Agreement. The initial BANs delivered will mature on the date provided in the BAN Purchase Agreement, which date may not be later than five (5) years from the date of issuance of the BANs. The BANs may be subject to renewal or extension, subject to the limitations set forth below, at an interest rate or rates not to exceed seven percent (7.0%) per annum with the exact rate or rates to be negotiated with the purchaser of such BANs. The term of the BANs and all renewal BANs may not exceed five (5) years from the date of delivery of the initial BANs. The BANs shall be sold at a price not less than ninety-nine percent (99.0%) of the par amount thereof.

The principal of the BANs shall be refunded and retired out of the proceeds from the issuance and sale hereunder of the Bonds. The principal of the BANs, and the principal of and interest on the BANs prepaid in accordance with Section 4 hereof, shall be refunded by the issuance of the Bonds pursuant to, and in the manner prescribed by, the Act. The interest on the BANs shall be payable from proceeds from the issuance and sale hereunder of the Bonds, provided that interest on the BANs may be paid from other revenues and funds legally available therefor; provided, however, that such funds are not pledged to the payment of the BANs.

SECTION 4. Optional Prepayment of BANs; Optional Redemption of Bonds. (a) The BANs are prepayable by the City, in whole or in part, upon such terms as determined by the Controller based on the advice of the Municipal Advisor, to be set forth in a written certificate of the Controller prior to the issuance of the BANs, upon at least seven (7) days' written notice to the owner of the BANs. In the case of prepayment, the principal and accrued interest due on the BANs shall be paid only from proceeds of the Bonds, except that such principal and interest due on the BANs may also be paid from other revenues and funds legally available therefor; provided, however, that such funds are not pledged to the payment of the BANs.

(b) At the direction of the Controller, based upon the advice of the Municipal Advisor, the Bonds maturing on such dates as are set forth in the Controller's Certificate prior to the sale of each series of the Bonds shall be subject to redemption at the option of the City, in whole or in part, upon at least thirty (30) days' written notice to the registered owner or owners of Bonds to be redeemed, on such dates as are set forth in the Controller's Certificate prior to the sale of such series of the Bonds, in order of maturity determined by the Controller and by lot within any such maturity or maturities, at a redemption price of one hundred percent (100%) of the principal amount thereof with a premium of not greater than two percent (2%) as set forth in

the Controller's Certificate prior to the sale of such series of the Bonds, plus accrued interest to the redemption date.

Official notice of any such redemption shall be mailed by the Registrar and Paying Agent (as hereinafter defined) by first class mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to each of the registered owners of the Bonds called for redemption (unless waived by any such registered owner) at the address shown on the registration books of the Registrar and Paying Agent, or at such other address as is furnished in writing by such registered owner to the Registrar; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and, in case of partial redemption, the respective principal amounts) of the Bonds called for redemption. The place of redemption may be at the principal corporate trust office of the Registrar and Paying Agent or as otherwise determined by the City. Interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such Bonds (or portions thereof) are presented for payment. Any Bond redeemed in part may be exchanged for a Bond or Bonds of the same maturity in authorized denominations equal to the remaining principal amount thereof.

In addition to the foregoing notice, the City may also direct that further notice of redemption of the Bonds be given, including, without limitation, and at the option of the City, notice described in paragraph (i) below given by the Registrar and Paying Agent to the parties described in paragraphs (ii) and (iii) below. No defect in any such further notice and no failure to give all or any portion of any such further notice shall in any manner defeat the effectiveness of any call for redemption of Bonds so long as notice thereof is mailed as prescribed above.

(i) If so directed by the City, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed.

(ii) If so directed by the City, each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(iii) If so directed by the City, each such further notice shall be published one (1) time in The Bond Buyer of New York, New York, or, if the Registrar believes such publication is impractical or unlikely to reach a substantial number of the holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of

redemption of other obligations similar to the Bonds, such publication to be made at least thirty (30) days prior to the date fixed for redemption.

Upon the payment of the redemption price of the Bonds (or portions thereof) being redeemed and if so directed by the City, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds (or portions thereof) being redeemed with the proceeds of such check or other transfer.

At the option of the purchaser of the Bonds, all or a portion of the Bonds may be aggregated into one or more term bonds payable from mandatory sinking fund redemption payments (the "Term Bonds") required to be made as set forth below. The Term Bonds shall have a stated maturity or maturities on January 15 and/or July 15 of the years determined by the purchaser of the Bonds.

In the event that the purchaser of the Bonds opts to aggregate certain Bonds into Term Bonds, such Term Bonds shall be subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, but without premium, on January 15 and/or July 15 of each year and in the principal amount corresponding to and consistent with the maturity schedule for the Bonds set forth in the Controller's Certificate.

The Registrar and Paying Agent shall credit against the current mandatory sinking fund requirement for a Term Bond of a particular maturity, any Bonds of such maturity delivered to the Registrar and Paying Agent for cancellation or purchased for cancellation by the Registrar and Paying Agent and canceled by the Registrar and Paying Agent and not theretofore applied as a credit against any mandatory sinking fund requirement. Each Bond so delivered or purchased shall be credited by the Registrar and Paying Agent at one hundred percent (100%) of the principal amount thereof against the mandatory sinking fund redemption requirements for the applicable Term Bond in order of mandatory sinking fund redemption (or final maturity) dates determined by the City, and the principal amount of such Term Bond to be redeemed on such mandatory sinking fund redemption dates by operation of the mandatory sinking fund requirements shall be reduced accordingly; provided, however, the Registrar and Paying Agent shall only credit Bonds against the mandatory sinking fund requirements to the extent such Bonds are received on or before forty-five (45) days preceding the applicable mandatory sinking fund redemption date.

The Registrar shall determine by lot (treating each One Thousand Dollars (\$1,000) of principal amount of each Bond as a separate Bond for such purpose) the Bonds within a Term Bond of a particular maturity to be redeemed pursuant to the mandatory sinking fund redemption requirements on January 15 and/or July 15 of each year.

Notice of any such mandatory sinking fund redemption shall be given in the same manner as notice of optional redemption is required to be given pursuant to this Section 4. If Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

In the event any of the Bonds are issued as Term Bonds, the form of the Bond set forth in Section 7 of this Ordinance shall be modified accordingly.

Any reference to payment of principal on the Bonds shall include payment of scheduled mandatory sinking fund redemption payments described in this Section 4.

SECTION 5. Additional Terms of the Bonds and the BANs. A registrar and paying agent for the Bonds and the BANs (the "Registrar" and the "Paying Agent," and in both such capacities, the "Registrar and Paying Agent") shall be appointed by the Controller, with such appointment with respect to the Bonds to be reflected in the Controller's Certificate and with such appointment with respect to the BANs to be reflected in a written certificate of the Controller prior to the issuance of the BANs. The Registrar and Paying Agent shall be charged with and shall by appropriate agreement undertake the performance of all of the duties and responsibilities customarily associated with each such position, including, without limitation, the authentication of the Bonds and the BANs. The Controller is further authorized and directed to enter into such agreements and understandings with the Registrar and Paying Agent as will enable and facilitate the performance of its duties and responsibilities in conformance with the terms of this Ordinance, and is authorized to pay such fees as the Registrar and Paying Agent may reasonably charge for its services in such capacity, with such fees to be paid from available funds of the City. In the event the Bonds or the BANs are registered in the name of any purchaser that does not object to such designation, the Controller is hereby authorized to serve as Registrar and Paying Agent for the Bonds or the BANs.

The Registrar and Paying Agent, if not the Controller, may at any time resign as Registrar and Paying Agent by giving thirty (30) days' written notice to the Controller and by first-class mail to each registered owner of Bonds or BANs then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the Controller. Such notice to the Controller may also be served personally or be sent by registered mail. The Registrar and Paying Agent may also be removed at any time as Registrar and Paying Agent by the Controller, in which event the Controller may appoint a successor Registrar and Paying Agent. The Controller shall notify each registered owner of Bonds or BANs then outstanding by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of Bonds or BANs shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar and Paying Agent. Any predecessor Registrar and Paying Agent shall deliver all of the Bonds or the BANs and cash in its possession with respect thereto, together with the registration books, to the successor Registrar and Paying Agent. The Controller is hereby authorized to act on behalf of the City relating to the resignation or removal of the Registrar and Paying Agent and appointment of a successor Registrar and Paying Agent.

The principal of and premium, if any, on the Bonds and the BANs shall be payable at the principal office of the Registrar and Paying Agent for the Bonds or the BANs, as applicable. Interest on the Bonds or the BANs shall be paid by check or draft mailed or delivered one (1) business day prior to such payment date to the registered owner thereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the last day of the calendar month immediately preceding the interest payment date or at such other address as is

provided to the Registrar and Paying Agent in writing by such registered owner. If payment of principal or interest is made to a Clearing Agency (as hereinafter defined), payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments so that such payments are received by the Clearing Agency by 2:30 p.m. (New York City time). All payments on the Bonds and the BANs shall be made in any coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public and private debts.

The Bonds and the BANs shall bear an original date which shall be the date of their delivery (the "Original Date"), and each Bond and BAN shall also bear the date of its authentication. Bonds and BANs authenticated on or before the last day of the calendar month immediately preceding the first interest payment date shall be paid interest from their respective Original Date. Bonds and BANs authenticated after the last day of the calendar month immediately preceding the first interest payment date shall be paid interest from the interest payment date immediately preceding the date of authentication of such Bonds or BANs unless the Bonds or the BANs are authenticated between the last day of the calendar month immediately preceding an interest payment date and the interest payment date, in which case interest thereon shall be paid from such interest payment date.

The Bonds or the BANs may, in compliance with all applicable laws, be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the "Clearing Agency"). The City and the Registrar may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Bonds or the BANs, as are necessary or appropriate to accomplish or recognize such book-entry form Bonds or BANs.

During any time that the Bonds or the BANs are held in book-entry form on the books of a Clearing Agency (a) any such Bond or BAN may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including Cede & Co., as nominee of The Depository Trust Company; (b) the Clearing Agency in whose name such Bond or BAN is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bond or BAN for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and premium, if any, and interest on such Bond or BAN, the receiving of notice, and the giving of consent; (c) neither the City nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Bond or BAN, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or BAN or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or premium, if any, or interest on any Bonds or BANs, the receiving of notice, or the giving of consent; (d) the Clearing Agency is not required to present any Bond or BAN called for partial redemption prior



to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption; and (e) payment of the principal of and interest on the Bonds or the BANs may be made by wire transfer or other method acceptable to the Clearing Agency, as indicated in the Controller's Certificate.

If either (i) the City receives notice from the Clearing Agency which is currently the registered owner of the Bonds or the BANs to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Bonds or the BANs or (ii) the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Bonds or the BANs, then the City and the Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds or the BANs, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Bonds or the BANs and to transfer the ownership of each of the Bonds or the BANs to such person or persons, including any other Clearing Agency, as the holder of the Bonds or the BANs may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Bonds or the BANs, shall be paid by the City.

During any time that the Bonds or the BANs are held in book-entry form on the books of a Clearing Agency, the Registrar and Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owners of the Bonds or the BANs as of a record date selected by the Registrar and Paying Agent. For purposes of determining whether the consent, advice, direction or demand of a registered owner of the Bond or the BAN has been obtained, the Registrar or Paying Agent shall be entitled to treat the beneficial owners of the Bonds or the BANs as the Bondholders or the holders of the BANs, as applicable.

During any time that the Bonds or the BANs are held in book-entry form on the books of a Clearing Agency, the Controller is authorized to enter into a Letter of Representations agreement with the Clearing Agency, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth herein.

Each Bond and BAN shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar and Paying Agent, by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Bond or BAN together with a written instrument of transfer or exchange satisfactory to the Registrar and Paying Agent duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds or BAN or BANs in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The Registrar and Paying Agent shall not be obligated to make any exchange or transfer of Bonds or BANs following the last day of the calendar month immediately preceding an interest payment date on the Bonds or the BANs until such interest payment date. Bonds and BANs may be transferred or exchanged without cost to the registered owner, except for any tax or governmental charge required to be paid with respect to the transfer or exchange. The City and the Registrar and Paying Agent may treat and consider the person in whose name such

CITY OF HAMMOND, INDIANA,  
REVENUE BOND, SERIES 20\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Authentication Date</u>	<u>[CUSIP]</u>
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Registered Owner:

Principal Sum:

The City of Hammond, in the State of Indiana (the "City"), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner stated above, or registered assigns, but solely from the sources hereinafter described, the Principal Sum stated above, on the Maturity Date stated above, and to pay interest on said Principal Sum to the Registered Owner of this bond until the City's obligation with respect to the payment of said Principal Sum shall be discharged, at the rate per annum specified above from the interest payment date immediately preceding the date of the authentication of this bond, unless this bond is authenticated on or before \_\_\_\_\_, 20\_\_, in which case the interest shall be paid from the Original Date stated above or unless this bond is authenticated between the last day of the calendar month immediately preceding an interest payment date and the interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be payable on \_\_\_\_\_ 15, 20\_\_, and semiannually thereafter on January 15 and July 15 of each year. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360)-day year.

The principal of and premium, if any, on this bond is payable at the principal office of \_\_\_\_\_, in \_\_\_\_\_, Indiana, as Registrar and Paying Agent (which term shall include any successor registrar and paying agent) (the "Registrar and Paying Agent"). Interest on this bond shall be paid by check or draft mailed or delivered one (1) business day prior to such payment date to the Registered Owner hereof at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the last day of the calendar month immediately preceding the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by the Registered Owner. Notwithstanding the foregoing, if payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. All payments on this bond shall be made in coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public and private debts. Subject to the provisions of the Ordinance (hereinafter defined) for registration, this bond is negotiable under the laws of the State of Indiana.

This bond is one of an authorized issue of bonds of the City in the aggregate principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), numbered consecutively from \_\_\_R-1 upwards, issued pursuant to an ordinance (Ordinance No. \_\_\_\_\_) (the "Ordinance") adopted by the Common Council of the City on \_\_\_\_\_, 2025, to procure funds to be used to [refund certain outstanding bond anticipation notes issued by the City to] finance the costs of street and road projects within the City, together with expenses incidental thereto, including all expenses incurred in connection with or on account of the issuance of the bonds therefor. Reference is hereby made to the Ordinance for a description of the nature and extent of the rights, duties and obligations of the owners of the bonds and the City and the terms on which this bond is issued, and to all the provisions of such Ordinance to which the holder hereof by the acceptance of this bond assents.

This bond and the other bonds of this issue, together with the interest payable hereon and thereon, are payable solely from [Wheel Tax Revenues][Available Revenues] (as defined in the Ordinance). [Neither this bond nor any of the bonds of the issue of which this bond is a part shall constitute an indebtedness of the City within the meaning of the provisions and limitations of the Constitution of the State of Indiana.]

The bonds maturing in any one year are issuable only in fully registered form in denominations of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) or integral multiples thereof not exceeding the aggregate principal amount of the bonds maturing in such year.

The bonds of this issue maturing on or after \_\_\_\_\_ 15, 20\_\_ are subject to redemption prior to maturity, at the option of the City, in whole or in part, on \_\_\_\_\_ 15, 20\_\_, or at any time thereafter, in amounts and maturities determined by the Controller and by lot within any such maturity or maturities at a redemption price of \_\_\_\_\_, plus accrued interest to the redemption date.

Notice of any such redemption shall be sent by first class mail to the Registered Owner of this bond not more than sixty (60) and not less than thirty (30) days prior to the date fixed for redemption, unless such notice is waived by the Registered Owner; provided, however, that failure to give such notice by mailing, or any defect therein, with respect to any such bond will not affect the validity of any proceedings for redemption of any other such bonds. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and in case of partial redemption, the respective principal amounts) of the bonds called for redemption. Interest on bonds so called for redemption shall cease to accrue on the redemption date fixed in such notice, so long as sufficient funds are available at the place of redemption to pay the redemption price on the redemption date or when presented for payment.

Prior to the date fixed for redemption, funds shall be deposited with the Paying Agent to pay, and the Paying Agent is hereby authorized and directed to apply such funds to the payment of the bonds or portions thereof called, together with accrued interest thereon to the redemption date and any required premium. No payment shall be made by the Paying Agent upon any bond or portion thereof called for redemption until such bond shall have been delivered for payment or cancellation or the Registrar shall have received the items required by the Ordinance with respect to any mutilated, lost, stolen or destroyed bond.

If this bond or a portion hereof shall have become due and payable in accordance with its terms or shall have been duly called for redemption or irrevocable instructions to call the bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal of and premium, if any, and interest so due and payable upon all of this bond or a portion hereof then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case this bond or such portion hereof shall no longer be deemed outstanding or an indebtedness of the City.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar and Paying Agent by the Registered Owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar and Paying Agent duly executed by the Registered Owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the Registered Owner, as the case may be, in exchange therefor. This bond may be transferred or exchanged without cost to the Registered Owner, except for any tax or governmental charge required to be paid with respect to the transfer or exchange. The Registrar and Paying Agent shall not be required to make any transfer or exchange of this bond following the last day of the calendar month immediately preceding an interest payment date on this bond until such interest payment date. The City and the Registrar and Paying Agent may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

In the event this bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar and Paying Agent may authenticate a new bond of like date, maturity and denomination as this bond, which new bond shall be marked in a manner to distinguish it from this bond; provided, that in the case of this bond being mutilated, this bond shall first be surrendered to the City and the Registrar and Paying Agent, and in the case of this bond being lost, stolen or destroyed, there shall first be furnished to the City and the Registrar and Paying Agent evidence of such loss, theft or destruction satisfactory to the City and the Registrar and Paying Agent, together with indemnity

satisfactory to them. In the event that this bond, being lost, stolen or destroyed, shall have matured, instead of issuing a duplicate bond, the City and the Registrar and Paying Agent may, upon receiving indemnity satisfactory to them, pay this bond without surrender hereof. The City and the Registrar and Paying Agent may charge the owner of this bond with their reasonable fees and expenses in connection with the above. Every substitute bond issued by reason of this bond being lost, stolen or destroyed shall, with respect to this bond, constitute a substitute contractual obligation of the City, whether or not this bond, being lost, stolen or destroyed shall be found at any time, and shall be entitled to all the benefits of the Ordinance, equally and proportionately with any and all other bonds duly issued thereunder.

In the manner provided in the Ordinance, the Ordinance and the rights and obligations of the City and of the owners of the bonds may (with certain exceptions as stated in the Ordinance) be modified or amended with the consent of the owners of at least a majority in aggregate principal amount of outstanding bonds exclusive of bonds, if any, owned by the City.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days' written notice to the City and by first-class mail to the registered owners of bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Such notice to the City may also be served personally or be sent by registered mail. The Registrar and Paying Agent may also be removed at any time as Registrar and Paying Agent by the City, in which event the City may appoint a successor Registrar and Paying Agent. The City shall cause the Registered Owner of this bond, if then outstanding, to be notified by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear in the registration books kept by the Registrar and Paying Agent.

It is hereby certified and recited that all acts, conditions and things required by law and the Constitution of the State of Indiana to be done precedent to and in the execution, issuance, sale and delivery of this bond have been properly done, happened and performed in regular and due form as prescribed by law.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance authorizing this bond until the certificate of authentication hereon shall have been duly executed by an authorized representative of the Registrar and Paying Agent.

IN WITNESS WHEREOF, the City of Hammond, Indiana has caused this bond to be executed in the name of said City, by the manual or facsimile signature of the Mayor of said City, countersigned by the manual or facsimile signature of the Controller of said City, and attested by the manual or facsimile signature of the Clerk of said City, who has caused the official corporate seal of said City to be impressed or a facsimile thereof to be printed or otherwise reproduced hereon.

CITY OF HAMMOND, INDIANA

By: \_\_\_\_\_  
Mayor

Countersigned:

By: \_\_\_\_\_  
Controller

(Seal)

ATTEST:

\_\_\_\_\_  
City Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

\_\_\_\_\_  
as Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Representative

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto  
\_\_\_\_\_  
(Insert name and address of transferee)  
this bond and all rights hereunder and hereby irrevocably constitutes and appoints  
\_\_\_\_\_, attorney, to transfer this bond on the books kept for the  
registration hereof with full power of substitution in the premises.

Date: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Bond Form]

SECTION 8. Sale of Bonds and BANs.

(a) The City, having satisfied all the statutory requirements for the issuance of the Bonds, may elect to issue its BAN or BANs to an eligible purchaser under Indiana Code 5-1-14-5 pursuant to the BAN Purchase Agreement, to be entered into between the City and the purchaser of the BANs. The Common Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim construction financing for the Project until permanent financing becomes available. It shall not be necessary for the City to repeat the procedures for the issuance of its Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs. The Mayor and the Controller are hereby authorized and directed to execute the BAN Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The Mayor and the Controller may also take such other action or deliver such other certificates as are necessary or

desirable in connection with the issuance of the BANs or the Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

(b) The Controller may negotiate the sale of the Bonds at an interest rate or rates not exceeding seven percent (7.0%) per annum. The Bonds shall be sold at a price not less than ninety-nine percent (99.0%) of the par amount thereof. The Mayor and/or the Controller are hereby authorized to (i) execute a purchase agreement and/or term sheet with the purchaser, along with any other related document or certificate necessary to complete the issuance of the Bonds authorized herein; and (ii) sell such Bonds upon such terms as are acceptable to the Mayor and the Controller consistent with the terms of this Ordinance. The final form of the purchase agreement and/or term sheet shall be approved by the Mayor and the Controller, upon the advice of the City's bond counsel and Municipal Advisor, and the Mayor and the Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City so long as its provisions are not inconsistent with this Ordinance. Notwithstanding the foregoing, to the extent that the Bonds are required to be sold by public sale pursuant to Indiana law at the time of issuance of the Bonds, the Bonds shall be sold by public sale pursuant to Indiana law.

(c) Prior to the delivery of the Bonds and the BANs, the Controller shall be authorized to obtain a legal opinion as to the validity of the Bonds and the BANs from Faegre Drinker Biddle & Reath LLP, bond counsel, of Indianapolis, Indiana, and to furnish such opinion to the purchaser or purchasers of the Bonds and the BANs. The cost of such opinion shall be considered as part of the costs incidental to these proceedings and shall be paid out of proceeds of the Bonds and the BANs.

(d) If the Municipal Advisor certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy or other credit enhancement for the Bonds or the BANs, the City hereby authorizes the Mayor and the Controller to take all such actions as may be necessary or appropriate to obtain such an insurance policy or other credit enhancement. The acquisition of a municipal bond insurance policy or other credit enhancement is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds or the BANs if issued without municipal bond insurance or other credit enhancement and (b) the total debt service on the Bonds or the BANs if issued with municipal bond insurance or other credit enhancement, is greater than the cost of the premium on the municipal bond insurance policy or cost of such other credit enhancement. If deemed economically advantageous as described in this paragraph, the cost of the premium for such municipal bond insurance policy or cost of such other credit enhancement shall be deemed as a proper cost of issuance of the Bonds or the BANs. The Mayor and the Controller, with the advice of the Municipal Advisor, are further authorized to take such actions as may be necessary or appropriate to procure a credit rating or ratings on the Bonds or the BANs from one or more nationally recognized securities rating agencies.

**SECTION 9. Other Instruments.** The City hereby authorizes and directs the Mayor, the Controller, the City Clerk and the members and officers of the City, and each of them, to execute and deliver any and all other instruments, letters, certificates, agreements and documents as the official executing the same determines is necessary or appropriate to consummate the transactions contemplated by this Ordinance, and such determination shall be conclusively

evidenced by the execution thereof. The instruments, letters, certificates, agreements and documents, including the Bonds and the BANs, necessary or appropriate to consummate the transactions contemplated by this Ordinance shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the City, the full performance and satisfaction of which by the City is hereby authorized and directed.

SECTION 10. Deposit of Proceeds. The Mayor is hereby authorized to execute the Bonds and the BANs with his manual or facsimile signature, the Controller is hereby authorized and directed to have such Bonds and BANs prepared and to countersign such Bonds and BANs, and the City Clerk is hereby authorized to attest the Bonds and the BANs with his manual or facsimile signature and cause the seal of the City to be impressed or a facsimile thereof to be printed or otherwise reproduced on the Bonds and the BANs, all in the form and manner herein provided. In case any officer whose signature appears on the Bonds or the BANs shall cease to hold that office before the delivery of the Bonds or the BANs, the signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until the delivery of the Bonds or the BANs. After the Bonds or the BANs have been properly executed, the Controller shall deliver the Bonds or the BANs to the purchaser or purchasers in the manner provided by law. Upon delivery of the BANs, the proceeds of the BANs shall be deposited in a Project Fund and used to pay the Project and to pay costs of issuance of the BANs. Upon delivery of the Bonds, a portion of the proceeds of the Bonds may be used to refund any outstanding BANs, and any remaining proceeds of the Bonds shall be deposited in a Project Fund and used to pay the Project and to pay costs of issuance of the Bonds. In addition, the City is authorized to use a portion of the proceeds of the Bonds and the BANs to pay capitalized interest on the Bonds or the BANs, if determined by the Controller to be necessary or appropriate, based upon the advice of the Municipal Advisor.

SECTION 11. Sinking Fund. (a) There is hereby created a separate fund, designated as the "City of Hammond, Indiana, 2025 Street Project Sinking Fund" (the "Sinking Fund"), which shall consist of an account created and designated as the "Revenues Account" (the "Revenues Account"). Prior to the sale of the Bonds, the Controller, with the advice of the Municipal Advisor, shall determine if the Bonds will be payable from Wheel Tax Revenues or Available Revenues, as provided in Section 2 hereof. Funds deposited into the Sinking Fund shall be applied to the payment of the principal of and interest on the Bonds, together with any fiscal or administrative charges related to the Bonds.

(b) If, at or prior to the sale of the Bonds or the BANs, it is determined by the Controller, with the advice of the Municipal Advisor, to be necessary and appropriate to fund capitalized interest, then there shall be set aside from the proceeds of such series of Bonds or BANs or other legally available money of the City and deposited in the Revenues Account an amount of money to be so used to pay capitalized interest on the Bonds or the BANs.

(c) If the Bonds are payable from Wheel Tax Revenues, there shall be deposited by the Controller into the Revenues Account, at least three (3) business days prior to each Bond payment date, a sufficient amount of Wheel Tax Revenues to pay the principal of and interest on the Bonds due on such payment date, together with any fiscal agency charges, as the same becomes due. In such event, the Mayor and the Controller are authorized to enter into a pledge

or similar agreement providing for conditions precedent to the issuance of additional obligations payable from the Wheel Tax Revenues on a parity with or subordinate to the pledge of the Wheel Tax Revenues to the payment of the Bonds.

(d) The provisions of this subparagraph (d) shall apply if the Bonds are payable from Available Revenues. There shall further be deposited by the Controller into the Revenues Account, as and when received, all revenues appropriated by the Common Council in its sole discretion for transfer and deposit into the Sinking Fund during such fiscal year for the purpose of paying the principal of and interest on the Bonds, together with any fiscal agency charges, as the same becomes due. Nothing herein should be construed as requiring the Common Council or any other board, department, agency, commission or special taxing district of the City to appropriate and transfer any legally available revenues to the Revenues Account from any source, other than any revenues annually appropriated by the Common Council for such purpose as determined by the Common Council in its sole discretion. Moneys in the Revenues Account shall be used by the Paying Agent solely for the purpose of paying the principal of and interest on the Bonds as such becomes due, whether at maturity or upon redemption. Any amounts appropriated and deposited in the Revenues Account are hereby irrevocably pledged by the City to the payment of the Bonds, such pledge being effective as set forth in Indiana Code 5-1-14-4 without the necessity of filing or recording this Ordinance or any instrument except in the records of the City. The Mayor and the Controller are each authorized to enter into agreements or undertakings as the Mayor and the Controller deem necessary or appropriate to further effectuate such pledge of amounts deposited into the Revenues Account of the Sinking Fund hereunder. If necessary in order to facilitate the deposit of any revenues or other funds so appropriated by the Common Council into the Revenues Account, the Mayor is hereby authorized to execute, and the Controller is authorized to attest, a revenue deposit agreement or other similar agreement, in a form and substance acceptable to the Mayor and Controller, based upon the advice of the City's bond counsel, with such approval to be conclusively evidenced by the execution thereof by Mayor and attested by the Controller. By no later than July 15 of each year, so long as the Bonds remain outstanding, the Controller shall certify to the Mayor and the Common Council the aggregate amount of principal, interest and any fiscal agency charges coming due on the Bonds on July 15 of the calendar year immediately following such annual certification and on January 15 of the second calendar year following such annual certification. The Mayor and the Controller shall use their best efforts to include each year as a part of the proposed annual budget for the following budget year an appropriation of revenues from one or more accounts of the City and transfer thereof to the Sinking Fund in an amount sufficient to ensure timely payment of debt service and fiscal agency charges on the Bonds when due. For the avoidance of doubt, the Common Council has no legal obligation to appropriate any such legally available revenues from any fund or account of the City for such purpose, and the decision whether to make an appropriation in its annual budget for such purpose is within the sole discretion of the Common Council. If such amounts are so appropriated each year, the Common Council will transfer, or cause to be transferred, any such amount to the Sinking Fund at times and in amounts sufficient to pay in full the debt service payments on the Bonds.

SECTION 12. Covenants Regarding Tax-Exempt Status of Bonds and BANs. In order to preserve the excludability from gross income of interest on the Bonds and the BANs under



federal law and as an inducement to the purchasers of the Bonds and the BANs, the City represents, covenants and agrees that, to the extent necessary to preserve such excludability:

(a) The City shall satisfy either subparagraph (i) or (ii) of this Section 12(a) (or both).

(i) No person or entity or any combination thereof, other than the City or any other governmental unit ("Governmental Unit") within the meaning of Section 141(b)(6) and Section 150(a)(2) of the Internal Revenue Code of 1986, as amended and as in effect on the date of delivery of the Bonds or the BANs (the "Code"), will use more than ten percent (10%) of the proceeds of the Bonds or the BANs or property financed by said proceeds other than as a member of the general public. Not more than five percent (5%) of the proceeds of the Bonds or the BANs are to be used (i) for any private business use that is unrelated to the governmental use of the proceeds or (ii) for a related private business use that is disproportionate to the governmental use of such proceeds within the meaning of Section 141(b)(3)(B) of the Code. No person or entity or any combination thereof, other than the City or another Governmental Unit, will own property financed by more than ten percent (10%) of the Bond or the BAN proceeds or will have actual or beneficial use of more than ten percent (10%) of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as a take-or-pay or other type of output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large of such property, except pursuant to a management or similar contract which satisfies the requirements of IRS Revenue Procedure 2017-13.

(ii) Not more than ten percent (10%) of the principal of or interest on the Bonds or the BANs (under the terms of the Bonds or the BANs, this Ordinance or any underlying arrangement) is secured, directly or indirectly, by an interest in property used or to be used for any private business use or payments in respect of such property or to be derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(b) No Bond or BAN proceeds will be loaned to any entity or person. No Bond or BAN proceeds will be transferred directly, or indirectly transferred or deemed transferred, to a person other than a Governmental Unit in a fashion that would in substance constitute a loan of said Bond or BAN proceeds.

(c) The City will not take any action or fail to take any action with respect to the Bonds or the BANs that would result in the loss of the excludability from gross income for federal tax purposes of interest on the Bonds or the BANs pursuant to Section 103(a) of the Code, nor will the City act in any manner or permit any actions by officers or officials of the City that would in any manner adversely affect such excludability. The City further covenants that it will not make any investment or do any other act or thing during the period that any Bond or BAN is outstanding hereunder which would cause any Bond or BAN to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Bonds or the BANs. The City shall comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable.

(d) All officers, members, employees and agents of the City are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the City as of the date the Bonds or the BANs are issued and to enter into covenants on behalf of the City evidencing the City's commitments made herein. In particular, all or any officers, members, employees and agents of the City are authorized to certify and/or enter into covenants for the City regarding the facts and circumstances and reasonable expectations of the City on the date the Bonds or the BANs are issued and the commitments made by the City herein regarding the amount and use of the proceeds of the Bonds or the BANs.

(e) Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance (the "Tax Sections") which are designed to preserve the excludability of interest on the Bonds or the BANs from gross income under federal law (the "Tax Exemption") need not be complied with if the City receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption. In addition, the City is authorized to issue one or more series of Bonds or BANs, the interest on which is not excludable from gross income under federal law, in which case the Tax Sections of this Ordinance shall not apply to such series of Bonds or BANs.

SECTION 13. Defeasance. If, when the Bonds or the BANs or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or the BANs or a portion thereof for redemption shall have been given, and the whole amount of the principal of and premium, if any, and interest so due and payable upon all of the Bonds or the BANs or a portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in that case the Bonds or the BANs or such portion thereof issued hereunder shall no longer be deemed outstanding or an indebtedness of the City.

SECTION 14. Separability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 15. Repeal of Conflicting Ordinances. All resolutions and orders, or parts thereof, in conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed, and this Ordinance shall be in immediate effect from and after its adoption.

SECTION 16. Payments on Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the city or town in which the Registrar and Paying Agent is located are typically closed, such payment may be made or act

performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

SECTION 17. Supplemental Ordinances Without Consent of Holders of Bonds or BANs. The Common Council may, without the consent of, or notice to, any of the owners of the Bonds or the BANs, adopt a supplemental ordinance for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Ordinance;
- (b) To grant to or confer upon the owners of the Bonds or the BANs any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds or the BANs, or to make any change which, in the judgment of the City, is not to the prejudice of the owners of the Bonds or the BANs;
- (c) To modify, amend or supplement this Ordinance to permit the qualification of the Bonds or the BANs for sale under the securities laws of the United States of America or of any of the states of the United States of America;
- (d) To provide for the refunding or advance refunding of the Bonds or the BANs;
- (e) To procure a rating on the Bonds or the BANs from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the Bonds or the BANs; and
- (f) Any other purpose which in the judgment of the City does not adversely impact the interests of the owners of the Bonds or the BANs.

SECTION 18. Supplemental Ordinances With Consent of Holders of Bonds or BANs This Ordinance, and the rights and obligations of the City and the owners of the Bonds or the BANs may be modified or amended at any time by supplemental ordinances adopted by the Common Council with the consent of the owners of the Bonds or the BANs holding at least a majority in aggregate principal amount of the outstanding Bonds or BANs (exclusive of Bonds or BANs, if any, owned by the City); provided, however, that no such modification or amendment shall, without the express consent of the owners of the Bonds or the BANs affected, reduce the principal amount of any Bond or BAN, reduce the redemption premium, if any, or interest rate payable thereon, advance the earliest redemption date, extend its maturity or mandatory sinking fund redemption or the times for paying interest thereon, permit a privilege or priority of any Bond or Bonds or BAN or BANs over any other Bond or Bonds or BAN or BANs, create a lien securing any Bonds or BANs other than a lien ratably securing all of the Bonds or the BANs outstanding, or change the monetary medium in which principal and interest are payable, nor shall any such modification or amendment reduce the percentage of consent required for amendment or modification.

Any act done pursuant to a modification or amendment so consented to shall be binding upon all the owners of the Bonds or the BANs and shall not be deemed an infringement of any of the provisions of this Ordinance, and may be done and performed as fully and freely as if expressly permitted by the terms of this Ordinance, and after such consent relating to such specified matters has been given, no owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the City or any officer thereof from taking any action pursuant thereto.

If the City shall desire to obtain any such consent, it shall cause the Registrar and Paying Agent to mail a notice, postage prepaid, to the respective owners of the Bonds or the BANs at their addresses appearing on the registration books held by the Registrar and Paying Agent. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar and Paying Agent for inspection by all owners of the Bonds or the BANs. The Registrar and Paying Agent shall not, however, be subject to any liability to any owners of the Bonds or the BANs by reason of its failure to mail the notice described in this Section 18, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as provided in this Section 18.

Whenever at any time after the date of the mailing of such notice, the City shall receive an instrument or instruments purporting to be executed by the owners of the Bonds or the BANs of not less than a majority in aggregate principal amount of the Bonds or the BANs then outstanding (exclusive of Bonds or BANs, if any, owned by the City), which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar and Paying Agent, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the Bonds or the BANs, whether or not such owner shall have consented thereto.

Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section 18, this Ordinance shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in this Ordinance to the contrary, the rights and obligations of the City and of the owners of the Bonds or the BANs authorized by this Ordinance, and the terms and provisions of the Bonds or the BANs and this Ordinance, or any supplemental or amendatory ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Bonds or the BANs then outstanding.

SECTION 19. Controller's Certificate. The Controller shall, prior to the sale of each series of the Bonds, set forth in a certificate (the "Controller's Certificate") the amount and maturities of such series of the Bonds, the first interest payment date of such series of the Bonds, the percentage of par at which such series of the Bonds shall be sold and all other matters required by this Ordinance to be provided in the Controller's Certificate.

SECTION 20. Official Statement. The Bonds or the BANs may, based upon the advice of the Municipal Advisor, be offered and sold pursuant to an Official Statement with respect to the Bonds (the "Official Statement"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission (the "Rule") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The City hereby authorizes the Controller (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended, for distribution as the Preliminary Official Statement of the City; (b) on behalf of the City, to designate and deem the Preliminary Official Statement a "final" Official Statement with respect to the Bonds or the BANs, subject to completion as permitted by and otherwise pursuant to the Rule; and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and to enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement under the Rule. The Mayor is further authorized to execute an agreement in connection with the offering of the Bonds or the BANs in accordance with the Rule by which the City agrees to undertake such continuing disclosure obligations as may be required under the Rule.

SECTION 21. Appropriation of Proceeds. The proceeds derived from the sale of the Bonds (and the BANs, if issued) heretofore authorized to be issued and all investment earnings thereon shall be and the same are hereby appropriated to provide financing for all or a portion of the Project, together with expenses incurred in connection therewith, all of which is not provided for in the existing budget and tax levy. Such appropriation shall be in addition to all appropriations provided for in the existing budget and levy and shall continue in effect until the completion of the activities described above. Any surplus of such proceeds (including investment earnings thereon) shall be credited to the proper fund as provided by law. The proper officers of the City shall be, and hereby are, authorized and directed to certify a copy of this Ordinance together with such other proceedings and actions as may be necessary to the Indiana Department of Local Government Finance.

SECTION 22. Effectiveness. This Ordinance shall be in full force and effect from and upon compliance with the procedures required by law.

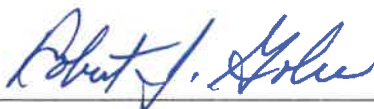
\* \* \* \* \*

ADOPTED AND APPROVED by the Common Council of the City of Hammond, Indiana, this 14th day of April, 2025.



Dave Woerpel, President  
Hammond Common Council

ATTEST:



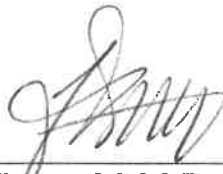
Robert J. Golec, City Clerk  
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 15th day of April, 2025.



Robert J. Golec, City Clerk  
City of Hammond, Indiana

APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 15<sup>th</sup> day of April, 2025.



Thomas M. McDermott, Jr., Mayor  
City of Hammond, Indiana

APPROVED PASSED by the Common Council on the 14th day of April, 2025, and by the Mayor on the 15<sup>th</sup> day of April, 2025.



Robert J. Golec, City Clerk  
City of Hammond, Indiana