

RESOLUTION 80-12

To Approve and Authorize Execution of an Agreement with the B.F. Goodrich Company Relating to the Financing of Economic Development Facilities Within the Boundaries of the City of Bloomington, Monroe County, Indiana.

WHEREAS, the City of Bloomington, Indiana (the "Issuer"), by virtue of the laws of the State of Indiana, including particularly IC 1971, Sections 18-6-4.5-1 to 18-6-4.5-28, as amended, inclusive (the "Act"), is authorized and empowered, among other things, to issue economic development revenue bonds (the "Bonds") and loan the proceeds thereof to a private entity for the purpose of paying the costs of financing economic development facilities, as defined in the Act, and to secure such Bonds by an indenture, including the pledge and assignment of revenues and receipts derived from the financing agreement entered into in connection with such economic development facilities to the payment of debt service on said Bonds; and

WHEREAS, pursuant to the Act, the Bloomington Economic Development Commission (the "Commission") has been created to undertake the duties set forth in the Act for such department respecting the financing of economic development facilities; and

WHEREAS, the B.F. Goodrich Company (the "Company"), a corporation duly organized and existing under the laws of the State of New York, has requested that the necessary actions be commenced to provide for the issuance of Bonds to pay costs incurred in connection with the acquisition and improvement of an existing 250,000 square foot building including the site thereof and acquisition and installation of the equipment and furnishings therefor to be used in the manufacture of off-highway break systems (the "Facilities"); and

WHEREAS, based upon facts now before it, it appears to this Council that the issuance of Bonds for the financing of the Facilities will create additional jobs and employment opportunities, will be of benefit to the welfare of the Issuer and will comply with the purposes and provisions of the Act; and

WHEREAS, under the provisions of the Act it will be necessary for the Commission and this Council to undertake certain proceedings and adopt certain legislation incident to the issuance of Bonds to provide funds for the financing of the Facilities; and

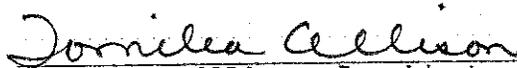
WHEREAS, this Council has determined it to be desirable and appropriate to initiate such formal steps in order to secure the commitment of the Company to locate the Facilities within the boundaries of the Issuer and to provide for other matters incidental thereto;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION I. The Council hereby finds and determines that the Facilities constitute economic development facilities within the meaning of the Act, the location of which within the boundaries of the Issuer will create jobs and employment opportunities, thereby benefitting the welfare of the Issuer.

SECTION II. To secure such benefits, the Council deems it desirable and appropriate to initiate formal steps incident to the issuance of Bonds and in furtherance thereof, this Council hereby approves and authorizes the execution of the Agreement to Issue Bonds by and between the Issuer, the Commission and the Company in the form attached hereto as Exhibit A, and the Mayor is hereby authorized and directed to execute such Agreement on behalf of the Issuer substantially in such form.

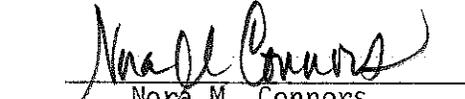
PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 1st day of May, 1980.


Tomilea Allison, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 2nd day of May, 1980.


Francis X. McCloskey, Mayor
City of Bloomington

ATTEST:


Nora M. Connors
City Clerk

SYNOPSIS

IC 18-6-4.5 authorizes the City of Bloomington to issue revenue bonds for the financing of economic development facilities. The B.F. Goodrich Company wants to construct facilities for the manufacture of off-highway brake systems in the old Sarkes Tarzian factory on E. Hillside. This resolution states that if all necessary statutory, planning, legal and financial requirements are met then the Council will pass an ordinance authorizing the issuance of bonds for the construction of the facility in an amount not to exceed \$10,000,000. The City has no liability for these bonds if approved.

AGREEMENT TO ISSUE BONDS

THIS AGREEMENT, entered into as of _____, 1980 between the City of Bloomington, Indiana (the "Issuer"), a municipal corporation and political subdivision organized and existing under the Constitution and laws of the State of Indiana, the Bloomington Economic Development Commission (the "Commission"), a department of development created by the Common Council of the Issuer under and pursuant to IC 1971 Sections 18-6-4.5-1 to 18-6-4.5-28, as amended, inclusive (the "Act") and The B. F. Goodrich Company (the "Company") a corporation for profit organized and existing under the laws of the State of Indiana, in furtherance of the public purposes of the Act to create jobs and employment opportunities thereby benefitting the welfare of the Issuer; and

WHEREAS, the Company desires to acquire and improve an existing 250,000 square foot building including the site thereof and acquire and install the equipment and furnishings therefor to be used in the manufacture of off-highway break systems (the "Facilities"); and

WHEREAS, the Company has requested that the Issuer issue economic development revenue bonds pursuant to the Act (the "Bonds") to provide funds for the financing of the Facilities;

WHEREAS, the Issuer and the Commission desire to evidence this preliminary agreement respecting the issuance of Bonds for the financing of the Facilities in order to induce the Company to commence actions toward the location of the Facilities within the boundaries of the Issuer.

W I T N E S S E T H:

1. The Company shall commence and continue, or cause to be commenced and continued, the acquisition and construction of the Facilities within the boundaries of the Issuer as soon as feasible, and the Company will provide, or cause to be provided, at its own expense, any necessary interim financing to permit such acquisition and construction of the Facilities to commence and continue. In connection with the issuance of the Bonds, the Issuer upon the recommendation of the Commission, and the Company will enter into one or more agreements (herein called "Financing Agreement") with respect to the Facilities and the financing therefor. The Financing Agreement shall be in the form of a loan agreement, installment sale agreement or lease, containing such terms and conditions as provided or permitted under the Act; provided, however, that the Financing Agreement shall require payments to be made by the Company sufficient to pay the principal of and premium, if any, and interest on such Bonds as may be issued with respect to the Facilities, or portion thereof, which is the subject of such Financing Agreement. In order to secure the payment of the principal of and premium, if any, and interest on the Bonds, the Issuer shall also enter into a trust indenture which shall have such terms and conditions as may be provided or permitted under the Act. Upon request of the purchaser or purchasers of the Bonds, the Company may give and the Issuer or the trustee designated under such trust indenture shall, on behalf and for the protection of the holders of the Bonds, accept such other security as may be provided or permitted under the Act. The Issuer shall not have any financial responsibility with respect to the Bonds or the Facilities except from revenues and receipts derived by the Issuer under the Financing Agreement.

2. Upon receipt of a request from the Company, and subject to the requirements and provisions of the Act, the Commission will consider and

recommend and the Issuer will issue the Bonds, maturing in such amounts and times, bearing interest at such rate or rates, payable on such dates and containing such optional and mandatory redemption features and prices as are requested by the Company and approved by the Issuer and the Commission. Thereafter, the Issuer will deliver the Bonds to the purchaser or purchasers thereof and cooperate to its fullest extent in consummating the transaction.

3. In order to induce the Issuer and the Commission to execute and deliver this Agreement, the Company hereby agrees to defend, indemnify and hold the Issuer and the Commission and any and all officials thereof harmless against any and all loss, cost, expense, claims or actions arising out of or connected with the execution of this Agreement and the preparation of proceedings for, and the issuance, sale or delivery of, the Bonds.

IN WITNESS WHEREOF, the Issuer, pursuant to ordinance duly passed on _____, 1980 has caused this Agreement to be executed by its Mayor, the Commission, pursuant to resolution duly adopted on _____, 1980 has caused this Agreement to be executed by its President and the Company has caused it to be executed by its duly authorized officer, and all as of the day and year first above written.

CITY OF BLOOMINGTON, INDIANA

By _____
Mayor

BLOOMINGTON ECONOMIC DEVELOPMENT
COMMISSION

By _____
President

THE B. F. GOODRICH COMPANY

By _____