ORDINANCE 80-98

An Ordinance Authorizing the Issuance of $1,000,000 Economic Development Revenue Bonds of the City of Bloomington, Indiana, in Order to Assist The B. F. Goodrich Company in the Financing of Costs of Improving and Equipping a Project; Authorizing the Issuance of Additional Bonds; Providing for the Pledge of Revenues for the Payment of Said Bonds; Authorizing the Execution and Delivery of an Installment Sale Agreement With The B. F. Goodrich Company; Authorizing the Execution and Delivery of a Bond Purchase Agreement, and Authorizing a Trust Indenture Appropriate for the Protection and Disposition of Such Revenues and Further to Secure the Payment of Said Bonds.

WHEREAS, the City of Bloomington, Indiana (hereinafter called the "Issuer") is a municipal corporation and political subdivision organized and existing under the Constitution and laws of the State of Indiana, and by virtue of the laws of said State, including the Indiana Municipal Economic Development Act, Indiana Code of 1971, Title 18, Article 6, Chapter 4.5, as amended (hereinafter called the "Act"), is authorized and empowered, among other things, (a) to issue its revenue bonds in order to assist in the financing of costs of improving and equipping an "economic development facility" as those words are defined in the Act (hereinafter called the "Project"), (b) to enter into an agreement with the user of such facilities providing for revenues sufficient to pay the principal of and premium, if any, and interest on such revenue bonds, (c) to secure such revenue bonds by a trust agreement between the Issuer and a corporate trustee, and by a pledge and assignment of such revenues, as provided for herein, and (d) to enact this Bond Legislation and enter into the Indenture, the Installment Sale Agreement and the Bond Purchase Agreement (as hereinafter defined) upon the terms and conditions provided therein; and

WHEREAS, the Common Council of the Issuer (hereinafter called the "Legislative Authority") has heretofore by ordinance passed on April 5, 1974, as amended by ordinance passed on December 18, 1975 and pursuant to the Act created the Bloomington Economic Development Commission (hereinafter called the "Commission"),

and the members of the Commission have been duly appointed and qualified, and the Commission has organized and undertaken the duties imposed upon it by the Act and has found by written resolution that, because of existing insufficient employment opportunities, the economic welfare of the Issuer would be benefited by the Project, and such resolution and the findings therein have heretofore been approved by the Legislative Authority; and

WHEREAS, the Commission has entered into negotiations with the Company concerning the Project and in connection therewith has prepared a report estimating the public services which would be made necessary or desirable and the expense thereof, the total costs of the Project, the number of jobs and the estimated payroll on account of the Project and stating the need for the Project and the capacity thereof and has submitted such report to the executive director or chairman of the plan commission; and

WHEREAS, the executive director or chairman of the plan commission receiving the report of the Commission has formulated written comments concerning such estimate and within five (5) days from the receipt of such estimate has transmitted said comments to the Commission; and

WHEREAS, the Commission has held a public hearing on the Project after giving not less than five (5) days notice by publication in a newspaper published or of general circulation in the City of Bloomington, and by resolution has heretofore found that the Project is an "economic development facility" and thus complies with the purposes and provisions of the Act and has approved the financing of the Project, including the form and terms of the Project Bonds (as hereinafter defined), the Agreement, the Indenture and the Bond Purchase Agreement, and such resolution has been received by this Legislative Authority; and

WHEREAS, it is determined by this Legislative Authority, pursuant to a resolution passed May 1, 1980, that the amount necessary to finance the costs of or related to the improvement and equipping of the Project, including the financing thereof, will require the issuance, sale and delivery of Project Bonds in the aggregate principal amount of $1,000,000 and hereafter may require the Issuer's best efforts to issue, sell and deliver Additional Bonds (as hereinafter defined) on a parity therewith, all of which Bonds shall be equally and ratably payable and secured as provided herein and in the Indenture;

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

SECTION 1. Definitions. In addition to the words and terms elsewhere defined in this Bond Legislation or in the Agreement and used herein as defined words and terms, the following words and terms as used in this Bond Legislation and in the Indenture authorized herein shall have the following meanings unless the context or use clearly indicates another or different meaning or intent:

"Act" means the Indiana Municipal Economic Development Act, as amended, Indiana Code of 1971, Title 18, Article 6, Chapter 4.5.

"Additional Bonds" means Bonds issued pursuant to Section 8 of this Bond Legislation.

"Agreement" means the Installment Sale Agreement, provided for in Section 11 hereof, between the Issuer and the Company, dated as of December 1, 1980, as the same may be duly amended, modified or supplemented in accordance with the provisions thereof.

"Bonds" means the Project Bonds and any Additional Bonds issued and to be issued pursuant to the Indenture.

"Bond Fund" means the Bond Fund created by Section 7 hereof.

"Bond Fund Payment" means as to the Project Bonds an amount equal to the interest accrued on the Project Bonds from their date to the date of their delivery, and as to the Additional Bonds the amount specified in the Bond Legislation authorizing such Additional Bonds, provided that the Bond Fund Payment for any Additional Bonds shall not be less than an amount equal to the interest accrued on such Additional Bonds from their date to the date of delivery of such Additional Bonds to their Original Purchaser and payment therefor.

"Bondholder" or "holder" or "holder of Bonds" means any person who is the bearer of a coupon Bond which is not registered as to principal or the principal of which is registered to bearer, or the person in whose name a registered Bond is registered, and "holder" when used with reference to a coupon means the bearer of the coupon.

"Bond Legislation" means (i) when used with reference to the Project Bonds, this ordinance authorizing the Project Bonds; (ii) when used with reference to an issue of Additional Bonds, this ordinance authorizing the Project Bonds to the extent applicable and the ordinances providing for the issuance of such Additional Bonds; and (iii) when used with reference to Bonds when Additional Bonds are outstanding, this ordinance authorizing the Project Bonds and the ordinances providing for the issuance of Additional Bonds; all as the same may from time to time be lawfully amended, modified or supplemented.

"Bond Purchase Agreement" means the Bond Purchase Agreement among the Issuer, the Company and the Original Purchaser describing the terms and conditions for delivery of the Project Bonds.

"Bond Service Charges" for any time period means the principal, including any mandatory sinking fund requirements, interest, and redemption premium, if any, required to be paid by the Issuer on the Bonds for such

time period. In determining Bond Service Charges for any time period or date, any mandatory sinking fund requirements for such period or applicable to such date shall be included, and principal maturities for which and to the extent mandatory sinking fund requirements were imposed in a prior period or for a prior date shall be excluded.

"Company" means The B. F. Goodrich Company, a corporation organized and existing under the laws of the State of New York and qualified to do business under the laws of the State, and its lawful successors and assigns, including surviving, resulting or transferee corporations, as provided in the Agreement.

"Construction Fund" means the Construction Fund created by Section 6 hereof.

"Coupon" or "interest coupon" means a coupon issued hereunder evidencing an installment of interest on a coupon Bond.

"Coupon bond registered as to principal" means any coupon Bond at the time registered as to principal in the name of the Bondholder.

"Eligible Investments" means (i) any bonds or other obligations of the United States which as to principal and interest constitute direct obligations of the United States of America or are issued or guaranteed by any person controlled or supervised by and acting as an instrumentality of the United States pursuant to authority granted by the Congress of the United States, (ii) interest bearing accounts, time deposits or certificates of deposit of (a) the Trustee or (b) banks or trust companies, organized under the laws of Canada or the United States of America or any province or state thereof, which have combined capital and surplus of at least 10,000,000 in dollars of the United States of America or the Canadian equivalent thereof, (iii) obligations issued or guaranteed by any state of the United States or the District of Columbia, or any political subdivision of any such state or district, (iv) commercial paper or finance

company paper rated A-1 and P-1, or their equivalents, by Standard & Poor's Corporation and Moody's Investors Service, Inc., respectively, or their successors, (v) bankers acceptances drawn on and accepted by commercial banks, or (vi) repurchase agreements fully secured by any one or more of the foregoing; provided that any such investment or deposit is not prohibited by law.

"Executive" means the Mayor of the Issuer.

"Fiscal Officer" means the City Clerk of the Issuer.

"Indenture" means the Trust Indenture, provided for in Section 11 hereof, between the Issuer and the Trustee, dated as of December 1, 1980, including this Bond Legislation as part thereof, as the same may be amended, modified or supplemented in accordance with the provisions thereof.

"Interest Payment Date" means, as to the Project Bonds, the first day of each June and December commencing June 1, 1981 and, as to Additional Bonds, the date or dates identified as such in the Bond Legislation authorizing such Additional Bonds.

"Legal Officer" means the City Attorney of the Issuer.

"Legislative Authority" means the Common Council of the Issuer.

"Original Purchaser" means as to the Project Bonds, McDonald & Company, Cleveland, Ohio, and as to Additional Bonds, the person or persons identified as such in the Bond Legislation providing for the issuance of such Additional Bonds.

"Outstanding Bonds" or "Bonds outstanding" or "outstanding" as applied to Bonds, means, as of any date, all Bonds which have been authenticated and delivered, or are then being delivered, by the Trustee under the Indenture except:

(a) Bonds surrendered for and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

(b) Bonds for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to such date with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds), or which are deemed to have been paid and discharged pursuant to the provisions of Section 8.02 of the Indenture; provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; and

(c) Bonds in lieu of which others have been authenticated (or payment, when due, of which is made without replacement) under Section 2.05 of the Indenture.

"Paying Agents" means any banks or trust companies designated as the paying agencies or places of payment for Bonds or coupons by or pursuant to the applicable Bond Legislation, and their successors designated pursuant to the Indenture.

"Person" means natural persons, firms, associations, corporations and public bodies.

"Project" means the real, personal, or real and personal property, including undivided or other interests therein, identified in Exhibit A to the Agreement, in or pursuant to any amendments to the Agreement, and in the certificate of the Project Supervisor given pursuant to Section 3.3 of the Agreement, and acquired, constructed or installed as a replacement or substitution therefor or addition thereto, and as may result from a revision of the Plans and Specifications, as defined in the Agreement, in accordance with the provisions of the Agreement.

"Project Bonds" means the Economic Development Revenue Bonds authorized in Section 3 hereof and designated "City of Bloomington, Indiana, Economic Development Revenue Bonds, Series 1980 (BFGoodrich Project)."

"Project Purpose" means the economic development facility to be used by the Company in the manufacture of off-highway brake systems and such subsequent or related uses as are permitted by the Agreement.

"Project Site" means the premises of the Company's plant located in Bloomington, Indiana, as more particularly described in Exhibit B to the Agreement.

"Purchase Payments" means the amounts required to be paid by the provisions of Section 2.3 of the Agreement as the purchase price for the Project.

"Purchase Price" means as to the Project Bonds the amount paid by the Original Purchaser for the principal amount of the Project Bonds together with accrued interest, if any, on the Project Bonds from their date to the date of delivery of the Project Bonds to the Original Purchaser and payment therefor. "Purchase Price" means as to any Additional Bonds the Purchase Price specified therefor in the applicable Bond Legislation authorizing such Additional Bonds.

"Receipts" means (a) the Purchase Payments, (b) subject to the provisions of Sections 3.04 and 8.02 of the Indenture with respect to the Trustee holding moneys for the benefit of the holders of particular Bonds, all other moneys received by the Issuer, or the Trustee for the account of the Issuer, in respect of the sale of the Project, and (c) the income and profit from the investment of the Purchase Payments and such moneys.

"Registered Bonds" means Bonds registered in the name of the holder, including coupon Bonds registered as to principal (except to bearer) and fully registered Bonds; and "fully registered Bonds" means Bonds without coupons registered as to both principal and interest.

"State" means the State of Indiana.

"Trustee" means the Trustee at the time being under the Indenture, originally Fort Wayne National Bank, Fort Wayne, Indiana, as Trustee and any successor Trustee as determined or designated under or pursuant to the Indenture.

Any reference herein to the State, to the Issuer, or to any officers thereof, shall include those succeeding to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions. Any reference to a section or provision of the Indiana Constitution or the Act or to a section, provision or chapter of the Indiana Code shall include such section or provision or chapter as from time to time amended, modified, revised, supplemented, or superseded; provided, however, that no such change in the Constitution or laws (a) shall alter the obligation to pay the Bond Service Charges in the amounts and manner, at the times, and from the sources provided in the Bond Legislation and the Indenture, except as otherwise herein permitted or (b) shall be deemed applicable by reason of this provision if such change would in any way constitute an impairment of the rights of the Issuer or the Company under the Agreement or the Indenture.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa and the terms "hereof," "hereby," "hereto," "hereunder," "herein" and similar terms mean this Bond Legislation and the Indenture.

SECTION 2. Determinations of Issuer. The Legislative Authority hereby finds and determines that this Bond Legislation is of benefit to the health or welfare of the Issuer, by tending to overcome the deficiencies previously found to exist, to-wit: insufficient employment opportunities, insufficient tax base and insufficient diversification of economic development facilities, that such benefit is greater than the cost of public services (as that phrase is defined in the Act) which will be required by the Project, and that the financing thereof complies with the purposes and provisions of the Act.

The Legislative Authority also hereby finds and determines that (a) the Project is an economic development facility as defined in the Act and is consistent with the purposes of the Act; (b) the utilization of the Project is in furtherance of the purposes of the Act and is economically sound, will increase employment opportunities for persons residing within and beyond the corporate limits of the Issuer, will improve and benefit the economic stability and general welfare of the Issuer and the State, and will encourage and promote the expansion of industry, trade and commerce within the Issuer and the State; and (c) the provision of assistance in financing of costs of improving and equipping the Project, including the financing thereof, will require the issuance, sale and delivery of the Project Bonds and hereafter may require the Issuer's best efforts to issue, sell and deliver Additional Bonds on a parity therewith, all of which Bonds shall be equally and ratably payable and secured as provided herein and in the Indenture authorized herein.

SECTION 3. Authorization and Terms of Project Bonds. It is hereby determined to be necessary to issue, sell and deliver, as provided and authorized herein and pursuant to the authority of the Act, $1,000,000 aggregate principal amount of Project Bonds for the purpose of assisting in the financing of costs of improving and equipping the Project to be operated by the Company for the Project Purpose on the Project Site, including costs incidental thereto and to the financing thereof. The Project will be sold to the Company on an installment basis pursuant to the Agreement. Said Project Bonds are economic development revenue bonds of the Issuer and shall be designated "City of Bloomington, Indiana, Economic Development Revenue Bonds, Series 1980 (BFGoodrich Project)." The Issuer may also issue, sell and deliver Additional Bonds on a parity with the Project Bonds for the purposes and in the manner provided in Section 8 of this Bond Legislation.

The Project Bonds shall be initially issued in coupon or fully registered form as may be requested by the Original Purchaser thereof, shall

be exchangeable for fully registered or coupon Bonds in the manner and on the terms provided in the Indenture, and shall be numbered as determined by the Executive. Project Bonds in coupon form shall be in the denomination of $5,000 each, shall be registrable as to principal, and shall be dated as of and bear interest from December 1, 1980. Project Bonds in fully registered form shall be in the denominations of $5,000 and any integral multiple thereof, and shall be dated as of the date of authentication and shall bear interest from the Interest Payment Date next preceding the date of authentication to which interest has been paid unless the date of authentication (i) is an Interest Payment Date to which interest has been paid, in which event they shall be dated and bear interest from the date of authentication or (ii) is prior to the first Interest Payment Date, in which event they shall be dated and bear interest from December 1, 1980; provided that if at the time of authentication interest thereon is in default, they shall be dated as of the date to which interest has been paid.

The Project Bonds shall bear interest from their respective dates at the rate of eleven and one-half per centum (11-1/2%) per annum, payable on each Interest Payment Date, and shall mature on December 1, 2010.

The Project Bonds are subject to mandatory redemption prior to maturity, by lot in such manner as the Trustee may determine, at a redemption price of 100% of the principal amount thereof plus interest accrued to the redemption date, on December 1, 2005 and on each December 1 thereafter prior to maturity, in the following principal amounts in the years specified:

Year	Amount
2005	$100,000
2006	100,000
2007	100,000
2008	100,000
2009	100,000

If retired only by such mandatory redemption prior to maturity, there would remain $500,000 principal amount of Project Bonds due December 1, 2010, to be paid at maturity.

In the event the Company exercises its option to prepay all Purchase Payments in full as provided in Section 8.2 of the Agreement, the Project Bonds are subject to extraordinary optional redemption by the Issuer prior to stated maturity at any time in whole at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date. Notice from the Company to the Trustee pursuant to Section 8.3 of the Agreement that the Company shall exercise its option to prepay all Purchase Payments in full pursuant to Section 8.2 of the Agreement shall constitute the direction from the Issuer to the Trustee to call all the then outstanding Project Bonds for extraordinary optional redemption pursuant to this paragraph, and no separate notice from the Issuer to the Trustee shall be required.

The Project Bonds are also subject to special mandatory redemption by the Issuer prior to stated maturity at any time in whole at a redemption price of 108% of the principal amount thereof plus accrued interest to the redemption date upon any "final determination" that, as a result of the failure by the Company to observe any covenant, agreement or representation in the Agreement, the interest payable on the Project Bonds is includable for federal income tax purposes in the gross income of any holder of a Project Bond (other than a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(9) of the Internal Revenue Code of 1954 and the applicable regulations thereunder). A "final determination" shall be deemed to have occurred upon the issuance of a published or private ruling or technical advice by the Internal Revenue Service or a judicial decision in a proceeding by any court of competent jurisdiction in the United States (from which ruling, advice or decision no further right of appeal exists), in all cases in which the Company has participated, had an opportunity to participate or has been a party. Any such redemption shall be made not more than 180 days after the date of such final determination. If the Project Bonds are not redeemed within said 180 days after the date of such final determination, then the redemption

price shall be increased by 1/2% of the principal amount thereof for each 180 day period that the Project Bonds remain outstanding thereafter. Notice from the Company to the Issuer and the Trustee pursuant to Section 8.3 of the Agreement that the Company shall prepay the Purchase Payments in full as required under Section 8.4 of the Agreement shall constitute the direction from the Issuer to the Trustee to call all the then outstanding Project Bonds for special mandatory redemption pursuant to this paragraph, and no separate notice from the Issuer to the Trustee shall be required.

The Project Bonds are also subject to redemption by and at the option of the Issuer, at the direction of the Company, prior to stated maturity in whole on any date or in part on any Interest Payment Date, on or after December 1, 1990, at redemption prices equal to the following percentages of the principal amount redeemed, plus in each case accrued interest to the date fixed for redemption:

If Redeemed (dates inclusive)	Redemption Price
December 1, 1990 to November 30, 1991	103%
December 1, 1991 to November 30, 1992	102
December 1, 1992 to November 30, 1993	101
December 1, 1993 and thereafter	100

If less than all of the outstanding Project Bonds are called for redemption at any time or from time to time, the selection of such Project Bonds, or portions of fully registered Project Bonds (in amounts of $5,000 or any integral multiple thereof), to be called shall be made by lot in such manner as the Trustee may determine.

Notice of the call for redemption of Project Bonds, identifying by designation, letters, numbers or other distinguishing marks, the Project Bonds, or portions of fully registered Project Bonds in amounts of $5,000 or a whole multiple thereof, to be redeemed, the redemption price to be paid, the date fixed for redemption and the place or places where the amounts due upon such redemption are payable, shall be given by the Trustee on behalf of the Issuer by at least two publications in a newspaper or financial

journal of general circulation published in the City and State of New York, the first such publication to be not less than thirty days prior to the redemption date, and, in the case of the redemption of any Project Bonds at the time in the form of registered Bonds, by mailing a copy of the redemption notice by first class mail not less than thirty days prior to the date fixed for redemption to the registered owner of each such registered Project Bond to be redeemed at the address shown on the registration books kept by the Trustee and, in the case of the redemption of any Project Bonds at the time in the form of coupon Project Bonds not registered as to principal or registered as to principal to bearer, by mailing such notice in such manner not less than thirty days prior to the date fixed for redemption to the person whose name appears on the list referred to in Section 9(f) of the Bond Legislation with respect to each such Project Bond to be redeemed at the address shown on such list; provided, however, that failure to give any such notice by mailing, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of any of the other Project Bonds. If, because of the temporary or permanent suspension of the publication or general circulation of the appropriate newspapers or financial journals or for any other reason, it is impossible or impractical to publish such notice of call for redemption in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of notice. If all of the Project Bonds to be redeemed are at the time in the form of registered Bonds, notice of the call for redemption may be given by mailing a copy of the redemption notice by registered or certified mail not less than thirty days prior to the date fixed for redemption to each holder thereof at the address shown on the registration books kept by the Trustee, and newspaper or financial journal publication of the notice of the call for redemption need not be given; provided, however, that failure to give such notice to any Bondholder by mailing, or any defect in such notice to any Bondholder, shall not affect the validity of the proceedings for the redemption of any of the other Project Bonds.

Bond Service Charges on Project Bonds in coupon form, other than principal of or any redemption premium on such Bonds registered as to principal (except to bearer), shall be payable, without deduction for services as paying agent, at the corporate trust office of the Trustee. The principal of and any redemption premium on registered Project Bonds shall be payable at the corporate trust office of the Trustee, and interest on fully registered Project Bonds shall be payable by check or draft as provided in the Indenture.

The Project Bonds shall be executed by the Executive and the Fiscal Officer, provided that either or both of such signatures may be facsimiles, and the coupons pertaining thereto shall be executed by the Fiscal Officer, provided that such signature may be a facsimile.

SECTION 4. Terms of all Bonds. All Bonds shall bear such designations as may be necessary to distinguish them from Bonds of any other series. Bond Service Charges on all Bonds shall be payable in lawful money of the United States of America. Subject to provisions of the applicable Bond Legislation, Bonds shall be issued as coupon Bonds registrable as to principal or as fully registered Bonds, and may be exchanged as between forms, all as provided in the Indenture. All Bonds shall be negotiable instruments, subject to applicable provisions for registration, and shall express on their faces the purpose for which they are issued and such other statements or legends as may be required by law.

All Bonds and coupons shall be executed in the manner provided in the Bond Legislation authorizing their issuance or in the manner provided by the applicable law in effect at the time of their issuance. In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds or coupons shall cease to be such officer before the issuance or delivery of such Bonds or coupons, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until that time.

Unless otherwise provided in the Bond Legislation authorizing the issuance of Additional Bonds, notice of call for redemption of all Bonds shall be given in the manner provided in Section 3 hereof for the notice of call for redemption of the Project Bonds. If Bonds or portions of fully registered Bonds are duly called for redemption and if on such redemption date moneys for the redemption of all the Bonds to be redeemed, together with accrued interest to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such redemption date such Bonds or portions of fully registered Bonds shall cease to bear interest and any coupons for interest thereon maturing subsequent to the redemption date shall be void.

SECTION 5. Security Pledged for Bonds. As provided herein, the Bonds shall be equally and ratably payable solely from the Receipts and secured by a pledge of and lien on moneys deposited in the Bond Fund and the Construction Fund as herein provided, a pledge and assignment of other moneys constituting Receipts and the rights of the Issuer granted to the Trustee by the Granting Clauses of the Indenture, and further secured by the Indenture; and anything in the Bond Legislation, the Bonds or the Indenture to the contrary notwithstanding, neither the Bond Legislation, the Bonds, nor the Indenture shall constitute a debt or a pledge of the general credit or taxing power of the Issuer, but such Bonds are payable solely from the Receipts, and the Bonds shall contain on the face thereof a statement to that effect.

SECTION 6. Sale of Project Bonds and Allocation of Purchase Price; Construction Fund. The Executive and the Fiscal Officer are hereby authorized and directed to offer for sale the Project Bonds to the Original Purchaser for purchase by the Original Purchaser at the Purchase Price and in accordance with the terms and provisions of this Bond Legislation and the Bond Purchase Agreement authorized in Section 11 hereof, and to make the necessary arrangements on behalf of the Issuer with the Original

Purchaser to establish the date, location, procedure and conditions for the delivery of the Project Bonds to the Original Purchaser. The Executive and the Fiscal Officer further are hereby authorized and directed to take all steps necessary to effect due authentication, delivery and security of the Project Bonds under the terms of this Bond Legislation and the Indenture, and it is hereby determined that the Purchase Price and the interest rate or rates for the Project Bonds and the manner of sale, as provided in this Bond Legislation, are in the best interest of the State and the Issuer and consistent with all legal requirements. The Fiscal Officer shall furnish to the Original Purchaser a true transcript of proceedings certified by him of all proceedings had with reference to the issuance of the Project Bonds along with such information for the records as is necessary to determine the regularity and validity of the issuance of said Bonds.

At the time of issuance, delivery and payment, there shall be paid from the Purchase Price of the Project Bonds into the Bond Fund, the Bond Fund Payment.

There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund to be designated "City of Bloomington, Indiana - BFGoodrich 1980 Construction Fund" (hereinafter called the "Construction Fund"). After deducting the Bond Fund Payment required by the preceding paragraph to be paid other than to the Construction Fund, the balance of the proceeds of the Project Bonds shall be deposited in the Construction Fund. Moneys in the Construction Fund shall be disbursed by the Trustee in accordance with the provisions of the Agreement, and the Trustee is hereby authorized and directed to issue its check for each disbursement required by the provisions of the Agreement. The Issuer covenants and agrees to take all necessary and appropriate action promptly in approving and ordering all such disbursements.

The moneys to the credit of the Construction Fund shall, pending application thereof as above set forth, be subject to a lien and charge in favor of the holders of the Project Bonds, but only to the extent of their interest therein.

SECTION 7. Source of Payment - Bond Fund. As provided in the Agreement, Purchase Payments, sufficient in time and amount to pay the Bond Service Charges as they come due, are to be paid by the Company directly to the Trustee for the account of the Issuer and deposited in the Bond Fund.

There is hereby created by the Issuer and ordered maintained, as a separate deposit account (except when invested as hereinafter provided) in the custody of the Trustee, a trust fund to be designated "City of Bloomington, Indiana - BFGoodrich 1980 Revenue Bond Fund" (hereinafter called the "Bond Fund"). The Bond Fund (and accounts therein provided for in the Indenture or in the Agreement) and the moneys and investments therein are hereby pledged to and shall be used solely and exclusively for the payment of Bond Service Charges as they fall due at stated maturity or by redemption or pursuant to any mandatory sinking fund requirements, all as provided herein and in the Indenture and the Agreement, provided that no part thereof (other than any amounts paid as and for any mandatory sinking fund requirements, and except as may otherwise be provided for herein and in the Indenture or the Agreement) shall be used to redeem, prior to maturity, any Bonds.

No later than one business day prior to a date when Bond Service Charges are due and payable, the Trustee shall transmit from moneys in the Bond Fund applicable thereto to any other Paying Agents, as appropriate, amounts sufficient to meet payments to be made by them of Bond Service Charges to be then due and payable; provided that to the extent that the amount needed by any other Paying Agent is not sufficiently predictable, the Trustee may make such credit arrangements with such Paying Agent as to permit meeting such payments.

There shall be deposited into the Bond Fund (and credited, if required by the Indenture or the Agreement, to appropriate accounts therein), as and when received, (a) all Purchase Payments and (b) all other Receipts.

The Issuer hereby covenants and agrees that so long as any of the Bonds are outstanding it will deposit, or cause to be deposited, in the Bond Fund Receipts sufficient in time and amount to pay the Bond Service Charges as the same become due and payable, and to this end the Issuer covenants and agrees that, so long as any Bonds are outstanding, it will diligently and promptly proceed in good faith and use its best efforts to enforce the Agreement, and that, should there be an event of default under the Agreement, the Issuer shall fully cooperate with the Trustee and with the Bondholders to fully protect the rights and security of the Bondholders hereunder. Nothing herein shall be construed as requiring the Issuer to use or apply to the payment of Bond Service Charges any funds or revenues from any source other than Receipts.

The Issuer covenants and agrees, whenever the moneys and investments in the Bond Fund (or otherwise held by the Trustee for such purpose) are sufficient in amount to redeem all of the Bonds then outstanding and to pay interest to accrue thereon to the date or dates of such redemption, to take and cause to be taken the necessary steps to redeem all of said Bonds on the next succeeding redemption date or dates for which the required notice of call for redemption may be given.

Nothing in this Bond Legislation is intended to prevent the Company from delivering moneys to the Trustee pursuant to the second paragraph of Section 2.10 of the Agreement to be used to purchase or redeem Bonds in accordance with that Section, and the Trustee shall promptly apply such moneys to the purchase or redemption of Bonds in accordance with the Company's instructions. As and to the extent provided in said Section 2.10, such moneys shall not be considered the payment or prepayment of Purchase Payments.

SECTION 8. Additional Bonds. At the request of the Company if the Company is not then in default under the Agreement, the Issuer to the extent permitted by law (including the Act) then in effect and for purposes consistent with the Act shall use its best efforts to issue Additional Bonds from time to time to provide for: (i) completion of the Project, including additional costs incurred in providing the Project, or (ii) the acquisition for the Project of additional real estate or interests therein, repairs to the Project of a major nature arising from casualty or unanticipated conditions, or (iii) the acquisition, construction and installation of additional economic development facilities (as defined in the Act) to be used in connection with the Project and to be located on the Project Site, or (iv) refunding the Project Bonds or any one or more series of Additional Bonds, or (v) any combination of the foregoing; provided, that the proceeds of any Additional Bonds shall, except to the extent issued for the purpose described in clause (iv), be used solely to pay permissible costs under the Act. Such Additional Bonds shall be on a parity with the Project Bonds and any Additional Bonds theretofore or thereafter issued. Before any Additional Bonds are authenticated there shall be delivered to the Trustee the items required by Section 2.08 of the Indenture and (a) any necessary amendment of the Agreement to provide for increased Purchase Payments so that the aggregate of the Purchase Payments thereafter payable under the Agreement shall be sufficient in amount to make all required payments into the Bond Fund in order to pay when due Bond Service Charges on all Bonds then to be outstanding, and for all Additional Payments (as defined in the Agreement) by the Company under the provisions of the Agreement and the Bond Legislation, and (b) either the opinion of nationally recognized bond counsel or a ruling of the Internal Revenue Service that the issuance of such series of Additional Bonds will not adversely affect the exemption from Federal income taxation of the interest paid on any outstanding Bonds.

SECTION 9. Covenants of Issuer. In addition to other covenants of the Issuer contained in this Bond Legislation and the Indenture, the

Issuer further covenants and agrees as follows:

(a) Payment of Bond Service Charges. The Issuer will, solely from the sources herein provided, pay or cause to be paid the Bond Service Charges on each and all Bonds on the dates, at the places and in the manner provided herein, in the applicable Bond Legislation and in the Bonds and coupons.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bond Legislation, the Agreement, the Indenture, the Bond Purchase Agreement and in any and every Bond executed, authenticated and delivered under the Indenture and in all proceedings of the Issuer pertaining to the Bonds, the Bond Purchase Agreement, the Indenture or the Agreement. The Issuer warrants and covenants that it is, and upon delivery of the Project Bonds will be, duly authorized by the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Project Bonds, to provide the security for payment of the Bond Service Charges in the manner and to the extent herein and in the Indenture set forth; that all actions on its part for the issuance of the Project Bonds and execution and delivery of the Indenture, the Bond Purchase Agreement and the Agreement have been or will be duly and effectively taken; and that the Project Bonds and the coupons pertaining thereto in the hands of the holders thereof will be valid, binding and enforceable special obligations of the Issuer according to the terms thereof. Each provision of the Bond Legislation, the Indenture, the Agreement, the Bond Purchase Agreement and the Bonds is binding upon each such officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duties required by such provision; and each duty of the Issuer and of its officers undertaken pursuant to such proceedings for the Bonds is established as a duty of the Issuer and of each such officer having authority to perform such duty, specifically enjoined by law and resulting from an office, trust or station.

(c) Receipts. Except as otherwise provided in the Bond Legislation, the Indenture and the Agreement, the Issuer will not create or suffer to be created any debt, lien or charge thereon, or make any pledge or assignment of or create any lien or encumbrance upon the Receipts, including the moneys in the Bond Fund, other than the pledge and assignment thereof under the Bond Legislation, the Indenture and the Agreement.

(d) Recordings and Filings. The Issuer will cause the Agreement and the Indenture, and any amendments or supplements to either, and all necessary financing statements, amendments thereto, continuation statements and instruments of similar character relating to the pledges and assignments made by it to secure the Bonds, to be recorded or filed in such manner and in such places as and to the extent required by law in order to fully preserve and protect the security of the holders of the Bonds and the rights of the Trustee under the Indenture. Prior to June 1 of the calendar year in which any filing, registration or recording or any re-filing, re-registration or re-recording of the Indenture or the Agreement, or any amendments or supplements to either, or any financing statement, amendments thereto, continuation statements or instruments of a similar character relating to the pledges and assignments made by the Issuer to secure the Bonds is required by law to be made in order to preserve fully and protect the security of the holders of the Bonds and the rights of the Trustee under the Indenture, the Issuer will deliver to the Trustee an opinion of counsel, who may be counsel for the Issuer or for the Company, stating that such filing, registration, recording, re-filing, re-registration or re-recording is required and setting forth the requirements in respect thereto. Promptly after any filing, registration, recording, re-filing, re-registration or re-recording of any such financing statement or amendment thereto or continuation statement or instrument, or any filing, registration, recording, re-filing, re-registration or re-recording of the Agreement or the Indenture, or any amendments or supplements thereto, the Issuer will deliver to the Trustee an opinion of counsel, who may be counsel for the Issuer or for

the Company to the effect that such filing, registration, recording, re-filing, re-registration or re-recording has been duly accomplished and setting forth the particulars thereof.

(e) Inspection of Project Books. All books and documents in the Issuer's possession relating to the Project or to the Receipts shall at all times be open to inspection by such accountants or other agents of the Trustee or the Company as the Trustee or the Company may from time to time designate.

(f) List of Bondholders. To the extent that such information shall be made known to the Issuer under the terms of this paragraph, the Issuer will keep or arrange to have kept on file at the corporate trust office of the Trustee a list of names and addresses of the last known holders of Bonds payable to bearer. Any Bondholder may in writing addressed to the Issuer or the Trustee request that his name and address be placed on said list, which request shall include a statement of the principal amount of Bonds held by such holder and identifying, by number, series designation and maturity, such Bonds. Neither the Issuer nor the Trustee shall be under any responsibility with regard to the accuracy of said list. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Company, or by holders (or a designated representative thereof) of twenty-five percent or more in principal amount of Bonds then outstanding, such holding and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

(g) Rights under Agreement. Except for those rights specifically reserved in Section 7.2 of the Agreement, the Trustee, in its name or in the name of the Issuer, may, for and on behalf of the Bondholders, enforce all rights of the Issuer and all obligations of the Company under and pursuant to the Agreement, whether or not the Issuer is in default of the pursuit or enforcement of such rights and obligations.

(h) Maintenance of Agreement. The Issuer shall do all things and take all actions on its part necessary to comply with the obligations, duties and responsibilities on the part of the Issuer under the Agreement and will take all actions within its authority to maintain the Agreement in effect in accordance with the terms thereof and to enforce and protect the rights of the Issuer thereunder, including actions at law and in equity, as may be appropriate.

(i) Arbitrage Provisions. The Issuer will restrict the use of the proceeds of the Project Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Project Bonds are delivered to the Original Purchaser, so that they will not constitute arbitrage bonds under Section 103(c) of the Internal Revenue Code of 1954 and the regulations prescribed under that section. The Executive, the Fiscal Officer or any other officer having responsibility with respect to the issuance of the Project Bonds is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, consultant or agent of the Issuer, or with the Company or any employee, consultant or agent of the Company, to give an appropriate certificate on behalf of the Issuer, for inclusion in the transcript of proceedings for the Project Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 103(c) and regulations thereunder. The Fiscal Officer, or other appropriate officer of the Issuer, shall furnish to the Original Purchaser a true transcript of proceedings, certified by said Fiscal Officer or officer, of all proceedings had with reference to the issuance of the Project Bonds along with such information for the records as is necessary to determine the regularity and validity of the issuance of the Project Bonds.

SECTION 10. Investment of Bond Fund and Construction Fund. Moneys in the Bond Fund and the Construction Fund shall be invested and reinvested

by the Trustee in any Eligible Investments, in accordance with and subject to any orders of the Authorized Company Representative (as defined in the Agreement) with respect thereto, provided that investments of moneys in the Bond Fund shall mature, or at the option of the Trustee, be redeemable at the times and in the amounts necessary to provide moneys hereunder to pay Bond Service Charges as they fall due at stated maturity or by redemption or pursuant to any mandatory sinking fund requirements, and that each investment of moneys in the Construction Fund shall in any event mature, or at the option of the Trustee, be redeemable at the option of the Trustee at such time as may be necessary to make timely payments from said Fund. Subject to any such orders with respect thereto, the Trustee may from time to time sell such investments and reinvest the proceeds therefrom in Eligible Investments maturing or redeemable as aforesaid. Any Eligible Investments may be purchased from the Trustee, in its capacity as a bank or a trust company. The Trustee shall sell or redeem investments standing to the credit of the Bond Fund to produce sufficient moneys hereunder at the times required for the purposes of paying Bond Service Charges when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any such order. An investment made from moneys credited to the Bond Fund or the Construction Fund shall constitute part of that respective Fund and such respective Fund shall be credited with all proceeds of sale and income or loss from such investment. For purposes of the Indenture, such investments shall be valued at face amount or cost, whichever is less.

SECTION 11. Indenture and Agreements. In order to better secure the payment of the Bond Service Charges as the same shall become due and payable, the Executive and the Fiscal Officer, and each of them, are hereby authorized and directed to execute, acknowledge and deliver the Indenture, the Agreement and the Bond Purchase Agreement, each in substantially the form submitted to the Issuer, which instruments are hereby approved, with such changes therein not inconsistent with this Bond Legislation and not

substantially adverse to the Issuer as may be permitted by the Act and approved by the officers executing the same. The approval of such changes by said officers and evidence that such are not substantially adverse to the Issuer shall be conclusively given by the execution of the Indenture, the Agreement and the Bond Purchase Agreement by such officers. The Executive and the Fiscal Officer are each authorized to execute and deliver such financing statements, certificates, instruments and other documents as may be necessary or desirable to evidence the due authorization, execution and delivery of the Project Bonds.

This Bond Legislation shall constitute a part of the Indenture as therein provided and for all purposes thereof, including, without limitation thereto, application to this Bond Legislation of the provisions in the Indenture relating to amendment, modification and supplementation, and provisions for severability.

SECTION 12. Compliance with Title 5, Article 14, Chapter 1.5 of the Indiana Code. It is hereby found and determined that all official actions and final actions of this Legislative Authority concerning and relating to the adoption of this Bond Legislation were adopted in meetings open to the public, in compliance with all legal requirements, including Title 5, Article 14, Chapter 1.5 of the Indiana Code.

SECTION 13. Effective Date. This Bond Legislation shall take effect and be in force immediately upon its adoption.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 4th day of December, 1980

Tomilea Allison, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 4th day of December, 1980.

Francis X. McCloskey, Mayor
City of Bloomington

ATTEST:

Nora M. Connors
City Clerk

I HEREBY MOVE THAT XX ORDINANCE ____ APPROPRIATION ORDINANCE # 80-98, ENTITLED TO APPROVE EDC BONDS FOR B.F. GOODRICH COMPANY

BE INTRODUCED AND READ FOR FIRST READ BY TITLE ONLY AT THE COUNCIL MEETING HELD ON NOVEMBER 20, 1980.

Lloyd W. Olcott