ORDINANCE 16-28

TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2016A, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR CERTAIN CAPITAL IMPROVEMENTS AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH AND ON ACCOUNT OF THE ISSUANCE AND SALE OF THE 2016A BONDS AND APPROPRIATING THE PROCEEDS DERIVED FROM THE SALE OF SUCH BONDS

WHEREAS, the Common Council (the "Council") of the City of Bloomington, Indiana (the "City") has given consideration to the acquisition, design, construction, renovation, improvement and/or equipping of certain public infrastructure and/or other local public improvements more particularly described on Exhibit A hereto and made a part hereof (the "2016A Project"); and

WHEREAS, the Council hereby finds that it would be of public utility and benefit and in the best interests of the City and its citizens to finance the costs of all or a portion of the 2016A Project through the issuance of general obligation bonds of the City; and

WHEREAS, the Council deems it advisable to authorize the issuance, in one or more series, of general obligation bonds of the City pursuant to Indiana Code § 36-4-6-19, as amended, designated as the "City of Bloomington, Indiana, General Obligation Bonds, Series 2016A" (with such different or additional series designation determined to be necessary or appropriate) (the "2016A Bonds"), in the original aggregate principal amount not to exceed One Million Nine Hundred Thousand Dollars ($1,900,000), for the purpose of providing funds to be applied to pay all or a portion of (a) the costs of the 2016A Project, (b) capitalized interest on the 2016A Bonds, if necessary, and (c) the costs incurred in connection with the issuance and sale of the 2016A Bonds and all incidental expenses therewith, including the cost of any credit enhancement with respect thereto (if necessary), with all of the foregoing costs and expenses in an aggregate amount not to exceed $1,900,000; and

WHEREAS, the original principal amount of the 2016A Bonds, together with the outstanding principal amount of previously or contemporaneously issued bonds or other obligations which constitute a debt of the City, is no more than two percent (2%) of one-third (1/3) of the total net assessed valuation of the City; and

WHEREAS, the amount of proceeds of the 2016A Bonds allocated to pay costs of the 2016A Project, together with estimated investment earnings thereon, does not exceed the cost of the 2016A Project as estimated by the Council; and

WHEREAS, the Council has found that there are insufficient funds available or provided for in the existing budget and tax levy which may be applied to the costs of the 2016A Project and has authorized the issuance of the 2016A Bonds to procure such funds and that a need exists for the making of the additional appropriation hereinafter set out; 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 Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of the 2016A Bonds and an additional appropriation of the City have been complied with in accordance with the Act.

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

SECTION 1. Authorization for the Bonds. In order to provide financing for the 2016A Project and incidental expenses incurred in connection therewith and on account of the issuance of the 2016A Bonds, the City shall borrow money and issue the 2016A Bonds as herein authorized.

SECTION 2. General Terms of Bonds.

In order to procure said loan for such purposes, the Controller is hereby authorized and directed to have prepared and to issue and sell negotiable general obligation bonds of the City, in one or more series, in an aggregate principal amount not to exceed One Million Nine Hundred Thousand Dollars ($1,900,000) (the "Authorized Amount"), to be designated "City of Bloomington, Indiana, General Obligation Bonds, Series 2016A" (with an appropriate additional series designation, if needed) for the purpose of providing financing for the 2016A Project and incidental expenses, such expenses to include, without limitation, capitalized interest on the Bonds, if necessary, all expenses of every kind incurred preliminarily to the funding of the 2016A Project and the costs of selling and issuing the 2016A Bonds.

The 2016A Bonds shall be signed in the name of the City by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the Controller of the City, who shall affix the seal of the City, if any, to each of the 2016A Bonds manually or shall have the seal imprinted or impressed thereon by facsimile or other means. In case any officer whose signature or facsimile signature appears on the 2016A Bonds shall cease to be such officer before the delivery of the 2016A Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The 2016A Bonds shall also be authenticated by the manual signature of the Registrar (as hereafter defined). Subject to the provisions of this Ordinance regarding the registration of the 2016A Bonds, the 2016A Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2016A Bonds are, as to all the principal thereof and interest due thereon, general obligations of the City, payable from *ad valorem* property taxes on all taxable property within the City.

The 2016A Bonds shall be issued in fully registered form in denominations of Five Thousand Dollars ($5,000) or any integral multiple thereof, shall be numbered consecutively from 2016AR-1 upward, and shall be originally dated as of their date of issuance. The 2016A Bonds shall bear interest payable semiannually on February 15 and August 15 of each year, or such other dates as determined by the Controller prior to the sale of the Bonds, based on advice of the financial advisor to the City, beginning on August 15, 2017, at a rate or rates not exceeding six percent (6.0%) per annum (the exact rate or rates to be determined by bidding or negotiation pursuant to Section 6 of this Ordinance). Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. The 2016A Bonds shall mature or be subject to mandatory redemption on February 15 and/or August 15, or such other dates as determined by the Controller prior to the sale of the Bonds, based on advice of the financial advisor to the City, over a period ending no later than twenty (20) years from the date of issuance.

All payments of interest on the 2016A Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof as of the first (1st) day of the month in which interest is payable at the addresses as they appear on the registration books kept by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent (as hereafter defined) in writing by such registered owner. All principal payments on the 2016A Bonds shall be made upon surrender thereof at the principal office of the Paying Agent, in any coin or currency of the United States of America which on the date of such payment shall be legal tender for the payment of public and private debts.

Interest on 2016A Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such 2016A Bonds are authenticated after the first (1st) day of the month of such interest payment date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before August 1, 2017, in which case they shall bear interest from the original date, until the principal shall be fully paid.

Each Bond shall be transferable or exchangeable only upon the Registration Record by the registered owner thereof in person, or by his attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new fully registered Bond or 2016A 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. The costs of such transfer or exchange shall be borne by the City, except for any tax or governmental charge required to be paid in connection therewith, which shall be payable by the person requesting such transfer or exchange. The City, the Registrar and the Paying Agent may treat and consider the persons in whose names such 2016A Bonds are registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

In the event any Bond is mutilated, lost, stolen or destroyed, the City may execute and the Registrar may authenticate a new bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new bond shall be marked in a manner to distinguish it from the bond for which it was issued, provided that, in the case of any mutilated bond, such mutilated bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed bond there shall be first furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event any such bond shall have matured, instead of issuing a duplicate bond, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The City and the Registrar may charge the owner of such Bond with their reasonable fees and expenses in this connection. Any bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the City, whether or not the lost, stolen or destroyed Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other 2016A Bonds issued hereunder.

SECTION 3. Terms of Redemption.

The Controller, upon consultation with the City's financial advisor, may designate maturities of 2016A Bonds (or portion thereof in integral multiples of $5,000 principal amount each) that shall be subject to optional redemption and/or maturity sinking fund redemption, and the corresponding redemption dates, amounts and prices (including premium, if any). Except as otherwise set forth in this Ordinance, the Controller, upon consultation with the City's financial advisor, is hereby authorized and directed to determine the terms governing any such redemption.

Notice of redemption shall be mailed by first-class mail or by registered or certified mail to the address of each registered owner of a Bond to be redeemed as shown on the Registration Record not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption except to the extent such redemption notice is waived by owners of 2016A Bonds redeemed, 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 any proceedings for the redemption of any other 2016A Bonds. Any notice of redemption required under this section shall identify the 2016A Bonds to be redeemed including the complete name of the 2016A Bonds, the interest rate, the issue date, the maturity date, the respective CUSIP numbers (if any) and certificate numbers (and, in the case of a partial redemption, the respective principal amounts to be called) and shall state (i) the date fixed for redemption, (ii) the Redemption Price, (iii) that the 2016A Bonds called for redemption must be surrendered to collect the Redemption Price, (iv) the address of the principal corporate trust office of the registrar and paying agent at which the 2016A Bonds must be surrendered together with the name and telephone number of a person to contact from the office of the registrar and paying agent, (v) any condition precedent to such redemption, (vi) that on the date fixed for redemption, and upon the satisfaction of any condition precedent described in the notice, the Redemption Price will be due and payable upon each such 2016A Bond or portion thereof and that interest on the 2016A Bonds called for redemption ceases to accrue on the date fixed for redemption, and (vii) that if such condition precedent is not satisfied, such notice of redemption is rescinded and of no force and effect, and the principal and premium, if any, shall continue to bear interest on and after the date fixed for redemption at the interest rate borne by the 2016A Bond. The place of redemption may be determined by the City. Interest on the 2016A Bonds so called for redemption shall cease 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 date so named, and thereafter, such 2016A Bonds shall no longer be protected by this Ordinance and shall not be deemed to be outstanding hereunder, and the holders thereof shall have the right only to receive the redemption price.

All 2016A Bonds which have been redeemed shall be canceled and shall not be reissued; provided, however, that one or more new registered 2016A Bonds shall be issued for the unredeemed portion of any Bond without charge to the holder thereof.

No later than the date fixed for redemption, funds shall be deposited with the Paying Agent or another paying agent to pay, and such agent is hereby authorized and directed to apply such funds to the payment of, the 2016A Bonds or portions thereof called for redemption, including accrued interest thereon to the redemption date. No payment shall be made 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 this resolution with respect to any mutilated, lost, stolen or destroyed bond.

SECTION 4. Appointment of Registrar and Paying Agent.

The Controller is hereby authorized to serve as, or to appoint a qualified financial institution to serve as, registrar and paying agent for the 2016A Bonds (the "Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the 2016A Bonds, and shall keep and maintain at its principal office or corporate trust office books for the registration and transfer of the 2016A Bonds. The Controller is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of the Registrar and Paying Agent. The Controller is authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent by giving thirty (30) days written notice to the Controller and to each registered owner of the 2016A 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 Controller. Such notice to the Controller may be served personally or be sent by first-class or registered mail. The Registrar and Paying Agent may 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 the 2016A Bonds then outstanding of the removal of the Registrar and Paying Agent. Notices to registered owners of the 2016A Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the bond register. Any predecessor Registrar and Paying Agent shall deliver all the 2016A Bonds, cash and investments in its possession and the bond register to the successor Registrar and Paying Agent. At all times, the same entity shall serve as Registrar and as Paying Agent.

SECTION 5. Form of Bonds.

(a) The form and tenor of the 2016A Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

2016AR-
UNITED STATES OF AMERICA

STATE OF INDIANA COUNTY OF MONROE

CITY OF BLOOMINGTON, INDIANA
GENERAL OBLIGATION BOND, SERIES 2016A

Interest Rate	Maturity Date	Original Date	Authentication Date	[CUSIP]

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS ($_____)

The City of Bloomington, in Monroe County, Indiana (the "City") for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above, and to pay interest thereon until the Principal Sum shall be fully paid, at the Interest Rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the first day of the month of such interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before August 1, 2017, in which case it shall bear interest from the Original Date, which interest is payable semiannually on February 15 and August 15 of each year, beginning on August 15, 2017. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at _____ (the "Registrar" or "Paying Agent"), in _____, Indiana. All payments of interest on this bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof as of the first day of the month in which interest is payable at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Each registered owner of $1,000,000 or more in principal amount of 2016A Bonds shall be entitled to receive interest payments by wire transfer by providing written wire instructions to the Paying Agent before the record date for any payment. All payments of principal of and premium, if any, on this bond shall be made upon surrender thereof at the principal [corporate trust] office of the Paying Agent in any coin or currency of the United States of America which on the dates of such payment shall be legal tender for the payment of public and private debts, or in the case of a Registered Owner of $1,000,000 or more in principal amount of 2016A Bonds, by wire transfer on the due date upon written direction of such owner provided at least fifteen (15) days prior to the maturity date.

This bond is one of an authorized issue of negotiable general obligation 2016A Bonds of the City, of like original date, tenor and effect, except as to denomination, numbering, interest rates, and dates of maturity, in the total amount of _____ ($_____), numbered consecutively from 2016AR-1 upward, issued for the purpose of financing the costs of (a) the costs of the acquisition, design, construction, renovation, improvement and/or equipping of certain public infrastructure and/or other local public improvement projects as more particularly described in the Ordinance (as defined herein), (b) capitalized interest on the Bonds, and (c) the costs incurred in connection with the issuance and sale of the bonds and all incidental expenses therewith, as authorized by Ordinance _____ adopted by the Common Council on the __ day of _____, 2016, entitled "To Authorize the Issuance of General Obligation Bonds, Series 2016A, For the Purpose of Providing Funds to Pay for Certain Capital Improvements and Incidental Expenses in Connection Therewith and On Account of the Issuance and Sale of the 2016A Bonds, and Appropriating the Proceeds Derived from the Sale of Such Bonds" (the "Ordinance"), and in accordance with Indiana Code § 36-4-6-19 and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"). The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Ordinance and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE ORDINANCE, THE PRINCIPAL OF THIS BOND AND ALL OTHER 2016A BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A GENERAL OBLIGATION OF THE CITY, FROM AN *AD VALOREM* PROPERTY TAX TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY.

[INSERT REDEMPTION TERMS]

Notice of such redemption shall be mailed by first-class mail or by registered or certified mail not more than sixty (60) days and not less than thirty (30) days prior to the date fixed for redemption to the address of the registered owner of each bond to be redeemed as shown on the registration record of the City except to the extent such redemption notice is waived by owners of the bond or 2016A Bonds redeemed, 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 any proceedings for the redemption of any other 2016A Bonds. Any notice of redemption required under this section shall identify the 2016A Bonds to be redeemed including the complete name of the 2016A Bonds, the interest rate, the issue date, the maturity date, the respective CUSIP numbers (if any) and certificate numbers (and, in the case of a partial redemption, the respective principal amounts to be called) and shall state (i) the date fixed for redemption, (ii) the Redemption Price, (iii) that the 2016A Bonds called for redemption must be surrendered to collect the Redemption Price, (iv) the address of the principal corporate trust office of the registrar and paying agent at which the 2016A Bonds must be surrendered together with the name and telephone number of a person to contact from the office of the registrar and paying agent, (v) any condition precedent to such redemption, (vi) that on the date fixed for redemption, and upon the satisfaction of any condition precedent described in the notice, the Redemption Price will be due and payable upon each such 2016A Bond or portion thereof and that interest on the 2016A Bonds called for redemption ceases to accrue on the date fixed for redemption, and (vii) that if such condition precedent is not satisfied, such notice of redemption is rescinded and of no force and effect, and the principal and premium, if any, shall continue to bear interest on and after the date fixed for redemption at the interest rate borne by the 2016A Bond. The place of redemption may be determined by the City. Interest on the 2016A Bonds so called for redemption shall cease 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 date so named, and thereafter, such 2016A Bonds shall no longer be protected by the Ordinance and shall not be deemed to be outstanding thereunder.

This bond is subject to defeasance prior to payment as provided in the Ordinance.

If this bond shall not be presented for payment on the date fixed therefor, the City may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the office of the Registrar by the Registered Owner 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 duly executed by the

Registered Owner or his attorney duly authorized in writing, and thereupon a new fully registered bond or 2016A 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. The City, any registrar and any paying agent for this bond 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.

The 2016A Bonds maturing in any one year are issuable only in fully registered form in the denomination of $5,000 or any integral multiple thereof.

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

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Bloomington, Monroe County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signatures of its duly elected, qualified and acting Mayor, its corporate seal, if any, to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by the Controller of the City.

CITY OF BLOOMINGTON, INDIANA

By: _____
Mayor

(SEAL)

ATTEST:

_____
Controller

It is hereby certified that this bond is one of the 2016A Bonds described in the within-mentioned Ordinance duly authenticated by the Registrar.

_____, as Registrar

By: _____
Authorized Representative

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN. COM.	as tenants in common
TEN. ENT.	as tenants by the entireties
JT. TEN.	as joint tenants with right of survivorship and not as tenants in common
UNIF. TRANS. MIN. ACT	_____ Custodian _____ (Cust.) (Minor) under Uniform Transfers to Minors Act of _____ (State)

Additional abbreviations may also be used, although not contained in the above list.

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please Print or Typewrite Name and Address) $_____principal amount (must be a multiple of $5,000) of the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

_____

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

Signature Guaranteed:

_____

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

(End of Form of Bonds)

(b) The 2016A Bonds may, in compliance with all applicable laws, initially 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"), without physical distribution of 2016A Bonds to the purchasers. The following provisions of this section apply in such event.

One definitive Bond of each maturity shall be delivered to the Clearing Agency (or its agent) and held in its custody. The City and the Registrar and Paying Agent 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 2016A Bonds as are necessary or appropriate to accomplish or recognize such book-entry form 2016A Bonds.

During any time that the 2016A Bonds remain and are held in book-entry form on the books of a Clearing Agency, (1) any such Bond 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; (2) the Clearing Agency in whose name such Bond 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 for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such Bond, the receiving of notice and giving of consent; (3) 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, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Bond, the receiving of notice or the giving of consent; and (4) the Clearing Agency is not required to present any Bond 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.

If either the City receives notice from the Clearing Agency which is currently the registered owner of the 2016A Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2016A Bonds, or the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2016A Bonds, then the City and 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 2016A Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the 2016A Bonds and to transfer the ownership of each of the 2016A Bonds to such person or persons, including any other Clearing Agency, as the holders of the 2016A Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2016A Bonds, shall be paid by the City.

During any time that the 2016A Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar 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 owner of 2016A Bonds as of a record date selected by the Registrar. For purposes of determining whether the consent, advice, direction or demand of a registered owner of a Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the 2016A Bonds as the bondholders and any consent, request, direction,

approval, objection or other instrument of such beneficial owner may be obtained in the fashion described in this Ordinance.

During any time that the 2016A Bonds are held in book-entry form on the books of a Clearing Agency, the Mayor, the Controller and/or the Registrar are authorized to execute and deliver a Letter of Representations agreement with the Clearing Agency, or a Blanket Issuer Letter of Representations, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth therein. The Registrar, by accepting the duties of Registrar under this Ordinance, agrees that it will (i) undertake the duties of agent required thereby and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, during any time that the 2016A Bonds are held in book-entry form, the provisions of Section 5 of this Ordinance shall control over conflicting provisions in any other section of this Ordinance.

SECTION 6. Sale of Bonds.

Except as otherwise provided in this section, the 2016A Bonds shall be sold in a competitive sale. The Controller shall cause to be published a notice of sale once each week for two consecutive weeks per Indiana Code § 5-3-1-2. The date fixed for the sale shall not be earlier than fifteen (15) days after the first of such publications and not earlier than three (3) days after the second of such publications. Said bond sale notice shall state the time and place of sale, the purpose for which the 2016A Bonds are being issued, the total amount thereof, the amount and date of each maturity, the maximum rate or rates of interest thereon, their denominations, the time and place of payment, that specifications and information concerning the 2016A Bonds are on file in the office of the Controller and are available on request, the terms and conditions upon which bids will be received and the sale made and such other information as is required by law or as the Controller shall deem necessary, including any terms and conditions of sale which provide an exclusion or exemption from the applicability of all or a portion of the provisions of Rule 15c2-12 of the U.S. Securities and Exchange Commission as amended (the "SEC Rule"), in which case the Controller may set the minimum authorized denomination of the 2016A Bonds at One Hundred Thousand Dollars ($100,000) as contemplated by the SEC Rule.

As an alternative to the publication of a notice of sale, the Controller may sell the 2016A Bonds through the publication of a notice of intent to sell the 2016A Bonds and compliance with related procedures pursuant to Indiana Code § 5-1-11-2(b).

All bids for the 2016A Bonds shall be sealed and shall be presented to the Controller in accord with the terms set forth in the bond sale notice. Bidders for the 2016A Bonds shall be required to name the rate or rates of interest which the 2016A Bonds are to bear, which shall be the same for all 2016A Bonds maturing on the same date and the interest rate bid on any maturity of 2016A Bonds must be no less than the interest rate bid on any and all prior maturities, not exceeding six percent (6.0%) per annum, and such interest rate or rates shall be in multiples of one-eighth or one-hundredth of one per cent. The Controller shall award the 2016A Bonds to the bidder who offers the lowest interest cost, to be determined by computing the total interest on all the 2016A Bonds to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of the discount, if any. No bid for less than ninety-nine percent (99.0%) of the par value of the 2016A Bonds (or such higher percentage as the Controller shall determine, with the advice of the City's financial advisor, prior to the sale of the 2016A Bonds) and accrued interest, if any, shall be considered. The Controller may require that all bids shall be accompanied by certified or cashier's checks or wire transfers payable to the order of the City of Bloomington, Indiana, or a surety bond, in an amount not to exceed one percent of the aggregate principal amount of the 2016A Bonds as a guaranty of the performance of said bid, should it be accepted. In the event no satisfactory bids are received on the day named in the sale notice, the sale may be continued from day to day thereafter for a period of thirty (30) days without readvertisement; provided, however, that if said sale be continued, no bid shall be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for sale in the bond sale notice. The Controller shall have full right to reject any and all bids.

After the 2016A Bonds have been properly sold and executed, the Controller shall receive from the purchasers payment for the 2016A Bonds and shall provide for delivery of the 2016A Bonds to the purchasers.

Notwithstanding anything in this Ordinance to the contrary and in lieu of a public sale of the 2016A Bonds pursuant to this Section, the 2016A Bonds may, in the discretion of the City, based upon the advice of the City's financial advisor, be sold either to the Indiana Bond Bank or a local public improvement bond bank established by the City pursuant to I.C. 5-1.4 (either such entity, the "Bond Bank"). In the event of such determination of sale to the Bond Bank, the 2016A Bonds shall be sold to the Bond Bank in such denomination or denominations as the Bond Bank may request, and pursuant to a qualified entity purchase agreement (the "Purchase Agreement") between the City and the Bond Bank, hereby authorized to be entered into and executed by the Mayor on behalf of the City, subsequent to the date of the adoption of this Ordinance. Such Purchase Agreement may set forth the definitive terms and conditions for such sale, but all of such terms and conditions must be consistent with the terms and conditions of this Ordinance, including without limitation, the interest rate or rates on the 2016A Bonds which shall not exceed the maximum rate of interest for the 2016A Bonds authorized pursuant to this Ordinance. 2016A Bonds sold to the Bond Bank shall be accompanied by all documentation required by the Bond Bank pursuant to the provisions of Indiana Code 5-1.5 or 5-1.4, as applicable, and the Purchase Agreement, including, without limitation, an approving opinion of nationally recognized bond counsel, certification and guarantee of signatures and certification as to no litigation pending, as of the date of delivery of the 2016A Bonds to the Bond Bank, challenging the validity or issuance of the 2016A Bonds. In the event the City determines to sell the 2016A Bonds to the Bond Bank, the submission of an application to the Bond Bank, the entry by the City into the Purchase Agreement, and the execution and delivery of the Purchase Agreement on behalf of the City by the Mayor in accordance with this Resolution are hereby authorized, approved and ratified.

The Controller is hereby authorized and directed to obtain legal opinion as to the validity of the 2016A Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the 2016A Bonds or to cause a copy of said legal opinion to be printed on each Bond. The cost of such opinion shall be paid out of the proceeds of the 2016A Bonds.

SECTION 7. Use of Bond Proceeds. The proceeds received from the sale of the 2016A Bonds shall be deposited in the City of Bloomington, Indiana, 2016A Project Fund (the "2016A Project Fund"). The proceeds deposited in the 2016A Project Fund shall be expended only for the purpose of paying expenses incurred in connection with the 2016A Project together with the expenses incidental thereto and on account of the issuance of the 2016A Bonds. The Controller is authorized to pay costs of issuance from the proceeds of the 2016A Bonds. Any balance remaining in the 2016A Project Fund after the completion of the 2016A Project which is not required to meet unpaid obligations incurred in connection therewith and on account of the issuance of the 2016A Bonds may be used to pay debt service on the 2016A Bonds or otherwise used as permitted by law.

SECTION 8. Defeasence. If, when the 2016A Bonds or any 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 2016A Bonds or any portion thereof for redemption have been given, and the whole amount of the principal and the interest so due and payable upon such 2016A Bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the 2016A Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Ordinance.

SECTION 9. Tax Covenants. In order to preserve the exclusion of interest from gross income for federal income tax purposes on the 2016A Bonds, and as an inducement to purchasers of the 2016A Bonds, the City represents, covenants and agrees that:

(a) The City will not take any action or fail to take any action with respect to the 2016A Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2016A Bonds pursuant to Section 103 of the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2016A Bonds (the "Code"), including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on 2016A Bond proceeds or other monies treated as 2016A Bond proceeds to

the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(b) The City will file an information report Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(c) The City will not make any investment or do any other act or thing during the period that any 2016A Bond is outstanding hereunder which would cause any 2016A Bond 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 2016A Bonds.

Notwithstanding any other provisions of this Ordinance, the foregoing covenants and authorizations (the "Tax Sections") which are designed to preserve the exclusion of interest on the 2016A Bonds from gross income under federal income tax law (the "Tax Exemption") need not be complied with to the extent the City receives an opinion of nationally recognized bond counsel that compliance with such Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 10. Amendments.

Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the 2016A Bonds then outstanding shall have the right, from time to time, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on any Bond, without the consent of the holder of each Bond so affected; or

(b) A reduction in the principal amount of any Bond or the rate of interest thereon, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or

(c) A preference or priority of any Bond over any other Bond, without the consent of the holders of all 2016A Bonds then outstanding; or

(d) A reduction in the aggregate principal amount of the 2016A Bonds required for consent to such supplemental ordinance, without the consent of the holders of all 2016A Bonds then outstanding.

If the City shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the registration books held by the Registrar. 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 for inspection by all owners of the 2016A Bonds. The Registrar shall not, however, be subject to any liability to any owners of the 2016A Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the City shall receive any instrument or instruments purporting to be executed by the owners of the 2016A Bonds of not less than sixty-six and two-thirds per cent (66-2/3%) in aggregate principal amount of the 2016A Bonds then outstanding, 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, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the 2016A Bonds, whether or not such owners shall have consented thereto.

No owner of any Bond shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or

restrain the City or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and all owners of 2016A Bonds then outstanding, shall thereafter be determined exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the City and of the owners of the 2016A Bonds, and the terms and provisions of the 2016A Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the 2016A Bonds then outstanding.

Without notice to or consent of the owners of the 2016A Bonds, the City may, from time to time and at any time, adopt such ordinances supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental ordinances shall thereafter form a part hereof),

(a) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance; or

(b) To grant to or confer upon the owners of the 2016A Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the 2016A Bonds; or

(c) To procure a rating on the 2016A Bonds from a nationally recognized securities rating agency designated in such supplemental ordinance, if such supplemental ordinance will not adversely affect the owners of the 2016A Bonds; or

(d) To obtain or maintain bond insurance with respect to the 2016A Bonds; or

(e) To provide for the refunding or advance refunding of the 2016A Bonds; or

(f) To make any other change which, in the determination of the Council in its sole discretion, is not to the prejudice of the owners of the 2016A Bonds.

SECTION 11. Approval of Official Statement. If the Controller of the City, with the advice of the City's financial advisor, determines that the preparation of an official statement is necessary or is in the best interest of the City, then the Controller is hereby authorized to deem final an official statement with respect to the 2016A Bonds, as of its date, subject to completion thereof, and the Council further authorizes the distribution of the deemed final official statement, and the execution, delivery and distribution of such document as further modified and amended with the approval of the Controller in the form of a final official statement.

SECTION 12. Additional Appropriation. There is hereby appropriated the sum of One Million Nine Hundred Thousand Dollars ($1,900,000), out of the proceeds of the 2016A Bonds, together with all investment earnings thereon, for the purpose of providing funds to pay the costs of the 2016A Project, including related costs and the costs of issuing the 2016A Bonds, as provided in this Ordinance. Such appropriation shall be in addition to all appropriations provided for in the existing budget and shall continue in effect until the completion of the described purposes.

SECTION 13. Other Action. The appropriate officers are hereby authorized to take all such actions and execute all such instruments as are necessary or desirable to effectuate this ordinance. These actions include obtaining a rating, bond insurance or any other form of credit enhancement for the 2016A Bonds if economically feasible and desirable and with the favorable recommendation of the financial advisors to the City, and filing a report of an additional appropriation with the Indiana Department of Local Government Finance. In addition, the appropriate officers of the City are hereby authorized and directed to take any other action deemed necessary or advisable in order to effectuate the acquisition, construction and equipping of the 2016A Project, the issuance of the 2016A Bonds, or any other purposes of this Ordinance.

SECTION 14. No Conflict. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed. After the issuance of the 2016A Bonds and so long as any of the 2016A Bonds or interest thereon remains

unpaid, except as expressly provided herein, this Ordinance shall not be repealed or amended in any respect which will materially adversely affect the rights of the holders of the 2016A Bonds, nor shall the City adopt any law, ordinance or resolution which in any way materially adversely affects the rights of such holders.

SECTION 15. Severability; Interpretation. 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. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

SECTION 16. Holidays, Etc. If the date of 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 the city in which the Registrar or 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. Effectiveness. This Ordinance shall be in full force and effect from and after its adoption and the procedures required by law. Upon payment in full of the principal and interest respecting the 2016A Bonds authorized hereby or upon deposit of an amount sufficient to pay when due such amounts in accord with the defeasance provisions herein, all pledges, covenants and other rights granted by this ordinance shall cease.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this 22 day of September, 2016.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington upon this 23rd day of September, 2016.

NICOLE BOLDEN, Clerk

SIGNED and APPROVED by me upon this 23rd day of September, 2016.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This Ordinance takes one of the statutory steps necessary to approve the issuance of general obligation bonds by the City of Bloomington under Indiana Code § 36-4-6-19 in order to fund various signal modernization and related intersection improvements throughout the City.

EXHIBIT A

DESCRIPTION OF THE 2016A PROJECT

The 2016A Project will fund signal modernization projects and related intersection improvements throughout the City, including at East 17th Street and North Dunn Street, East 3rd Street and South High Street, East 3rd Street and South Lincoln Street, East 3rd Street and South Woodscrest Drive, and a bicycle and pedestrian crossing at Allen Street and South Walnut Street.

DMS BDD 4288947v1

Distributed to: Legal Department, Office of the Mayor, Office of the City Clerk,Council Administrator, Controller's Department.