BOND ORDINANCE NO. 2025-_____

AN ORDINANCE AUTHORIZING THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN IMPROVEMENTS FOR THE SEWAGE WORKS SYSTEM OF THE ADAMS COUNTY REGIONAL SEWER DISTRICT, THE ISSUANCE OF ADDITIONAL REVENUE BONDS IN ONE OR MORE SERIES TO PROVIDE THE COST THEREOF, THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SYSTEM, THE SAFEGUARDING OF THE INTERESTS OF THE OWNERS OF SUCH REVENUE BONDS AND OTHER MATTERS CONNECTED THEREWITH, INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF SUCH BONDS, AND REPEALING ORDINANCES INCONSISTENT HEREWITH.

WHEREAS, the Adams County Regional Sewer District (the "District"), has heretofore established, constructed and financed a sewage works system for the purpose of providing for the collection and treatment of wastewater from the District residents and users (the "System" or "Sewage works System") pursuant to IC 13-26, *et seq*., as in effect on the issue date of the bond anticipation notes or the bonds, as applicable, which are authorized herein (the "Act"); and

WHEREAS, the District has an existing Treatment Works (as defined in the Financial Assistance Agreement (as hereinafter defined)); and

WHEREAS, the Board of Trustees for the District (the "Board of Trustees") hereby finds: (i) that the acquisition, construction, extension and installation of certain improvements for the System, as set forth in Exhibit A hereto (the "Project"), are necessary; (ii) that plans, specifications, detailed descriptions and cost estimates for the Project (collectively, the "Engineering Report") have been prepared by Commonwealth Engineers, Inc., Fort Wayne, Indiana, the engineering firm employed by the District (the "Engineer") for such purpose in connection with the Project, and (iii) that the Engineering Report has been previously adopted by the Board of Trustees and has been or will be submitted to all government authorities having jurisdiction, particularly the Indiana Department of Environmental Management ("IDEM"), if and to the extent IDEM approval is required under Indiana law, and has been or will be approved by the aforesaid government authorities; and

WHEREAS, the estimates prepared and delivered by the Engineer with respect to the costs of acquisition, construction, extension and installation of certain improvements for the System, and including all authorized expenses relating thereto, including the costs of issuance of bonds and bond anticipation notes on account thereof, will be in the estimated amount not to exceed $8,520,000, to be financed by available funds of the District, if available and the issuance of sewage works revenue bonds and bond anticipation notes of the District under the provisions of the Act; and

WHEREAS, the District has or will advertise for and receive bids for the construction of the Project, and such bids will be subject to the determination to acquire, construct and install the Project and obtaining funds for the Project; and

WHEREAS, the Board of Trustees finds that there are insufficient funds available to pay the cost of the Project, and that cost of the Project is to be financed by certain available funds on hand, if necessary and through the issuance of its sewage works revenue bonds, in one or more series, in a principal amount not to exceed $8,520,000 (the "Bonds") and, if necessary, its bond anticipation notes in an amount not to exceed $8,520,000 (the "BANs"); and

WHEREAS, pursuant to an Ordinance No. 2012-1 adopted by the Board of Trustees on June 6, 2013, as amended by Ordinance No. 2016-2 adopted by the Board of Trustees on August 30, 2016 (as amended, the "2016 Ordinance"), the District heretofore issued its "Sewage Works Revenue Bonds, Series 2016A," dated September 1, 2016, presently outstanding in the aggregate principal amount of $2,193,000 (the "2016A Bonds") and "Sewage Works Revenue Bonds, Series 2016B," dated September 1, 2016, presently outstanding in the aggregate principal amount of $147,000 (the "2016B Bonds" and, together with the 2016A Bonds, collectively, the "2016 Bonds") and which 2016 Bonds constitute a first charge on the Net Revenues (as hereinafter defined) of the System; and

WHEREAS, pursuant to an Ordinance No. 2020-02 adopted by the Board of Trustees on October 9, 2020 (the "2021 Ordinance"), the District heretofore issued its "Sewage Works Revenue Bonds, Series 2021," dated January 29, 2021, presently outstanding in the principal amount of $1,743,000 (the "2021 Bonds"), and which 2021 Bonds constitute a first charge on the Net Revenues of the System, on a parity with the pledge thereof securing the 2016 Bonds; and

WHEREAS, pursuant to an Ordinance No. 2022-5 adopted by the Board of Trustees on November 10, 2022, as amended by Amending Ordinance No. 2022-8 adopted by the Board of Trustees on December 8, 2022 (as amended, the "2022 Ordinance," and, together with the 2016 Ordinance, and the 2021 Ordinance, collectively, the "Prior Ordinances"), the District heretofore issued its "Sewage Works Revenue Bonds, Series 2022," dated December 14, 2022, presently outstanding in the principal amount of $3,009,000 (the "2022 Bonds" and, together with the 2016 Bonds and the 2021 Bonds, collectively, the "Prior Bonds"), and which 2022 Bonds constitute a first charge on the Net Revenues of the System, on a parity with the pledge thereof securing the 2016 Bonds and the 2021 Bonds; and

WHEREAS, pursuant to the 2022 Ordinance, the District heretofore issued its "Sewage Works Revenue Bond Anticipation Note, Series 2022 (Taxable)," dated December 14, 2022, presently outstanding in the principal amount of $3,598,000 (the "2022 Note"), which 2022 Note is payable solely from proceeds from the sale of revenue bonds of the District and thus are not payable by Net Revenues of the System; and

WHEREAS, the Prior Ordinances allow for the issuance of additional bonds payable from the Net Revenues of the System and ranking on parity with the Prior Bonds; and

WHEREAS, other than the Prior Bonds, there are no outstanding obligations, bonds or other pledges against the Net Revenues of the System; and

WHEREAS, the Board of Trustees now finds that all conditions precedent to the issuance of additional bonds payable from the Net Revenues of the System and ranking on parity with the Prior Bonds have been or will be met; and

WHEREAS, the District may enter into a Financial Aid Agreement, Financial Assistance Agreement, Grant Agreement and / or Funding Agreement (in the form attached as Exhibit C hereto and made a part hereof) with the Indiana Finance Authority together with any subsequent amendments thereto (the "Financial Assistance Agreement"), which would pertain to the Project and the financing thereof, if the BANs or Bonds are sold to the Indiana Finance Authority pursuant to its Wastewater Revolving Loan Program, Supplemental Drinking Water and Wastewater Assistance Program, Water Infrastructure Grant Program, and/or Water Infrastructure Assistance Program, established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10, IC 5-1.2-11, IC 5-1.2-14 and / or IC 5-1.2-14.5 (collectively, the "IFA Program"); and

WHEREAS, the District may accept other forms of financial assistance, as and if available from the IFA Program; and

WHEREAS, the District understands that for the Project to be permitted to be financed under the IFA Program, the District must (a) agree to own, operate, and maintain the System and the Project for their useful life and (b) represent and warrant to the Indiana Finance Authority that the District has no intent to sell, transfer, or lease the System or the Project for their useful life; and

WHEREAS, the Board of Trustees now finds that all conditions precedent to the adoption of an Ordinance authorizing the issuance of the BANs and the Bonds on parity with the Prior Bonds have been or will be complied with in accordance with the provisions of the Act; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the District intends by this Ordinance to qualify amounts advanced by the District to the Project for reimbursement from proceeds of the BANs or the Bonds in accordance with the requirements of the Reimbursement Regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES FOR THE ADAMS COUNTY REGIONAL SEWER DISTRICT, THAT:

SECTION 1. Authorization of Project; Declaration of Official Intent. The District shall proceed with the completion of the Project in accordance with the Engineering Report, which is now on file in the office of the Secretary of the District (the "Secretary"), and is hereby adopted and approved, and by reference made a part of this Ordinance as fully as if the same were attached hereto and incorporated herein. Two (2) copies of the Engineering Report are on file in the office of the Secretary and open for public inspection pursuant to IC 36-1-5-4. The aggregate cost of the Project shall not exceed the sum of $8,520,000, plus all investment earnings on the proceeds of the BANs and the Bonds, without further authorization from the Board of Trustees. The term "Sewage works," "System", "works", "utility" and other like terms where used in this Ordinance shall be construed to mean the District's existing Sewage Works System (and its Treatment Works as defined in the Financial Assistance Agreement) and all real estate and equipment used in connection therewith and appurtenances thereto, and all extensions, additions and improvements thereto and replacements thereof now or at any time hereafter constructed or acquired, and all other items as defined in IC 13-26, as amended. The Project is hereby approved and shall be constructed and the BANs and the Bonds shall be issued pursuant to and in accordance with the Act. The

District reasonably expects to reimburse expenditures for the Project with proceeds of the BANs or the Bonds and this constitutes a declaration of official intent pursuant to Treasury Regulation 1.150-2(e) and IC 5-1-14-6(c).

In the event the Bonds or BANs are purchased by the Indiana Finance Authority as part of the IFA Program, on behalf of the District, the Board of Trustees hereby (i) agree to own, operate, and maintain the Sewage works and the Project for the duration of their useful life and (ii) represents and warrants to the Indiana Finance Authority that the District has no intent to sell, transfer, or lease the Sewage works or the Project for the duration of their useful life.

SECTION 2. Issuance of BANs and Bonds.

(a) The District shall issue, if necessary, the BANs for the purpose of procuring interim financing to pay the cost of the Project, and, if deemed appropriate, the costs of issuance of the BANs. The District may issue the BANs in one or more series, in an aggregate amount not to exceed $8,520,000 to be designated "Sewage Works Bond Anticipation Notes of 20__" (with the blank filled in with the year of the issuance of such BANs and with such further or different series designation as may be necessary or appropriate). The BANs shall be lettered and numbered consecutively from R-1 and upward, and shall be in authorized denominations of $1,000 or more or $1.00 consistent with the requirements of the IFA Program. The BANs shall be dated as of the date of delivery thereof and shall bear interest at a rate not to exceed seven percent (7.0%) per annum (the exact rate or rates to be determined through negotiations with the purchasers of the BANs) payable upon maturity. Each series of BANs will mature no later than five (5) years after their date of delivery, unless determined otherwise by the President of the District (the "President") with the advice of the Municipal Advisor hired by the District (the "Municipal Advisor"). The BANs are subject to renewal or extension at an interest rate or rates not to exceed seven percent (7.0%) per annum (the exact rate or rates to be negotiated with the purchaser of the BANs). The term of any renewal BANs may not exceed five (5) years from the date of delivery of the initial BANs. The BANs shall be registered in the name of the purchasers thereof.

(b) The BANs shall be issued pursuant to IC 5-1-14-5, as amended, if sold to a financial institution or any other purchaser, or IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10, IC 5-1.2.11, IC 5-1.2-14 and/or IC 5-1.2-14.5 if sold to the Indiana Finance Authority under the IFA Program. The BANs shall be sold at a price not less than 100% of the principal amount thereof. The District shall pledge to the payment of the principal of and interest on the BANs, the proceeds from the issuance of the Bonds pursuant to and in the manner prescribed by the Act. The interest on the BANs may also be payable from the Net Revenues herein defined as gross revenues, inclusive of System Development Charges (as hereafter defined), of the System (herein defined as the District's Sewage Works System, including all real estate, equipment and appurtenances thereto used in connection therewith, and all extensions, additions and improvements thereto and replacements thereof, now or at any time hereafter constructed or acquired) remaining after the payment of the reasonable expenses of operation, repair and maintenance of the System, including the works herein acquired and constructed and all additions and improvements thereto and replacements thereof subsequently constructed or acquired. For purposes of this Ordinance, "System Development Charges" shall mean the proceeds and balances from any non-recurring charges related to or associated with the Sewage works of the District such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges that are available

for deposit under this Ordinance. The BANs shall have all the qualities and incidents of negotiable instruments under the laws of the State of Indiana subject to the provisions for registration herein. Notwithstanding anything in this ordinance to the contrary, any series of BANs issued hereunder may bear interest that is taxable and included in the gross income of the owners thereof. If any such BANs are issued on a taxable basis, the designated name shall include the term "Taxable" in the designated name.

(c) The District shall issue the Bonds, in one or more series, in an aggregate principal amount not to exceed $8,520,000 to be designated "Sewage Works Revenue Bonds, Series 20___" (with the blank filled in with the year of the issuance of such Bonds and with such further or different series designation as may be necessary or appropriate), for the purpose of procuring funds to pay the cost of the Project and the refunding of the BANs, if issued, and the issuance costs of the Bonds or the BANs, if issued, as determined by the President, with the advice of the Municipal Advisor. The Bonds shall be issued and sold at a price not less than the par amount thereof if sold to the Indiana Finance Authority, or at price not less than 100% of the par value thereof if sold otherwise to any other purchasers. The Bonds shall be sold by the President pursuant to IC 5-1-11, as amended, unless sold to the IFA Program. The Bonds shall be issued in fully registered form in authorized denominations of $1,000 or any integral multiple thereof or $1.00 consistent with the requirements of the IFA Program. The Bonds shall be lettered and numbered consecutively from 20___R-1 and upward, originally dated the date of delivery, and shall bear interest at a rate or rates not exceeding seven percent (7.0%) per annum (the exact rate or rates to be determined by bidding or through negotiation with the Indiana Finance Authority). Interest is payable semiannually on January 1 and July 1 in each year, commencing not earlier than the first January 1 or July 1 following the issuance of the Bonds, all as determined by the President, with the advice of the Municipal Advisor. The Bonds shall mature semiannually on January 1 and July 1, and may be subject to mandatory sinking fund redemption if term bonds are issued, on January 1 or July 1, over a period ending no later than 35 years from the date of issuance of the Bonds, and in such amounts as is deemed appropriate by the President, with the advice of the Municipal Advisor; provided that if the Bonds are sold to the IFA Program, then in such amounts that will produce annual debt service that is as level as practicable, except as otherwise provided in the Financial Assistance Agreement. The Bonds will be payable solely out of and constitute a first charge against the Net Revenues of the System, inclusive of System Development charges, on parity with the Prior Bonds. The Bonds shall have all the qualities and incidents of negotiable instruments under the laws of the State of Indiana subject to the provisions for registration herein.

Interest on the BANs and the Bonds shall be calculated according to a 360-day calendar year containing twelve 30-day months.

(d) Notwithstanding anything contained herein, the District may accept any other forms of financial assistance, as and if available, from the IFA Program (including without limitation any forgivable loans, grants or other assistance whether available as an alternative to any Bond or BAN related provision otherwise provided for herein or as a supplement or addition thereto). If required by the IFA Program to be eligible for such financial assistance, one or more of the series of the Bonds issued hereunder may be issued on a basis such that the payment of the principal of or interest on (or both) such series of Bonds is junior and subordinate to the payment of the principal of and interest on other series of Bonds issued hereunder (and/or any other revenue bonds secured by a pledge of Net Revenues, whether now outstanding or hereafter issued), all as

provided by the terms of such series of Bonds as modified pursuant to this authorization. Such financial assistance, if any, shall be as provided in the Financial Assistance Agreement and the Bonds of each series of Bonds issued hereunder (including any modification made pursuant to the authorization in this paragraph to the form of Bond otherwise contained herein).

SECTION 3. Registrar and Paying Agent; Book Entry Only Provisions. The President is authorized to select and appoint a qualified financial institution to serve as the Registrar and the Paying Agent for the BANs and the Bonds, which registrar is hereby charged with the responsibility of authenticating the BANs and the Bonds. The President 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 the Paying Agent for the BANs and the Bonds. The President is further authorized to pay such fees as the institution may charge for the services it provides as the Registrar and the Paying Agent, and such fees may be paid from the Bond and Interest Account, as hereinafter defined.

As to any purchaser of the Bonds that does not object to such designation, the President may serve as the Registrar and the Paying Agent and, in such case, is hereby charged with the duties of the Registrar and the Paying Agent.

The principal of and interest on the BANs (if interest thereon is payable only at maturity) or the principal of the BANs (if interest thereon is not payable only at maturity), and the principal of the Bonds shall be payable at the principal office of the Paying Agent, and all payments of interest on the BANs (if interest thereon is not payable only at maturity) and the Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof, as of the fifteenth day of the month preceding each interest payment date ("Record Date"), at the addresses of the registered owners as they appear on the registration books kept by the Registrar. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the BANs or the Bonds are registered in the name of the Indiana Finance Authority, the principal thereof and interest thereon shall be paid by wire transfer to such financial institution if and as directed by the Indiana Finance Authority on the due date of such payment or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the Indiana Finance Authority is the owner of the BANs or the Bonds, the BANs or the Bonds shall be presented for payment as directed by the Indiana Finance Authority. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. All payments on the BANs and the Bonds shall be made 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.

Each BAN or Bond shall be transferable or exchangeable only upon the books of the District kept for that purpose at the principal office of the Registrar, by the registered owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such BAN or Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered BAN or BANs or Bond or Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefore. The costs of such transfer or

exchange shall be borne by the District; provided, however, that the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The District, the Registrar and Paying Agent for the Bonds may treat and consider the person in whose name the BANs or the Bonds are registered as the absolute owner thereof for all purposes, including for the purpose of receiving payment of, or on account of, the principal thereof, the premium, if any, and interest due thereon.

Interest on the Bonds, which are authenticated on or before the Record Date, which precedes the first interest payment date, shall be paid from their original issue date; provided that interest on the Bonds sold to the Indiana Finance Authority shall begin to accrue commencing from the dates of payment on the Bonds. Interest on the Bonds authenticated subsequent to the Record Date which precedes the first interest payment date thereon shall be paid from the interest payment date to which interest has been paid as of the date on which such Bonds are authenticated, unless a Bond is authenticated between the Record Date and the interest payment date, in which case the interest shall be paid from such interest payment date.

The BANs or the Bonds may be issued in book-entry-only form as one fully registered BAN or Bond per maturity registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, and DTC may act as securities depository for the BANs or the Bonds. In that event, the purchase of beneficial interests in the BANs or the Bonds will be made in book-entry-only form in the denomination of $100,000 or more or in the denomination of $1.00 or any multiple thereof, respectively. Purchasers of beneficial interests will not receive certificates representing their interests in the BANs or the Bonds purchased. As long as DTC or its nominee, Cede & Co., is the registered owner of the BANs or the Bonds, payments of principal, premium, if any, and interest will be made when due directly to such registered owner in same-day funds wired by the Paying Agent in accordance with the procedures set forth in the Blanket Issuer Letter of Representations made by the District to DTC.

SECTION 4. Redemption of BANs and Bonds.

(a) If deemed appropriate by the President, with the advice of the Municipal Advisor, the BANs shall be prepayable by the District, in whole or in part, on or after the date determined to be most appropriate by the President, with the advice of the Municipal Advisor, upon seven (7) days' notice to the owner of the BANs, without any premium, but with accrued interest to the date of prepayment.

(b) The Bonds are redeemable at the option of the District, but no sooner than ten (10) years after their date of delivery for any Bonds sold to the Indiana Finance Authority, on dates and with premiums as determined at the time of the sale of the Bonds as determined by the President with the advice of the Municipal Advisor on any date, on thirty (30) days notice, in whole or in part, in any order of maturity (or in the case of any Bonds sold to the Indiana Finance Authority, in inverse order of maturity and on sixty (60) days notice) and by lot within a maturity selected by the District, at the par amount thereof, together with a premium not greater than 2%, plus, in each case, accrued interest, if any, to the date fixed for redemption; provided, however if the Bonds are sold to the IFA Program

and registered in the name of the Indiana Finance Authority, the Bonds shall not be redeemable at the option of the District unless and until consented by the Indiana Finance Authority. The exact redemption dates and premiums shall be established by the President, with the advice of the Municipal Advisor.

(c) If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the District, any Bonds maturing as term bonds maturing on the same date which have previously been redeemed (other than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at one hundred percent (100%) of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

(d) If less than an entire maturity is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar. If the Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select the Bonds for mandatory sinking fund redemption before selecting the Bonds for optional redemption.

(e) Notice of redemption shall be given not less than thirty (30) days (or in the case of any Bonds sold to the Indiana Finance Authority, sixty (60) days) prior to the date fixed for redemption for Bonds, unless such redemption notice is waived by the owner of the Bond or Bonds to be redeemed. Such notice shall be mailed to the address of the registered owner as shown on the registration record of the District as of the date which is forty-five (45) days (or in the case of any Bonds sold to the Indiana Finance Authority,. seventy-five (75) days) prior to such redemption date for Bonds. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the District. Interest on the 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.

(f) The BANs and the Bonds shall be called for redemption in multiples of their minimum authorized denomination. The BANs and the Bonds in denominations of more than the minimum authorized denomination shall be treated as representing the number of BANs and Bonds, respectively, obtained by dividing the denomination of the BAN and the Bond, respectively, by the minimum authorized denomination within a maturity. The BANs and the Bonds may be redeemed in part. In the event of redemption of BANs and Bonds in part, upon surrender of the BAN or the Bond to be redeemed, a new BAN or

BANs or Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the BAN or the Bond surrendered shall be issued to the registered owner thereof.

SECTION 5. Execution and Authentication of the BANs and the Bonds; Pledge of Net Revenues to the Bonds. The BANs and the Bonds shall be executed in the name of the President of the Board of Trustees by the manual or facsimile signature of the President of the Board of Trustees and attested by the manual or facsimile signature of the Secretary, who shall affix the seal of the District, if any, to each of the BANs and the Bonds manually or shall have the seal imprinted or impressed, if any, thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the BANs and the Bonds. The BANs and the Bonds must be authenticated by an authorized officer of the Registrar or by the Secretary if the Secretary is acting as the Registrar. The Bonds, the Prior Bonds, and any additional bonds issued on a parity with the Bonds and the Prior Bonds in accordance with the restrictions imposed by this Ordinance (the "Future Parity Bonds"), as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon the Net Revenues of the System. The District shall not be obligated to pay the principal of and interest on the Bonds, except from the Net Revenues of the System (except to the extent payable from the proceeds of the Bonds), and the Bonds shall not constitute an indebtedness of the District within the meaning of the provisions and limitations of the constitution of the State.

SECTION 6. Form of Bonds. The form and tenor of the Bonds shall be substantially as set forth in Exhibit B, with all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof.

SECTION 7. Preparation and Sale of BANs and Bonds. The Secretary is hereby authorized and directed to have the BANs and the Bonds prepared, and the President of the Board of Trustees and the Secretary are hereby authorized and directed to execute the BANs and the Bonds in the form and manner herein provided. The President is hereby authorized and directed to deliver the BANs and the Bonds to the purchasers thereof after the sale made in accordance with the provisions of this Ordinance, provided that at the time of such delivery, the Secretary shall collect the full amount which the purchasers have agreed to pay therefore, which amount shall not be less than the applicable minimum percentage of the par value of the BANs or the Bonds set forth in Section 2 of this Ordinance. The District may receive payment for the BANs and the Bonds in installments. The Bonds, as and to the extent paid for and delivered to the purchaser, shall be the binding special revenue obligations of the District, payable out of the Net Revenues of the System to be set aside into the Sinking Fund as provided herein. The proceeds derived from the sale of the BANs and the Bonds and the investment income therefrom shall be and are hereby set aside and appropriated to pay the costs of the Project, the refunding of the BANs, if applicable, and the expenses necessarily incurred in connection with the issuance of the BANs and the Bonds. The proper officers of the District are hereby directed to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this Ordinance.

SECTION 8. Bond Sale Notice; Official Statement.

(a) If the BANs or Bonds are to be sold at a competitive sale, the President shall cause to be published either (i) a notice of bond sale in the authorized newspaper(s) for the Adams County Regional Sewer District, two (2) times, at least one week apart, with the first publication being made at least fifteen (15) days before the date of the sale and the second publication being made at least three days before the date of the sale or (ii) a notice of intent to sell bonds in the authorized newspaper(s) and the *Indianapolis Business Journal*, all in accordance with IC 5-1-11, as amended, and IC 5-3-1, as amended. The notice shall state the character, the amount and the authorized denominations of the Bonds, the maximum rate or rates of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Secretary and the attorneys employed by the District shall deem advisable. The notice may provide for electronic bidding as determined by the Municipal Advisor. Any summary notice may contain any information deemed so advisable. The notice may provide, among other things, that the winning bid shall be accompanied by a certified or cashier's check or a financial surety bond in an amount equal to one percent (1%) of the principal amount of the Bonds described in the notice. If a financial surety bond is used, it must be from an insurance company licensed to issue such bond in the State, and such bond must be submitted to the District prior to the opening of the bids. The financial surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bond. If the Bonds are awarded to a bidder utilizing a financial surety bond, then the purchaser is required to submit to the District a certified or cashier's check (or wire transfer such amount as instructed by the District) not later than 3:30 p.m. (EST time) on the next business day following the award. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then such good faith deposit and the proceeds thereof shall be the property of the District and shall be considered as its liquidated damages on account of such default. Bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate hereinbefore fixed, and that such interest rate or rates shall be in multiples of one-eighth (1/8) of one percent (1%) or one-one hundredth (1/100) of one percent (1%). The rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than the applicable minimum percentage of the par value of the Bonds set forth in Section 2 of this Ordinance will be considered. The opinion of Barnes & Thornburg LLP, Indianapolis, Indiana ("Bond Counsel"), approving the legality of the Bonds will be furnished to the purchaser at the expense of the District.

(b) The Bonds shall be awarded by the President to the best bidder who has submitted its bid in accordance with the terms of this Ordinance, IC 5-1-11, as amended, and the notice. The best bidder will be the one who offers the lowest interest cost to the District, to be determined by computing the total interest on all of the Bonds to their maturities and deducting the premium bid, if any, or adding thereto the discount bid, if any. The right to reject any and all bids shall be reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time, no bid which provides a higher net interest cost to the District than the best bid received at the time of the advertised sale will be considered.

(c) Distribution of an Official Statement (preliminary and final) when and if prepared by the Municipal Advisor, on behalf of the District, is hereby authorized and approved and the President of the Board of Trustees is authorized and directed to execute the Official Statement in a form consistent with this Ordinance. The President of the Board of Trustees and the Secretary

are authorized to deem the Preliminary Official Statement as "final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

(d) As an alternative to public sale, the District may negotiate the sale of one or more series of the Bonds and/or BANs to the Indiana Finance Authority. The President of the Board of Trustees and the Secretary are hereby authorized to (i) submit an application to the IFA Program, (ii) execute the Financial Assistance Agreement (including any amendment thereof) with the Indiana Finance Authority and (iii) sell one or more series of the Bonds and/or BANs upon such terms as are acceptable to the President of the Board of Trustees and the Secretary consistent with the terms of this Ordinance. The Financial Assistance Agreement (including any amendment thereof) for one or more series of the Bonds and/or BANs and the Project shall be executed by either the authorized officers of the District and the Indiana Finance Authority. The substantially final form of the Financial Assistance Agreement (attached hereto as Exhibit C and incorporated herein by reference) is hereby approved by the Board of Trustees, and the President of the Board of Trustees and the Secretary are hereby authorized to execute and deliver the same and to approve any changes in form or substance, which are consistent with the terms of this Ordinance, to the Financial Assistance Agreement, and such approval shall be conclusively evidenced by its execution. The President of the Board of Trustees and the Secretary are hereby authorized to execute and deliver an amended and restated Financial Assistance Agreement or a subsequent Financial Assistance Agreement if an earlier series of Bonds and/or BANs has been purchased by the Indiana Finance Authority and may approve any changes in form or substance to the attached Financial Assistance Agreement as they determined to be necessary or desirable in connection therewith, and such approval shall be conclusively evidenced by its execution.

SECTION 9. Use of Proceeds; Construction Fund. The accrued interest and the premium, if any, received at the time of the delivery of the Bonds shall be deposited in the Sinking Fund (defined herein). The remaining proceeds from the sale of the Bonds, to the extent not used to refund BANs, and BAN proceeds, shall be deposited in a bank or banks which are legally designated depositories for the funds of the District, in a special account or accounts to be designated as "Sewage Works Construction Fund" (the "Construction Fund"). The funds in each of such special accounts shall be deposited, held, secured or invested in accordance with the laws of the State relating to the depositing, holding, securing or investing of public funds, including particularly IC 5-13, chapters 1 through 4 of IC 5-1.2, IC 5-1.2-10, IC 5-1.2-11, IC 5-1.2-14 and/or IC 5-1.2-14.5, and the acts amendatory thereof and supplemental thereto. The funds in such special account or accounts shall be expended only for the purpose of paying the costs of issuance of the BANs or the Bonds, the cost of the Project, refunding all or a portion of the BANs, if issued, or as otherwise required by the Act. The cost of obtaining the legal services of Bond Counsel shall be considered a part of the costs of issuance of the BANs and the Bonds.

(a) The District hereby declares that it reasonably expects to reimburse each of the District's advances to the Project from proceeds of the BANs or the Bonds, as anticipated by this Ordinance.

(b) Any balance or balances remaining unexpended in such special account or accounts after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall subject to (c) below either (1) be deposited in the Sinking Fund and used solely for the purposes of said Fund or (2) be used for the same purpose or type of project

for which the BANs or the Bonds were originally issued, all in accordance with IC 5-1-13, as amended and supplemented.

(c) With respect to any series of Bonds sold to the Indiana Finance Authority, to the extent that (a) the total principal amount of the Bonds is not paid by the purchaser or drawn down by the District, or (b) proceeds remain in the Construction Fund and are not applied to the Project (or any modifications or additions thereto approved by the Indiana Finance Authority), the District shall reduce the principal amount of the Bond maturities to effect such reduction in a manner that will still achieve as level as annual debt service as practicable as described in Section 2(c) subject to and upon the terms forth in the Financial Assistance Agreement.

SECTION 10. Revenue Fund. All income and revenues derived from the operation of the System (including any System Development Charges that are not considered Net Revenues) shall be deposited upon receipt in the Sewage Works System Revenue Fund (the "Revenue Fund"). The Revenue Fund shall be maintained separate and apart from all other accounts of the District. All moneys deposited in the Revenue Fund may be invested in accordance with IC 5-13-9, chapters 1 through 4 of IC 5-1.2, IC 5-1.2-10, IC 5-1.2-11, IC 5-1.2-14 and/or IC 5-1.2-14.5, as amended, and other applicable laws. Out of said Revenue Fund, the proper and reasonable expenses of operation and maintenance of the works shall be paid, the principal and interest of all bonds and fiscal agency charges of registrars or paying agents shall be paid, the reserve fund shall be funded and the costs of replacements, extensions, additions and improvements to the System shall be paid. No moneys derived from the revenues of the System shall be transferred to the general fund of the District, be transferred to any fund of the District related to any purpose under the Act other than providing for the collection and treatment of wastewater from the District residents and users ("Non-Sewage Works Purpose") or be used for any purpose not connected with the System.

SECTION 11. Operation and Maintenance Fund. There shall be transferred from the Revenue Fund and credited to the Operation and Maintenance Fund (the "Operation and Maintenance Fund"), on or before the last day of each calendar month a sufficient amount of the revenues of the System so that the balance in the Operation and Maintenance Fund shall be sufficient to pay the expenses of operation, repair and maintenance of the System for the then next succeeding two (2) calendar months. The moneys credited to the Operation and Maintenance Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the System on a day-to-day basis, but none of the moneys in such fund shall be used for depreciation, replacements, improvements, extensions or additions. Any monies in the Operation and Maintenance Fund in excess of the expected expenses of operation, repair and maintenance for the next succeeding month may be transferred to the Sinking Fund (defined below) if necessary to prevent a default in the payment of the principal of or interest on the Bonds.

SECTION 12. Sinking Fund.

(a) *General*. There is hereby continued a fund designated as the Sewage Works Bond Fund (herein called the "Sinking Fund") for the payment of principal of, interest on, and premium on, if any, the Bonds, the Prior Bonds and any bonds hereafter issued on a parity therewith, or any other bonds subordinate thereto, and for the payment of any fiscal agency charges in connection with the payment of bonds. After meeting the requirements of the Operation and Maintenance Fund set forth above, there shall be set aside and deposited into the Sinking Fund, as available and

as provided below, a sufficient amount of the Net Revenues (including any System Development Charges that are considered Net Revenues) of the System to meet the requirements of the Bond and Interest Account and the Debt Service Reserve Account (each, as defined herein), each of which is continued within the Sinking Fund. Such payments shall continue until the balance in the Bond and Interest Account, plus the balance in the Debt Service Reserve Account, equal the amount necessary to pay the principal of and interest on all the outstanding bonds to the final maturity thereof.

(b) *Bond and Interest Account*. There is hereby continued within the Sinking Fund, the Bond and Interest Account (the "Bond and Interest Account"). After making the credit to the Operation and Maintenance Fund, there shall be transferred on or before the last day of each calendar month to the Bond and Interest Account an amount of the Net Revenues equal to at least one-sixth (1/6) of the interest on all then outstanding bonds payable from the Net Revenues on the then next succeeding interest payment date, and at least one-sixth (1/6) of the principal of all then outstanding bonds payable on the then next succeeding principal payment date, until the amount of principal and interest payable on the then next succeeding interest and principal payments dates shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying principal and interest on outstanding bonds as the same become payable. The District shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(c) *Debt Service Reserve Account*. There is hereby continued within the Sinking Fund, the Debt Service Reserve Account ("Debt Service Reserve Account").

Beginning with the first month after the Bonds are delivered, the District shall deposit on or before the last day of each calendar month an amount of Net Revenues into the Debt Service Reserve Account over a period of five (5) years until the balance therein equals but does not exceed the least of (i) the maximum annual debt service on the Bonds, the Prior Bonds and any Future Parity Bonds, (ii) 125% of average annual debt service on the Bonds, the Prior Bonds and any Future Parity Bonds, or (iii) 10% of the proceeds of the Bonds, the Prior Bonds and the Future Parity Bonds (the "Reserve Requirement"); provided, however, if any of the Bonds are sold to the Indiana Finance Authority pursuant to its IFA Program, then the Reserve Requirement shall equal the maximum annual debt service on the Bonds, the Prior Bonds and any Future Parity Bonds. The monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the Reserve Requirement within five (5) years of the date of delivery of the Bonds. The balance in the Debt Service Reserve Account, allocable to the Bonds, shall never exceed the Reserve Requirement. The District may fund all or part of the Debt Service Reserve Account with a debt service reserve surety bond; provided, however, if any of the Bonds are sold to the Indiana Finance Authority pursuant to its IFA Program, then the Indiana Finance Authority shall consent to any such use of a surety bond. The surety bond must be issued by an insurance company rated in the highest category by Standard & Poor's Corporation and Moody's Investors Service.

The Debt Service Reserve Account shall constitute a margin for safety and a protection against default in the payment of the principal of, premium, if any, and interest on the Bonds, the Prior Bonds and any Future Parity Bonds and the moneys in the Debt Service Reserve Account

shall be used to pay the principal of and interest on the Bonds, the Prior Bonds and any Future Parity Bonds to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Debt Service Reserve Account shall be promptly made up from the next available Net Revenues after the required deposits into the Bond and Interest Account. In the event moneys in the Debt Service Reserve Account are transferred to the Bond and Interest Account to pay the principal of and interest on the Bonds, the Prior Bonds or any Future Parity Bonds, then that depletion of the balance in the Debt Service Reserve Account shall be made up from the next available Net Revenues after the required deposits into the Bond and Interest Account.

The Sinking Fund (containing the Bond and Interest Account, the Debt Service Reserve Account), or any portion thereof, and the Construction Fund, may be held by one or more financial institutions acceptable to the Indiana Finance Authority as part of its IFA Program, pursuant to terms acceptable to the Indiana Finance Authority. If the Sinking Fund and the accounts therein, or any portion thereof, are so held in trust, the District shall transfer the monthly required amounts of Net Revenues to the Bond and Interest Account, the Debt Service Reserve Account in accordance with Section 12 of this Ordinance, and the financial institution holding such funds in trust shall be instructed to pay the required payments in accordance with the payment schedules applicable to the District's outstanding bonds. If the Construction Fund is so held in trust, the District shall deposit the proceeds of the Bonds therein until such proceeds are applied consistent with this Ordinance and the Financial Assistance Agreement. The financial institution selected to serve in this role may also serve as the Registrar and the Paying Agent for the Bonds. The President of the Board of Trustees and Secretary are hereby authorized to execute and deliver an agreement with a financial institution to reflect this trust arrangement for all or a part of the Sinking Fund and the Construction Fund in the form of trust agreement as approved by the President of the Board of Trustees and Secretary, consistent with the terms and provisions of this Ordinance.

SECTION 13. Improvement Fund. There is hereby continued a special fund designated as the Improvement Fund (herein called the "Improvement Fund"). In the event any excess revenues exist after all required monthly payments into the Sinking Fund, the Operation and Maintenance Fund or the Debt Service Reserve Account, then any available excess revenues of the System may be deposited into the Improvement Fund, and any amounts so deposited may be used to pay the cost of improvements, betterments, extensions, enlargements and additions to the System, or for any other lawful purpose related to the System. Moneys in the Improvement Fund (i) shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds or, if necessary, to eliminate any deficiencies in credits to or minimum balance in the Debt Service Reserve Account of the Sinking Fund or (ii) may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the System. If any BANs or Bonds are sold to the Indiana Finance Authority as part of its IFA Program, so long as any of the BANs or Bonds are outstanding, no monies derived from the revenues of the Sewage Works shall be transferred to the General Fund of the District or otherwise be used for any purposes not connected with the Sewage Works.

SECTION 14. Maintenance of Accounts; Investments. The Sinking Fund shall be deposited and maintained as a separate account or accounts from all other accounts of the District. The Operation and Maintenance Fund and the Improvement Fund may be maintained in a single account or separate accounts, but such account or accounts, shall likewise be maintained separate

and apart from all other accounts of the District (including, without limitation, any funds and accounts relative to any other utility of the District beyond the System) and apart from the Sinking Fund account or accounts. All moneys deposited in the Funds and Accounts continued by this Ordinance shall be deposited, held and secured as public funds in accordance with the public depository laws of the State; provided that moneys therein may be invested in obligations in accordance with applicable laws, including IC 5-13, chapters 1 through 4 of IC 5-1.2, IC 5-1.2-10, IC 5-1.2-11, IC 5-1.2-14 and/or IC 5-1.2-14.5, as amended or supplemented, and in the event of such investment, the income therefrom shall become a part of the funds invested and shall be used only as provided in this Ordinance. Nothing in this Section or elsewhere in this Ordinance shall be construed to require that separate bank accounts be established and maintained for the Funds and Accounts continued by this Ordinance except that (a) the Sinking Fund and Construction Fund shall be maintained as a separate bank account from the other Funds and Accounts of the System and (b) the other Funds and Accounts of the System shall be maintained as a separate bank account from the other funds and accounts of the District, including, without limitation, any other funds and accounts for any other utility of the District beyond the System; provided, however, to the extent the District does not maintain separate accounts or subaccounts for the revenues and expenses of the System, it covenants and agrees that it has adopted sufficient accounting and/or bookkeeping practices to accurately track all revenues and expenses of the System.

SECTION 15. Maintenance of Books and Records. The District shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected from the System, all disbursements made on account of the System and all other transactions relating to the System. There shall be furnished, upon written request, to any owner of the Bonds, the most recent audit report of the System prepared by the State Board of Accounts. Copies of all such statements and reports shall be kept on file in the office of the Secretary. If the BANs or the Bonds are sold to the Indiana Finance Authority, the District shall establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) and the System in accordance with (i) generally accepted governmental accounting standards for utilities, on an accrual basis, as promulgated by the Governmental Accounting Standards Board, and (ii) the rules, regulations and guidance of the State Board of Accounts; provided, however, to the extent the District does not maintain separate accounts or subaccounts for the revenues and expenses of the System, it covenants and agrees that it has adopted sufficient accounting and/or bookkeeping practices to accurately track all revenues and expenses of the System.

SECTION 16. Rate Covenant. The District covenants and agrees that it will establish and maintain reasonable and just rates and charges for the use of and the service rendered by the System, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the System, or that in any way uses or is served by the System, at a level adequate to produce and maintain sufficient revenue (including user and other charges, fees, income or revenues available to the District), provided that System Development Charges shall be excluded, to the extent permitted by law, when determining if such rates and charges are sufficient so long as the Bonds are outstanding and owned by the Indiana Finance Authority as part of its IFA Program, to provide for Operation and Maintenance (as defined in the Financial Assistance Agreement) of the System, to comply with and satisfy all covenants contained in this Ordinance and any Financial Assistance Agreement and to all obligations of the System and of the District with respect to the System including the Prior Bonds, the Bonds to be issued pursuant to this

Ordinance and any hereafter Future Parity Bonds. Such rates and charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of Operation and Maintenance of the System and the requirements of the Sinking Fund or any BANs. The rates and charges so established shall apply to any and all use of the System by and service rendered to the District and shall be paid by the District as the charges accrue.

SECTION 17. Defeasance of Bonds. If: (i) any of the Bonds shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal, the premium, if any, and the interest, so due and payable upon all of the Bonds or any designated portion thereof then outstanding shall be paid; or (ii) the District shall cause to be held in trust for the purpose of paying when due the principal of, premium, if any, and interest on the Bonds or any designated portion thereof, money, together with direct 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, the principal of and the interest on which when due, will be sufficient, without reinvestment, to make such payments, and provision shall also be made for paying all fees and expenses for the redemption of such Bonds; then and in that case, such Bonds shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the System.

SECTION 18. Additional BANs and Bonds. The District reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The District reserves the right to authorize and issue Future Parity Bonds for the purpose of financing the cost of future additions to, extensions of and improvements to the System, or to refund obligations, subject to the following conditions:

(a) The principal of and interest on all bonds payable from the Net Revenues of the System (including the Prior Bonds, the Bonds to be issued pursuant to this Ordinance and any hereafter Future Parity Bonds) shall have been paid in accordance with the terms thereof, and the amounts required to be paid into the Sinking Fund shall have been made to date in accordance with the provisions of this Ordinance. The Reserve Requirement shall be satisfied for the Future Parity Bonds either at the time of delivery of the Future Parity Bonds or over a five (5) year or shorter period, in a manner which is commensurate with the requirements established in Section 12(c) of this Ordinance.

(b) The Net Revenues of the System in the fiscal year immediately preceding the issuance of any such Future Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of the then outstanding bonds payable from the Net Revenues and the Future Parity Bonds proposed to be issued; or, prior to the issuance of such Future Parity Bonds, the sewer rates and charges shall be increased sufficiently so that such increased rates and charges applied to the previous year’s operations would have produced Net Revenues for such year equal to not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of the then outstanding bonds payable from the Net Revenues and the Future Parity Bonds proposed to be issued or, in the case of the construction of new additions, improvements and extensions to the Sewage Works, which Sewage Works would serve additional customers at the customers' existing serviceable structures

required to connect to the Sewage Works, and, with respect to any Future Parity Bonds hereafter issued while the Bonds remain outstanding and owned by the Indiana Finance Authority as part of its IFA Program, with the Indiana Finance Authority's written consent, the Net Revenues of the Sewage Works in the fiscal year immediately preceding the issuance of any such Future Parity Bonds together with the anticipated Net Revenues from the new additions, improvements and extensions to the Sewage Works shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the Future Parity Bonds. For purposes of this subsection, the records of the System shall be analyzed and all showings shall be prepared by a certified public accountant employed by the District for that purpose. In addition, for purposes of this subsection, with respect to any Future Parity Bonds hereafter issued while the Bonds remain outstanding and owned by the Indiana Finance Authority as part of its IFA Program, Net Revenues shall not include any revenues from the System Development Charges unless the Indiana Finance Authority provides its consent to include all or some portion of the System Development Charges as part of the Net Revenues or otherwise consents to the issuance of such Future Parity Bonds without satisfying this subsection (b). In addition, for purposes of this subsection, Net Revenues (as such is determined (and included) for the fiscal year immediately preceding the issuance of any such bonds) shall exclude receipts from any assessment of exceptional benefits (which would otherwise be designated herein as Net Revenues) if and to the extent that such are in excess of the amount that any such assessments are irrevocably required pursuant to the Act to fixed and collected for each future fiscal year that such Future Parity Bonds are proposed to be outstanding. Notwithstanding anything herein to the contrary, in the event the District undertakes and establishes any assessment of exceptional benefits in connection with any hereinafter Future Parity Bonds (which would otherwise be designated herein as Net Revenues), it shall not relieve the District from (i) making the monthly deposits in the Sinking Fund in the full amounts required by Section 12(b) and (c) and (ii) causing any such assessment of exceptional benefits to be levied and collected six (6) months in advance of any date on which such will be applied to payment of principal of and interest on such hereinafter Future Parity Bonds.

(c) The principal of, or mandatory sinking fund redemption dates for, the Future Parity Bonds shall be payable semiannually on January 1 and July 1, and interest on the Future Parity Bonds shall be payable semiannually on January 1 and July 1.

(d) If the Bonds are sold to the Indiana Finance Authority: (i) the District obtains the consent of the Indiana Finance Authority; (ii) the District has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in the Financial Assistance Agreement and this Ordinance; and (iii) the District is in compliance with its System permits, except for noncompliance, the elimination of which is a purpose for which the Future Parity Bonds, including any refunding bonds, are issued, so long as such issuance constitutes part of an overall plan to eliminate such noncompliance.

(e) Future Parity Bonds may also be issued to refund less than all of the then outstanding bonds issued pursuant to this Ordinance or ranking on a parity therewith, but any such refunding bonds shall be subject to the conditions in this section unless the bonds being refunded mature within three (3) months of the date of such refunding and no other funds are available to pay such maturing bonds. In computing the maximum annual interest and principal requirements pursuant to subsection (b), the interest on and principal of the parity refunding bonds shall be

substituted for the interest on and principal of the bonds being refunded. Refunding bonds issued under this subsection (e) shall also be subject to the conditions in subsection (a), (c) and (d).

SECTION 19. Further Covenants. For the purpose of further safeguarding the interests of the owners of the BANs and the Bonds, it is specifically provided as follows:

(a) All contracts let by the District in connection with the construction of the Project shall be let after due advertisement as required by the laws of the State, and all contractors shall be required to furnish surety bonds in an amount equal to one hundred percent (100%) of the amount of such contracts, to insure the completion of such contracts in accordance with their terms, and such contractors shall also be required to carry such employer's liability and public liability insurance as are required under the laws of the State in the case of public contracts and shall be governed in all respects by the laws of the State relating to public contracts.

(b) The Project shall be constructed under the supervision and subject to the approval of the Engineer. All estimates for work done or material furnished shall first be checked by the Engineer and approved by the District.

(c) So long as any of the BANs or the Bonds are outstanding, the District shall at all times maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost.

(d) So long as any of the BANs or the Bonds are outstanding, the District shall acquire and maintain insurance on the insurable parts of the system, of a kind and in an amount such as is usually carried by private corporations engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State. As an alternative to maintaining such insurance but only if the Bonds are not sold to the Indiana Finance Authority, the District may maintain a self-insurance program with catastrophic or similar coverage so long as such program meets the requirements of any applicable laws or regulations and is maintained in a manner consistent with programs maintained by similarly situated municipalities. All insurance or self-insurance proceeds or condemnation proceeds shall be used in replacing or restoring the System or, if the Bonds are not sold to the Indiana Finance Authority, shall be deposited in the Sinking Fund.

(e) So long as any of the BANs or the Bonds are outstanding, the District shall not mortgage, pledge or otherwise encumber the property and plant of the System or any portion thereof or any interest therein, and if the BANs or the Bonds are sold to the Indiana Finance Authority, the District shall not do so, without the prior written consent of the Indiana Finance Authority. The District shall not sell, lease or otherwise dispose of any part of the System, except for such machinery, equipment or other property as may be replaced or shall no longer be necessary for use in connection with the System, and if the BANs or the Bonds are sold to the Indiana Finance Authority, the District shall not do so, without the prior written consent of the Indiana Finance Authority.

(f) Except as otherwise specifically provided in Section 18 hereof, so long as any of the BANs or the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of the System shall be authorized, executed, or issued by the District,

except those as shall be made subordinate and junior in all respects to the Bonds herein authorized, unless the BANs and the Bonds are redeemed or defeased pursuant to Section 4 hereof coincidentally with the delivery of such additional bonds or other obligations.

(g) If the BANs or the Bonds are sold to the Indiana Finance Authority and, except as otherwise specifically provided in Section 18 hereof, the District shall not without the prior written consent of the Indiana Finance Authority (i) enter into any lease, contract or agreement or incur any other liabilities in connection with the System other than for normal operating expenditures or (ii) borrow any money (including without limitation any loan from other utilities operated by the District).

(h) The provisions of this Ordinance shall constitute a contract by and between the District and the owners of the BANs and the Bonds, all the terms of which shall be enforceable by any holder of the BANs or the Bonds by any and all appropriate proceedings in law or in equity. After the issuance of the BANs or the Bonds, this Ordinance shall not be repealed, amended or modified in any respect which will adversely affect the rights or interests of the owners of the BANs or the Bonds, nor shall the Board of Trustees or any other body of the District adopt any law, Ordinance or ordinance which in any way materially adversely affects the rights of such owners so long as any of the BANs or the Bonds remain outstanding. Except for the changes set forth in Section 22 (a)(1)-(7) of this Ordinance, this Ordinance may be amended, however, without the consent of the BAN or the Bond owners, if the Board of Trustees determines, in its sole discretion, that such amendment would not materially adversely affect the rights of any of the owners of the BANs or the Bonds; provided, however, that if the BANs or the Bonds are sold to the Indiana Finance Authority, the District shall obtain the prior written consent of the Indiana Finance Authority.

(i) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the BANs and the Bonds for the uses and purposes set forth herein, and the owners of the BANs and the Bonds shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and the Act. The provisions of this Ordinance shall also be construed to create a trust in the portion of the Net Revenues herein directed to be set apart and paid into the Sinking Fund or the Improvement Fund for the uses and purposes of such Funds as set forth in this Ordinance. The owners of the BANs and the Bonds shall have all of the rights, remedies and privileges set forth in the provisions of the Act, including the right to have a receiver appointed to administer the System, in the event of default in the payment of the principal of or interest on any of the Bonds. Upon the appointment of such receiver, the receiver may: (i) charge and collect rates sufficient to provide for the payment of the expenses of the operation, repair and maintenance of the System and debt service as provided in the next following clause (ii); (ii) pay the interest on the BANs or the principal of, premium, if any, and interest on any bonds payable from Net Revenues; and (iii) apply the revenues of the System in conformity with the Act and this Ordinance. In addition, any owner of the BANs and the Bonds may, by civil action, protect and enforce rights granted by the Act or under this Ordinance in connection with any action or duty to be performed by the District, the Board of Trustees or any officer of the District, including the making and collecting of reasonable and sufficient charges and rates for services provided by the System.

(j) In addition, any owner of the BANs and the Bonds may, by civil action, protect and enforce rights granted by the Act or under this Ordinance in connection with any action or duty to be performed by the District, the Board of Trustees or any officer of the District, including the making and collecting of reasonable and sufficient charges and rates for services provided by the System as described in this Ordinance.

(k) None of the provisions of this Ordinance shall be construed as requiring the expenditure of any funds of the District derived from any source other than the proceeds of the BANs, the Bonds or the operations of the System.

(l) The District shall take all actions or proceedings necessary and proper, to the extent permitted by law, to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The District shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with said sewage works.

(m) For purposes of this Section 19, the term "lease" shall include any lease, contract, or other instrument conferring a right upon the District to use property in exchange for a periodic payments made from the revenues of the System, whether the District desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease, financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

(n) The District represents and warrants for the benefit of the holders of the Bonds that (i) it has not undertaken, and it does not own, maintain, operate or otherwise financially fund or support, any Non-Sewage Works Purpose and (ii) it does not have any existing obligations or liabilities related to any Non-Sewage Works Purpose. The District covenants and agrees for the benefit of the holders of the Bonds that it will not hereafter undertaken, and it will not own, maintain, operate or otherwise financially fund or support, any Non-Sewage Works Purpose unless consented in writing in advance by the Indiana Finance Authority so longs as it is a holder of any Bonds.

SECTION 20. Investment of Funds.

(a) The Secretary is hereby authorized pursuant to IC 5-1-14-3, as amended, to invest moneys pursuant to the provisions of this Ordinance (subject to applicable requirements of federal law to insure the yields on such investments are equal to the then current market rates) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the BANs or the Bonds under federal law.

(b) The Secretary shall keep full and accurate records of investment earnings and income from moneys held in the Funds and Accounts continued by this Ordinance. In order to comply with the provisions of the Ordinance, the Secretary is hereby authorized and directed to employ consultants or attorneys from time to time to advise the District as to requirements of federal law to preserve the tax exclusion described above. The Secretary may pay the fees of such consultants or attorneys as operation expenses of the System.

SECTION 21. Tax Covenants. In the event that either the BANs or the Bonds are issued on a tax-exempt basis, in order to preserve the exclusion of interest on the BANs and the Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the BANs or the Bonds, as the case may be (the "Code"), and as an inducement to the purchasers of the BANs and the Bonds, the District represents, covenants and agrees that:

(a) The use of the System will be based upon arrangements providing for use that is available to the general public on the basis of rates that are generally applicable and uniformly applied, and, to the extent so used, such use shall constitute general public use. No person or entity, other than the District or another state or local governmental unit, will use more than 10% of the proceeds of the BANs or the Bonds or the property financed by the BAN or Bond proceeds, other than in a manner constituting general public use. No person or entity, other than the District or another state or local governmental unit, will own property financed by the BAN or Bond proceeds or will have actual or beneficial use of such property pursuant to a lease, management, service or incentive payment contract, or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from general public use, unless such uses in the aggregate relate to no more than 10% of the proceeds of the BANs or the Bonds, as the case may be. If the District enters into a management contract for all or a portion of the System, the terms of the contract will comply with the Treasury Regulations issued by the United States Department of the Treasury (the "Regulations") and IRS Revenue Procedure 2017-13, and as such may hereafter be further amended, supplemented or superseded from time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in the aggregate will not relate to more than ten percent (10%) of the proceeds of the BANs or the Bonds.

(b) No more than ten percent (10%) of the principal of or interest on the BANs or the Bonds is (under the terms of the BANs, the Bonds, this Ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for private business use or payments in respect of such property, or to be derived from payments (whether or not to the District or Board of Trustees) in respect of property or borrowed money used or to be used for a private business use.

(c) No more than five percent (5%) of the BAN or Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than five percent (5%) of the BAN or Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the BAN or Bond proceeds.

(d) The District reasonably expects, as of the date hereof, that the BANs and the Bonds will not meet either the private business use test described in paragraphs (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the BANs and the Bonds.

(e) No more than five percent (5%) of the proceeds of the BANs or the Bonds will be attributable to private business use as described in paragraph (a) above and private security or payments described in paragraph (b) above attributable to unrelated or disproportionate private

business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issues and use that is related but disproportionate to any governmental use of those proceeds.

(f) The District will not take any action nor fail to take any action with respect to the BANs or the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes of interest on the BANs or the Bonds pursuant to Section 103 of the Code, nor will the District act in any other manner which would adversely affect such exclusion.

(g) It shall not be an event of default under this Ordinance if the interest on any BANs or Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the BANs or the Bonds, as the case may be.

(h) The District represents that it will rebate any arbitrage profits to the United States of America to the extent required by the Code and the Regulations.

(i) On or before the date of issuance of each series of BANs and the Bonds, the District is hereby authorized to designate all or any portion of such BANs or Bonds as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code, if determined appropriate and permissible thereunder, with the advice of Bond Counsel.

(j) If the principal amount of the BANs or the Bonds issued in any one calendar year by the District, together with the aggregate principal amount of all other tax-exempt bonds, notes, lease obligations and other indebtedness or obligations of the District issued or entered into or to be issued or entered into by the District, its subordinate entities and entities that issue any such indebtedness or obligations on behalf of the District, or on behalf of which the District issues any such indebtedness or obligations, within the meaning of and taken into account under Section 148(f)(4)(D) of the Code, during such calendar year (excluding "private activity bonds" and obligations issued to currently refund tax-exempt obligations to the extent that the principal amount of the refunding obligations does not exceed the principal amount of the refunded obligations), is $5,000,000 or less, then such BANs or Bonds will be exempt from rebate pursuant to the small issuer exemption set forth in Section 148(f)(4)(D).

(k) These covenants are based solely on current law in effect and in existence on the date of delivery of the BANs or the Bonds, as the case may be.

(l) Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance (the "Tax Sections"), which are designed to preserve the exclusion of interest on the BANs and the Bonds from gross income under federal law (the "Tax Exemption"), need not be complied with if the District receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

SECTION 22. Amendments with Consent of Bondholders.

(a) Subject to the terms and provisions contained in this Section, and not otherwise, the owners of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary

notwithstanding, to consent to and approve the adoption by the Board of Trustees of such Ordinance or Ordinances supplemental hereto or amendatory hereof, as shall be deemed necessary or desirable by the District 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 any supplemental Ordinance; provided, however, that if the BANs or Bonds are sold to the Indiana Finance Authority, the District shall obtain the prior written consent of the Indiana Finance Authority; and provided, further, that that nothing herein contained shall permit or be construed as permitting:

(1) An extension of the maturity of the principal of or the due date of interest on any BAN or Bond; or

(2) A reduction in the principal amount of any BAN or Bond or the redemption premium or the rate of interest thereon; or

(3) The creation of a lien upon or a pledge of the revenues or Net Revenues of the System ranking prior to the pledge thereof created by this Ordinance; or

(4) A preference or priority of any BAN or BANs over any other BAN or BANs or of any Bond or Bonds over any other Bond or Bonds; or

(5) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental Ordinance; or

(6) A reduction in the Reserve Requirement; or

(7) The extension of mandatory sinking fund redemption dates for the Bonds, if any.

(b) If the owners of not less than a majority in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental Ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Secretary, 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 Board of Trustees 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 District and all owners of 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 District and the owners of the Bonds, and the terms and provisions of the Bonds and this Ordinance, or any supplemental Ordinance, may be modified or altered in any respect with the consent of the District and the owners of all the Bonds then outstanding.

SECTION 23. Amendment of Ordinance without Consent of Bondholders. The Board of Trustees may, from time to time, and without the consent of the holders of the BANs or the Bonds, adopt Ordinances supplemental hereto (which supplemental Ordinances shall thereafter form a

part hereof) for any one or more of the following purposes; provided, however, that if the BANs or Bonds are sold to the Indiana Finance Authority, the District shall obtain the prior written consent of the Indiana Finance Authority:

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

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

(c) to modify, amend or supplement this Ordinance to permit the qualification of the BANs or the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America or to obtain or maintain bond insurance with respect to payments of principal of and interest on the Bonds;

(d) to provide for the refunding or advance refunding of the BANs or the Bonds;

(e) to procure a rating on the 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 Bonds; or

(f) any other purpose which in the judgment of the Board of Trustees does not adversely impact the interests of the owners of the Bonds.

SECTION 24. Issuance of BANs.

(a) The District, having satisfied all the statutory requirements for the issuance of the Bonds, may elect to issue the BAN or BANs to a financial institution, the Indiana Finance Authority, the Indiana Bond Bank, the State or any other purchaser (if then authorized by State law), pursuant to a Bond Anticipation Note Purchase Agreement (the "Bond Anticipation Note Agreement") to be entered into between the District and the purchaser of the BAN or BANs, but only if such Agreement is deemed necessary by Bond Counsel. If the BANs are sold to the Indiana Finance Authority through the IFA Program, the Financial Assistance Agreement shall serve as the Bond Anticipation Note Agreement. The Board of Trustees hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing the Bonds to provide interim financing for the Project until permanent financing becomes available and, if deemed appropriate, to refund such BAN or BANs and to pay the costs of issuance of the BANs. It shall not be necessary for the District to repeat the procedures for the issuance of the Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

(b) The President and the Secretary are hereby authorized and directed to execute a Bond Anticipation Note Agreement or Financial Assistance Agreement, if any, in such form or substance as they shall approve, acting upon the advice of Bond Counsel. The President and the Secretary may take such other actions or execute and deliver such certificates as are necessary or desirable in connection with the issuance of the BANs or the Bonds and the other documents needed for the financing as any one of them deem necessary or desirable in connection therewith.

SECTION 25. Continuing Disclosure. If necessary in order for the purchaser of the BANs or the Bonds to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule"), the President and the Secretary are hereby authorized to execute and deliver, in the name and on behalf of the District, (i) an agreement by the District to comply with the requirements for a continuing disclosure undertaking of the District pursuant to subsection (b)(5) or (d)(2) of the Rule, and (ii) amendments to such agreement from time to time in accordance with the terms of such agreement (the agreement and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Agreement"). The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. The remedies for any failure of the District to comply with and carry out the provisions of the Continuing Disclosure Agreement shall be as set forth therein.

SECTION 26. Other Actions. The proper officers of the District are hereby authorized and directed, for and on behalf of the District, to execute and deliver any agreement, certificate or other instrument, including without limitation any financial assistance agreement, escrow agreement, continuing disclosure agreement, agreement with any Bond Insurer, agreement with any Rating Service, preliminary official statement or official statement, or take any other action which such officer determines to be necessary or desirable to carry out the transactions contemplated by this Ordinance, which determination shall be conclusively evidenced by such officer's having executed such agreement, certificate or other instrument or having taken such other action, and any such agreement, certificate or other instrument heretofore executed and delivered and any such other action heretofore taken are hereby ratified and approved.

SECTION 27. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 28. Headings. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ordinance.

SECTION 29. Conflicting Ordinances. All prior ordinances and parts of prior ordinances, except for the Prior Ordinances, insofar as they are in conflict herewith, are hereby repealed.

SECTION 30. Effective Date. This Ordinance shall be in full force and effect from and after its passage and compliance with the procedures required by law.

Passed and adopted by the Board of Trustees for the Adams County Regional Sewer District on the ___ day of _____, 2025.

BOARD OF TRUSTEES OF THE ADAMS COUNTY REGIONAL SEWER DISTRICT

_____

_____

_____

_____

_____

_____

_____

Attest:

_____
Secretary

SCHEDULE OF EXHIBITS

EXHIBIT A - Project Description

EXHIBIT B - Form of Bond

EXHIBIT C – Form of Financial Assistance Agreement

EXHIBIT A

PROJECT DESCRIPTION

PROJECT PURPOSE:

The primary purpose for the proposed 2025 Sanitary Sewer Improvements project is to affect the relief of failing individual, on-site septic systems currently serving existing residential and commercial development. Each of the proposed service areas lies outside of the boundaries of an established municipal sewer service provider and in each instance the District will act as a financing mechanism to fund the costs associated with the construction of an appropriate sanitary sewer collection system.

PROJECT DESCRIPTION:

The proposed project can be broken down into three (3) distinct separate projects and consist of the following:

- Monmouth Force Main Improvements – This project consists of the replacement of an existing 4-inch force main with a new 6-inch force main to improve hydraulics/pump efficiency and create additional pumping capacity in an effort to service additional service areas to the north of the City of Decatur.

- CR 1200 N-CR 200W – This project consists of the installation of new gravity and pressure collection sewers with grinder pump stations coupled with a regional lift station to service single family homes and the Wyneken church and school north and west of the City of Decatur.

- CR 200 E-CR 400 N-CR 100E – This project consists of the installation of new pressure collection sewers and grinder pump stations to service single family homes to the south of the City of Decatur.

EXHIBIT B

FORM OF BOND

(Attached)

No. 20__R-__

[Unless this Bond (as defined below) is presented by an authorized representative of The Depository Trust Company, a New York Corporation ("DTC"), to the Adams County Regional Sewer District, or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA

STATE OF INDIANA COUNTY OF ADAMS

ADAMS COUNTY REGIONAL SEWER DISTRICT
SEWAGE WORKS REVENUE BOND, SERIES 20__

Maturity Date	Interest Rate	Original Issue Date	Authentication Date	[CUSIP]
[See Exhibit A]	[See Exhibit A]			

Registered Owner:

Principal Sum:

The Adams County Regional Sewer District (the "District"), in Allen County, State of Indiana, for value received, hereby promises to pay to the Registered Owner specified above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum specified above[, or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the Registered Owner making payment for this Bond (as defined below), or its assigns,] on [the Maturity Date set forth above] or [(unless this Bond is subject to and shall have been duly called for redemption and payment as provided for herein)], and to pay interest hereon 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 fifteenth day of the month preceding an 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 _____ 15, 20___, in which case it shall bear interest from the Original Issue Date, which interest is payable semiannually on the first days of January 1 and July 1 of each year, beginning on _____ 1, 20___. Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

[The principal of and premium, if any, on this Bond is payable at the principal office of _____ (the "Registrar" or the "Paying Agent"), in the _____ of _____ Indiana.] All payments of [principal of, premium, if any, and] interest on this Bond shall be paid by check mailed one business day prior to the interest payment date on the due date or, if such due date is a day when financial institutions are not open for business, on the business day immediately

after such due date to the Registered Owner hereof, as of the fifteenth day of the month preceding such payment, at the address as it appears on the registration books kept by the [Secretary of the District (the "Registrar" or the "Paying Agent") in the District] [Registrar]. [If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York District time).] All payments on the District's Sewage Works Revenue Bonds, Series 20__ (the "Bonds"), shall be made 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.

This Bond shall not constitute an indebtedness of the District within the meaning of the provisions and limitations of the constitution of the State, and the District shall not be obligated to pay this Bond or the interest hereon except from the special fund provided from the Net Revenues (herein defined as the gross revenues of the System (herein defined as the District's System, including all real estate, equipment and appurtenances thereto used in connection therewith, and all extensions, additions and improvements thereto and replacements thereof, now or at any time hereafter constructed or acquired), inclusive of System Development Charges (as defined in the Ordinance), remaining after the payment of the reasonable expense of operation, repair and maintenance of the System) and shall rank on parity with the Prior Bonds (as defined in the Ordinance).

This Bond is one of an authorized series of Bonds of like tenor and effect, except as to numbering, interest rates per annum and dates of maturity, in the total amount of _____ Dollars ($ _____) lettered and numbered consecutively from 20___R-1 and upward, issued for the purpose of providing funds to pay the cost of the acquisition of, and the construction and installation of certain improvements to, the System, including, without limitation, the acquisition and installation of necessary equipment therefor and the making of other site improvements related thereto (the "Project"), [to refund interim notes issued in anticipation of the Bonds (the "BANs")] and to pay the costs of issuance of the Bonds [and the BANs], as authorized by an Ordinance adopted by the Board of Trustees for the District on _____ ___, 2025, entitled "AN ORDINANCE AUTHORIZING THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN IMPROVEMENTS FOR THE SEWAGE WORKS SYSTEM OF THE ADAMS COUNTY REGIONAL SEWER DISTRICT, THE ISSUANCE OF ADDITIONAL REVENUE BONDS IN ONE OR MORE SERIES TO PROVIDE THE COST THEREOF, THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH SYSTEM, THE SAFEGUARDING OF THE INTERESTS OF THE OWNERS OF SUCH REVENUE BONDS AND OTHER MATTERS CONNECTED THEREWITH, INCLUDING THE ISSUANCE OF NOTES IN ANTICIPATION OF SUCH BONDS, AND REPEALING ORDINANCES INCONSISTENT HEREWITH" (the "Ordinance"), and in strict compliance with the provisions of IC 13-26, as in effect on the issue date of this Bond (the "Act"). Capitalized terms not otherwise defined herein have the same meanings as ascribed to them in the Ordinance.

Pursuant to the provisions of the Ordinance and the Act, the principal of and interest on this Bond, the Prior Bonds, all other Bonds, and any bonds hereafter issued ranking on a parity therewith (collectively, the "Bonds"), are payable solely from a sinking fund continued by the Ordinance (the "Sinking Fund") to be funded from the Net Revenues of the System (herein defined as the gross revenues, inclusive of System Development Charges (as defined in the Ordinance),

after deduction only for the payment of reasonable expenses of operation, repair, and maintenance), except to the extent payable from the proceeds of the Bonds.

The District irrevocably pledges the entire Net Revenues of the System to the prompt payment of the principal of and interest on the Bonds, and any bonds ranking on parity therewith, including the Prior Bonds, and covenants that it will cause to be fixed, maintained and collected such rates and charges for service rendered by the System as are sufficient in each year for the payment of Operation and Maintenance (as defined in the Financial Assistance Agreement) of the System and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance. The rates and charges shall be established, to the extent permitted by law, to produce Net Revenues sufficient to pay the annual debt service on the Bonds. If the District or the proper officers of the District shall fail or refuse to so fix, maintain and collect such rates or charges, or if there shall be a default in the payment of the principal of or interest on the Bonds when due, the owner of this Bond shall have all of the rights and remedies provided for in the Act and the Ordinance, including the right to have a receiver appointed to administer the System (but only in the event of a default in the payment of the principal of or the interest on the Bonds when due), and, by civil action, to protect and enforce rights granted by the Act or under the Ordinance in connection with any action or duty to be performed by the District, the Board of Trustees or any officer of the District, including the making and collecting of reasonable and sufficient charges and rates for services provided by the System, on a parity with the Prior Bonds.

The District further covenants that it will set aside and pay into the Sinking Fund a sufficient amount of the Net Revenues to pay: (a) the principal of and interest on all Bonds, as such principal and interest shall come due; (b) the necessary fiscal agency charges for paying the principal of and interest on the Bonds; and (c) an additional amount to create and maintain the debt service reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of the System.

The Bonds maturing on and after _____, _____, are redeemable at the option of the District on _____ or any date thereafter, on [thirty (30)][sixty (60)] days' notice, in whole or in part, in [any][inverse] order of maturity selected by the District and by lot within a maturity, at face value, [together with the following premiums:

__% if redeemed on _____, 20___ or thereafter
on or before _____, 20___
__% if redeemed on _____, 20___ or thereafter
on or before _____, 20___
__% if redeemed on _____, 20___, or thereafter
prior to maturity;

plus in each case accrued interest to the date fixed for redemption; provided, however if the Bonds are sold to the IFA Program and registered in the name of the Indiana Finance Authority, the Bonds shall not be redeemable at the option of the District unless and until consented by the Indiana Finance Authority.

[The Bonds maturing on _____, are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof, plus accrued interest, on January 1 and July 1 in the years and in the amounts set forth below:

Year Amount

*

*Final Maturity.]

[In the event the Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for mandatory sinking fund redemption before selecting the Bonds by lot for optional redemption.]

Notice of redemption shall be mailed to the address of the Registered Owner as shown on the registration record of the District, as of the date which is [forty-five (45)][sixty-five (65)] days prior to such redemption date, not less than [thirty (30)][sixty (60)] days prior to the date fixed for redemption. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the District. Interest on the 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.

[The Bonds shall be called for redemption in multiples of [$1,000][$1.00]. The Bonds in denominations of more than [$1,000][$1.00] shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by [$1,000][$1.00] within a maturity.] The Bonds may be redeemed in part. In the event of the redemption of the Bonds in part, upon surrender of the Bond to be redeemed, a Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner.

If this Bond shall not be presented for payment or redemption on the date fixed therefor, and the District shall have deposited in trust with [the Paying Agent] [its depository bank], an amount sufficient to pay this Bond or the redemption price, as the case may be, then the Registered Owner shall thereafter look only to the funds so deposited in trust with [the Paying Agent] [such depository bank] for payment and the District shall have no further obligation or liability with respect thereto.

This Bond is transferable or exchangeable only upon the books of the District kept for that purpose at the office of the Registrar, by the Registered Owner hereof in person, or by its 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 its attorney duly authorized in writing, and thereupon a fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the Registered Owner, as the case may be, in exchange therefore. [Except as otherwise provided in the Disclosure Agreement described below, the] [The] District, the Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof, premium, if any, and interest due hereon.

The Bonds maturing in any one year are issuable only in fully registered form in the denomination of [$1,000][$1.00] or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in such year.

[All of the Bonds have been designated [or deemed designated] as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.]

THE REGISTERED OWNER, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. This Bond is subject to defeasance prior to redemption or payment as provided in the Ordinance. The Ordinance may be amended without the consent of the owners of the Bonds as provided in the Ordinance if the Board of Trustees for the District determines, in its sole discretion, that the amendment shall not materially adversely affect the rights of any of the owners of the Bonds.

[Reference is hereby made to the Financial Assistance Agreement, as amended from time to time, between the District and the Indiana Finance Authority as to certain terms and covenants pertaining to the Project and this Bond (the "Financial Assistance Agreement").]

[A Continuing Disclosure Agreement dated as of the Original Issue Date (the "Disclosure Agreement") has been executed by the District for the benefit of each registered or beneficial owner of any Bond. A copy of the Disclosure Agreement is available from the District and its terms are incorporated herein by reference. The Disclosure Agreement contains certain covenants of the District to each registered or beneficial owner of any Bond, including a covenant to provide continuing disclosure of certain annual financial information and notices of the occurrence of certain events, if material. By its payment for and acceptance of this Bond, the Registered Owner and any beneficial owner of this Bond assents to the Disclosure Agreement and to the exchange of such payment and acceptance for such covenants.]

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and completion of 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 District has caused this Bond to be executed in its corporate name and on its behalf by the manual or facsimile signature of its President, have its corporate seal affixed hereunto, imprinted or impressed by any means, and be attested manually or by facsimile by its Secretary.

ADAMS COUNTY REGIONAL SEWER DISTRICT

[SEAL]

By:
President

Attest:

By:_____

Secretary

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond is one of the Bonds described in the Ordinance.

[_____

, as Registrar]

[,
as Registrar

By
Authorized Representative]

ABBREVIATIONS

The following abbreviations, when used in 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
TENT ENT	as tenants by the entireties
JT TEN	as joint tenants with right of survivorship and not as tenants in common
UNIF TRAN MIN ACT	Custodian (Cust) (Minor) under Uniform Transfers to Minors Act of (State)

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

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

_____

(Please print or typewrite name, address and social security or other identifying number of the assignee and insert number for the first named transferee if held by joint account) the within Bond and all rights hereunder, and hereby irrevocably constitutes and appoints _____, as attorney to transfer the within Bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

REGISTERED OWNER:

_____

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 whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation or anyone in a representative capacity, proof of authority to act must accompany this assignment.

Signature guaranteed by:

_____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined in SEC Rule 17Ad-15 (17 CFR 240.17Ad-15) participating in a Securities Transfer Association recognized signature guarantee program.

EXHIBIT A
ADAMS COUNTY REGIONAL SEWER DISTRICT
SEWAGE WORKS REVENUE BOND, SERIES 20___

Year	Principal Amount

EXHIBIT C

FORM OF FINANCIAL ASSISTANCE AGREEMENT

STATE OF INDIANA
WASTEWATER REVOLVING LOAN PROGRAM

FINANCIAL ASSISTANCE AGREEMENT dated as of this [____ day of _____ 20__] by and between the Indiana Finance Authority (the "Finance Authority"), a body politic and corporate, not a state agency but an independent instrumentality of the State of Indiana (the "State") and the Adams County Regional Sewer District (the "Participant"), a political subdivision as defined in I.C. 5-1.2-2-57 and existing under I.C. 13-26, witnesseth:

WHEREAS, the State's Wastewater Revolving Loan Program (the "Wastewater SRF Program") has been established in accordance with the federal Clean Water Act and the regulations promulgated thereunder, and pursuant to I.C. 5-1.2-10 (the "Wastewater SRF Act"), which Wastewater SRF Act also establishes the wastewater revolving loan fund (the "Wastewater SRF Fund"); and

WHEREAS, the Participant is a duly existing political subdivision of the State, lawfully empowered to undertake all transactions and execute all documents mentioned or contemplated herein; and

WHEREAS, the Participant has previously entered into a (i) Financial Assistance Agreement, dated as of March 5, 2020, (ii) Financial Assistance Agreement, dated as of January 29, 2021, (iii) Funding Agreement, dated as of January 29, 2021, (iv) Grant Agreement, dated as of April 29, 2022, (v) a Water Infrastructure Grant Agreement, dated as of April 29, 2022 and (vi) Financial Assistance Agreement, dated as of December 14, 2022, each to borrow money from the Wastewater SRF Program or in respect to grants from the Water Infrastructure Assistance Program and/or Water Infrastructure Grant Program (as applicable), to construct and acquire separate projects as described and defined therein (the "Prior Agreements"); and

WHEREAS, the Participant has determined to undertake a wastewater treatment system project (as more fully described herein, the "Project") and to borrow money from the Wastewater SRF Program to construct and acquire the Project; and

WHEREAS, the Finance Authority and the Participant desire to set forth the terms of such financial assistance as hereinafter provided; and

NOW THEREFORE, in consideration of the mutual covenants herein set forth, the Finance Authority and the Participant agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms shall, for all purposes of this Agreement, have the following meaning:

"Agency" shall mean the United States Environmental Protection Agency or its successor.

"**Asset Management Program**" means programs, plans and documentation (including a Fiscal Sustainability Plan) that demonstrates that the Participant has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works and which is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

"Authorizing Instrument(s)" shall mean the separate trust indenture(s) of the Participant entered into with a corporate trustee or the detailed resolution(s) or ordinance(s) of the governing body of the Participant pursuant to which the Bonds are issued in accordance with State law.

"Authorized Representative" shall mean the Secretary of the Participant or such other officer, official, or representative of the Participant duly authorized to act for and on behalf of the Participant as provided for herein.

"Bond" or **"Bonds"** shall mean the instrument(s) which evidence(s) the Loan (including the 2025 Bonds and the 2025 BAN), as authorized by the Authorizing Instrument and containing the terms set forth in Section 2.02 of this Agreement.

"Bond Fund" shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument from which payment of the principal of and interest on the Bonds is required to be made by the Participant.

"Business Day" shall mean any day other than a Saturday, Sunday or State legal holiday or any other day on which financial institutions in the State are authorized by law to close and to remain closed.

"Clean Water Act" shall mean the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387, and other laws, regulations and guidance supplemental thereto, as amended and supplemented from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, together with the regulations related thereto.

"Construction Fund" shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument to receive proceeds of the Bonds and from which Eligible Costs of the Project may be paid by the Participant.

"**Credit Instrument**" means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Credit Provider that is used by the Participant to meet all or a portion of any debt service reserve requirement securing the Bonds or any other bonds payable from the revenues of the Treatment Works, which bonds are on a parity with the Bonds.

"**Credit Provider**" means a bank, insurance company, financial institution or other entity providing a Credit Instrument.

"Department" shall mean the Indiana Department of Environmental Management created under I.C. 13-13-1-1 or its successor.

"Deposit Agreement" shall mean an agreement between the Participant and the Deposit Agreement Counterparty in such form as from time to time determined by the Finance Authority pursuant to which (a) the Participant's Bond Fund (including any reserve account established and created by the Participant pursuant to the Authorizing Instrument related thereto) shall be held by such Deposit Agreement Counterparty and available for payment of the Bonds and any other similar obligations of the Participant that are payable from the Bond Fund regardless whether they are on a parity basis, (b) such Deposit Agreement Counterparty serves as the paying agent for the Bonds and any other such similar obligations of the Participant that are payable from the Bond Fund, and (c) the Participant's Construction Fund may be held by such Deposit Agreement Counterparty upon any Loan disbursement by the Finance Authority to it from time to time.

"Deposit Agreement Counterparty" shall mean the financial institution that enters into a Deposit Agreement with the Participant, which financial institution shall be approved by the Finance Authority and may be replaced by the Finance Authority from time to time.

"Director of Environmental Programs" shall mean the person designated by the Finance Authority as authorized to act as the Director of Environmental Programs (which designation includes such Director's assumption of the duties previously assigned to the Wastewater SRF Program Representative and the Wastewater SRF Program Director) and where not limited, such person's designee.

"Disbursement Agent" shall mean the party disbursing the Loan to or for the benefit of the Participant, which shall be the Trustee unless amounts are held in the Construction Fund, in which case the Disbursement Agent shall thereafter be the Deposit Agreement Counterparty as the party disbursing amounts that are held in the Construction Fund unless otherwise agreed by the Finance Authority.

"Disbursement Request" shall mean a request for a disbursement of the Loan made by an Authorized Representative in such form as the Finance Authority may from time to time prescribe.

"Eligible Cost" shall mean and include, whether incurred before or after the date of this Agreement, all costs which have been incurred and qualify for Financial Assistance, including engineering, financing and legal costs related thereto.

"Equity Account" shall mean the Equity Grant Account, the Equity Earnings Account and any other Equity account, each as created and existing from time to time under the Wastewater SRF Indenture and held as part of the Wastewater SRF Fund.

"Finance Authority" shall mean the Indiana Finance Authority, a body politic and corporate, not a state agency but an independent instrumentality of the State.

"Finance Authority Bonds" shall mean any Finance Authority State Revolving Fund Program Bonds or other similar obligations of the Finance Authority issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture.

"Financial Assistance" shall mean the financial assistance authorized by the Clean Water Act, including the Loan.

"**Fiscal Sustainability Plan**" means in connection with a project that provides for the repair, replacement, or expansion of an existing Treatment Works, a plan that is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act and includes (a) an inventory of critical assets that are a part of the Treatment Works, (b) an evaluation of the condition and performance of inventoried assets or asset groupings; (c) a certification that the Participant has evaluated and will be implementing water and energy conservation efforts as part of the plan; and (d) a plan for maintaining, repairing, and, as necessary, replacing the Treatment Works and a plan for funding such activities.

"Loan" shall mean the purchase of the Bonds by the Finance Authority to finance the planning, designing, constructing, renovating, improving and expanding of the Participant's Treatment Works or refinance an existing debt obligation where such debt was incurred and building of such systems began after March 7, 1985, but does not mean the provision of other Financial Assistance.

"Loan Forgiveness" shall mean the forgiveness and discharge of the 2025 BAN as provided by Section 2.02(e) herein to the extent permitted by the governing provisions of the 2023/24/25/26 Grant, provided that (a) such grant is awarded to the Finance Authority prior to any such Loan Forgiveness and (b) the terms of such grant permit Financial Assistance (in nature of the 2025 BAN) to be forgiven and discharged.

"Loan Reduction Payment" shall mean in any circumstances where there is a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund, any action causing such balance to be applied to a reduction in the maximum aggregate amount of the Loan outstanding other than pursuant to regularly scheduled principal payments or optional redemptions applicable to the Bonds. A Loan Reduction Payment shall not be applicable unless Loan amounts are held in the Construction Fund.

"Non-Use Close-out Date" shall mean that date which is the earlier of (a) the first date as of which the full amount of the Loan has been disbursed on a cumulative basis (which shall also be deemed to have occurred when and if such amounts have been deposited in the Participant's

Construction Fund) or (b) the date as of which the Participant binds itself that no further Loan disbursements will be made under this Agreement.

"Non-Use Fee" shall mean a fee in an amount determined by the Finance Authority charged to compensate it for costs and expenses within the Wastewater SRF Program. Such amount shall be the greater of (A) the product of the undrawn balance of the Loan on each applicable Non-Use Assessment Date multiplied by one percent (1%) or (B) One Thousand Dollars ($1,000). Such fee shall apply and be payable under Section 5.09 herein with respect to each Non-Use Assessment Date until the Non-Use Close-out Date shall occur. A Non-Use Fee shall not be applicable if the full amount of the Loan has been disbursed and deposited in the Participant's Construction Fund by the Non-Use Assessment Date.

"Non-Use Assessment Date" shall mean [_____ 1, 20__], and the first day of each sixth (6^{th}) calendar month thereafter unless and until the Non-Use Close-out Date occurs in advance of any such Non-Use Assessment Date.

"Operation and Maintenance" shall mean the activities required to assure the continuing dependable and economic function of the Treatment Works, including maintaining compliance with National Pollutant Discharge Elimination System permits, as follows:

(1) Operation shall mean the control and management of the united processes and equipment which make up the Treatment Works, including financial and personnel management, records, reporting, laboratory control, process control, safety and emergency operation planning and operating activities.

(2) Maintenance shall mean the preservation of the functional integrity and efficiency of equipment and structures by implementing and maintaining systems of preventive and corrective maintenance, including replacements.

"Plans and Specifications" shall mean the detailed written descriptions of the work to be done in undertaking and completing the Project, including the written descriptions of the work to be performed and the drawings, cross-sections, profiles and the like which show the location, dimensions and details of the work to be performed.

"Preliminary Engineering Report" shall mean the information submitted by the Participant that is necessary for the Finance Authority to determine the technical, economic and environmental adequacy of the proposed Project.

"Project" shall mean the activities or tasks identified and described in Exhibit A to this Agreement, and incorporated herein, as amended or supplemented by the Participant and consented to by the Finance Authority, for which the Participant may expend the Loan.

"Purchase Account" shall mean the account by that name created by the Wastewater SRF Indenture and held as part of the Wastewater SRF Fund.

"Reamortization Methodology" shall mean a change in principal maturities of the Bonds by use of the following methodology caused by the Project being Substantially Complete with a portion of the Loan (including any amounts held in the Construction Fund) not being subject to disbursement to pay further Project costs, whether such is effected by means of a Loan Reduction Payment or a reduction in the maximum Loan amount available under this Agreement as determined by the Finance Authority~~:~~

(1) as between the 2025 Bonds and the 2025 BAN, shall be reduced in the same proportion as would have had been applied to such Loan, had the Loan been first allocated under the SRF Policy Guidelines on the date of this Agreement in the aggregate amount finally drawn; and

(2) the principal maturities of the 2025 Bonds shall be modified in such amounts and with such maturities as achieves as level annual debt service for such 2025 Bonds as practicable during each annual period (commencing in the first full bond year after application of this methodology and ending no later than the date of the final maturity of the 2025 Bonds as originally scheduled);

provided that (a) this methodology is agreed to be consistent with the methodology prescribed in the Authorizing Instrument and as originally applied to the Bonds and (b) any principal payment on the 2025 Bonds due and payable prior to application of this methodology shall not be affected by this methodology.

"SRF Policy Guidelines" shall mean guidance of general applicability (as from time to time published, amended and supplemented by the Finance Authority) pertaining to participants utilizing financial assistance in connection with their projects funded in whole or in part through the Wastewater SRF Program.

"State" shall mean the State of Indiana.

"Substantial Completion of Construction" shall mean the day on which the Finance Authority (or if designated by the Finance Authority, the Department) determines that all but minor components of the Project have been built, all equipment is operational and the Project is capable of functioning as designed.

"System Development Charges" shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges applicable to the Treatment Works that are available for deposit under the Authorizing Instrument.

"Treatment Works" shall mean any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of the Clean Water Act, or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power, and other equipment, and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a

reliable recycled supply such as standby treatment units and clear well facilities; and acquisition of the land that will be an integral part of the treatment process (including land use for the storage of treated wastewater in land treatment systems prior to land application) or will be used for ultimate disposal of residues resulting from such treatment and acquisition of other land, and interests in land, that are necessary for construction.

"Trustee" shall mean The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, in its capacity as trustee or its successor under the Wastewater SRF Indenture.

"2023/24/25/26 Grant" shall mean the federal capitalization grant related to the federal fiscal years ending September 30 of 2023, 2024, 2025 and/or 2026 (assistance identification number to be designated by the Finance Authority when and if awarded related to CFDA number 66.458), if any, made available to the Finance Authority by the Agency for use as part of the Wastewater SRF Program, provided that such grant is available and designated by the Finance Authority as a source of funding for the portion of the Loan evidenced by the 2025 BAN, whether such designation by the Finance Authority occurs when this Agreement is entered into or later, or such other portion thereof as hereafter designated by the Finance Authority.

"Wastewater SRF Fund" shall mean the wastewater revolving loan fund as established by I.C. 5-1.2-10-2.

"Wastewater SRF Indenture" shall mean the Seventh Amended and Restated Wastewater SRF Trust Indenture, dated as of September 1, 2019 between the Finance Authority (as successor by operation of law to the State in all matters related to the Wastewater SRF Program) and the Trustee, as amended and supplemented from time to time.

(End of Article I)

ARTICLE II

PURPOSE OF BORROWING AND LOAN TERMS

Section 2.01. Amount; Purpose. The Finance Authority agrees to Loan an amount not to exceed [_____ Dollars ($_____])) in aggregate principal amount to the Participant as Financial Assistance to pay for the Eligible Costs, as hereinafter described, of the Project on, and subject to, the terms and conditions contained herein. The Loan shall be used only to pay the following Eligible Costs: (a) eligible planning services for the production of a Preliminary Engineering Report ("Planning"), (b) eligible design services for the production of Plans and Specifications ("Design") and (c) eligible construction costs, including financing and legal costs ("Construction"). The Loan shall be funded solely from unallocated and available proceeds of the 2023/24/25/26 Grant or from other sources (including its Purchase Account and Equity Accounts) that the Finance Authority may, in its sole discretion, designate. The Loan is evidenced by the Bonds executed and delivered by the Participant contemporaneously herewith. The Bonds shall be in fully registered form, with the Finance Authority registered as the registered owner. So long as the Finance Authority is the registered owner, the principal of and redemption premium, if any, and interest on the Bonds shall be paid to the Trustee by a wire transfer referenced as follows: The Bank of New York, ABA 021 000 018, For Credit to 610026840C, Account Name: Adams County RSD Sewage Works, Attn: Derick Rush. The Participant agrees to undertake and complete the Project and to receive and expend the Loan proceeds in accordance with this Agreement.

Section 2.02. The Bonds.

(a) Until paid, the Participant's [_____] (the "2025 Bonds") will bear interest at the per annum rate of [_____ percent (___]%). Such interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, and be as provided in I.C. 5-1.2-10-15 and -20. Interest, if any, on the 2025 Bonds will be payable on January 1 and July 1 of each year, commencing [_____] 1, 20[__]. The 2025 Bonds will be in the aggregate principal amount of [_____ Dollars ($_____]). Subject to Section 2.05 and 2.06 herein, the 2025 Bonds will mature on January 1 and July 1of each of the years set forth in, and at the principal amount set opposite each such month and year set forth in the schedule contained in the attached Exhibit B to this Agreement (which is hereby incorporated by reference); provided, however, notwithstanding the foregoing or the terms of the 2025 Bonds to the contrary, no maturity of 2025 Bonds shall extend beyond the date which is thirty-five (35) years after the date of this Agreement. If the maturity date for any 2025 Bonds is beyond such date, unless otherwise agreed to, such 2025 Bonds, together with accrued and unpaid interest thereon, will be due and payable on such date.

(b) Until paid, the Participant's [_____] (the "2025 BAN") will bear interest at the per annum rate of zero percent (0%). The 2025 BAN will be in the aggregate principal amount of [_____ Dollars ($_____]). Subject to Section 2.05 and 2.06 herein, the 2025 BAN will mature on March 31, 20[__].

(c) The Bonds will be subject to redemption by the Participant as provided in the Authorizing Instrument; provided however that in no event shall the Participant exercise any provision contained in the Authorizing Instrument or the Bonds permitting a redemption of the Bonds at the option of the Participant unless and until such has been consented by the Authority. The Loan, and the Bonds evidencing it, will be subject to payment by the Participant as provided in this Agreement.

(d) The form and other terms of the Bonds will be in conformity with the Authorizing Instrument.

(e) The principal maturity of the 2025 BAN is subject to Loan Forgiveness (which evidences a portion of the Loan made hereunder) and shall be deemed forgiven and discharged on March 31, 20[__], to the extent permitted by the governing provisions of the 2023/24/25/26 Grant, provided however that there is not then existing any default under this Agreement and the Participant has otherwise complied with the terms and conditions of this Agreement (including having timely made principal and interest payments on the remainder of the maturities of the 2025 Bonds). The Participant acknowledges that a portion of the Financial Assistance is subject to Loan Forgiveness which Financial Assistance was made available to the Participant in reliance upon information submitted to the Finance Authority by the Participant that demonstrated individual ratepayers (in the residential user rate class of the Participant that does not meet the SRF Program's affordability criteria) would have otherwise experienced a significant hardship from the increase in rates necessary to finance the Project. The Participant hereby represents the additional subsidization afforded by such Loan Forgiveness has been (and it agrees to cause such to continue to be) directed to the benefit of such individual ratepayers through the Participant's user rate system or other appropriate methods.

(f) The additional terms contained in the attached Exhibit D are applicable to this Loan (as and to the extent set forth in Exhibit D) to the same effect as if such were set forth in this section.

Section 2.03. Disbursement Conditions. Each of the following shall be a condition precedent to the disbursement of the Loan or any portion thereof (including from the Construction Fund):

(a) (1) With respect to procurement of professional services related to the Project to be paid from Loan proceeds, the Participant shall have complied with applicable State law and SRF Policy Guidelines. Additionally costs related Planning and Design shall only be Eligible Costs upon compliance with paragraph A of the attached Exhibit D. (2) With respect to procurement of all other goods and services related to the Project to be paid from Loan proceeds, the Participant shall have complied with I.C. 36-1-12 and SRF Policy Guidelines.

(b) No representation, warranty or covenant of the Participant contained in this Agreement or in any paper executed and delivered in connection with the transactions contemplated by this Agreement shall be false or inaccurate in any material respect.

(c) The Participant shall undertake and faithfully perform each of its obligations, agreements and covenants contained in this Agreement, the Authorizing Instrument and the Bonds.

(d) There shall be available to the Finance Authority uncommitted funds in an amount sufficient to satisfy the Finance Authority's obligations hereunder from the proceeds of the 2023/24/25/26 Grant or from other sources (including its Purchase Account and Equity Accounts) that the Finance Authority may, in its sole discretion, designate; provided however, once Loan proceeds have been deposited in the Construction Fund, such condition shall be deemed satisfied.

(e) The Participant shall have undertaken all actions necessary to comply with and satisfy the conditions and requirements for a Loan secured with money made available from the Wastewater SRF Fund as set forth in federal and State statutes, rules and regulations, including I.C. 5-1.2-10, SRF Policy Guidelines, the Clean Water Act and 40 C.F.R. Part 35.

(f) Prior to making any Loan disbursement to pay any Construction costs, the Project shall have been approved by the State's Historical Preservation Officer in a manner consistent with the policies and practices of the Wastewater SRF Program (the "Historical Preservation Approval"). Notwithstanding any provision of this Agreement to the contrary, in the event a Historical Preservation Approval has not been given within four (4) months after the date of this Agreement, the Finance Authority may, in its sole discretion, (i) reduce the aggregate amount of the Loan to the amount then disbursed and outstanding under this Agreement and (ii) if any amounts are held in the Construction Fund, require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds. Upon giving notice to the Participant of such action, no further Loan disbursement (including from the Construction Fund) may be made under this Agreement unless consented to by the Finance Authority.

(g) In the event the Bonds are payable from rates and charges of the Treatment Works and if requested by the Finance Authority, the Participant shall provide evidence satisfactory to the Finance Authority demonstrating that such rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds).

Section 2.04. Disbursement Procedures. Loan proceeds (including any held from time to time in the Construction Fund) shall be disbursed to the Participant by the Disbursement Agent for actual Eligible Costs incurred with respect to the Project. The Finance Authority may, in its discretion, cause Loan disbursements to be made (a) directly to the person or entity identified in

the Disbursement Request to whom payment is due, or (b) if advised in writing by the Participant that I.C. 36-1-12-14 or a similar law applies to the Project, to the Participant for purposes of collecting retainage, or some combination thereof. Any Loan proceeds in excess of the amount subject to retainage controlled by the Participant will be immediately remitted to the person or entity to whom payment is due, no later than three (3) Business Days after receipt or the date such Loan proceeds are no longer subject to retainage. The Finance Authority may, in its discretion, cause Loan disbursements to be made from time to time, in whole or in part, to the Participant's Construction Fund for disbursement consistent with this Agreement. Loan disbursements shall not be made more frequently than monthly and shall only be made following the submission of a Disbursement Request to the Finance Authority. Disbursement Requests shall be approved by the Director of Environmental Programs prior to submission to the Disbursement Agent for a Loan disbursement. Disbursement Requests shall be numbered sequentially, beginning with the number 1.

Section 2.05. Effect of Disbursements. (a) Loan disbursements made to or for the benefit of the Participant shall be deemed to be a purchase, first, of the 2025 Bonds for any Loan Disbursements made on the date hereof, second, of the 2025 BAN unless cost related to a disbursement has been designated as not eligible for funding from the 2023/24/25/26 Grant and, third, of the remainder of the 2025 Bonds in order of their maturities, provided that if the original maximum aggregate amount of the Loan is not disbursed (or not required to be disbursed pursuant to Section 2.06(a) or (b) herein), then the maturities of the Bonds (including as set forth in Exhibit B) shall be modified consistent with the Reamortization Methodology.

(b) The deposit of Loan proceeds in the Construction Fund shall be deemed to be a purchase of the Bonds. Interest on the Loan commences on disbursement of the Loan to or for the benefit of the Participant (including any amounts disbursed to the Construction Fund) by the Finance Authority and the Bonds shall be deemed to be purchased in the full amount thereof. Each disbursement (including any amounts disbursed from the Construction Fund) shall be made pursuant to a Disbursement Request. In the event any Loan disbursement (including any amounts disbursed from the Construction Fund) shall be made in excess of Eligible Costs, such excess disbursements shall be immediately paid by the Participant to the Disbursement Agent (and if made from any amounts held in the Construction Fund, shall be immediately deposited by the Participant into such Construction Fund) and thereafter may, subject to the terms and conditions set forth in this Agreement, be applied thereafter to pay Eligible Costs of the Project by the Participant.

Section 2.06. Acknowledgment of Amount of Loan; Final Disbursement. (a) Within 30 days after any request by the Finance Authority from time to time, the Participant shall execute and deliver to the Finance Authority an acknowledgment in the form prescribed by the Finance Authority which acknowledges the outstanding principal of and interest on the Bonds. Unless the Finance Authority consents in writing, no Loan disbursement shall be made more than one year after Substantial Completion of Construction. After Substantial Completion of Construction, upon the request of the Finance Authority, the Participant shall replace, at its expense, the Bonds with substitutes issued pursuant to the Authorizing Instrument to evidence the outstanding principal under the Loan.

(b) In the event there remains a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund on the date that is the earlier of (i) one year after Substantial Completion of Construction or (ii) three (3) years after the dated date of the Bonds (or in either such circumstance, such later date as the Finance Authority may approve in its discretion), the Participant agrees to make a Loan Reduction Payment to the Finance Authority within 10 days after any Finance Authority written demand. Any Loan Reduction Payment shall be applied and Bond maturities modified consistent with the Reamortization Methodology. If the Authorizing Instrument permits the Participant to apply Bond proceeds to pay interest accruing on or before Substantial Completion of Construction, the Participant may seek to reimburse itself for such interest costs it has paid pursuant to a Disbursement Request. If the Participant fails to make such Loan Reduction Payment by such date, the Finance Authority and Deposit Agreement Counterparty are authorized to cause any balance held in the Construction Fund to be so applied without further direction and authorization from the Participant. Notwithstanding the foregoing, if requested by the Finance Authority, in lieu of the Participant making a Loan Reduction Payment, the Finance Authority may in its discretion require the Participant to hold any remaining balance (inclusive of Loan proceeds and any earnings) in the Construction Fund until such amounts may be applied on the first optional redemption date applicable to the Bonds, and upon any such request, the Participant agrees to cause such amounts to be so held and applied on such date.

(End of Article II)

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTICIPANT

Section 3.01. Planning, Design and Construction Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Provide information as requested by the Finance Authority to determine the need for, or to complete any necessary, environmental review or analysis.

(b) Comply with the procurement procedures and affirmative action requirements contained in SRF Policy Guidelines in the Planning, Design and Construction of the Project to the extent that such are to be paid from Loan proceeds.

(c) With respect to prime and first tier contract awards, report minority and women business enterprise utilization in the Planning, Design and Construction of the Project, to the extent that such are to be paid from Loan proceeds, by executing and delivering to the Finance Authority upon its request Agency Form SF 5700-52 whenever any agreements or subagreements are awarded. (These reports must be submitted on regular reporting cycles consistent with SRF Policy Guidelines commencing after such agreement or subagreement is awarded.)

(d) Comply with all applicable federal, State and local statutes, rules and regulations relating to the acquisition and construction of the Treatment Works.

(e) In the event Construction is to be paid from Loan proceeds, prior to an award of any contract for Construction of the Project, obtain a construction permit from the Department and receive the written approval of the Finance Authority of the Preliminary Engineering Report.

(f) Obtain the property rights necessary to construct the Treatment Works and, in procuring any such rights comply with federal and State law.

(g) In the event Construction is to be paid from Loan proceeds, comply with the federal Davis-Bacon Act, codified at 40 U.S.C. 276a-276a-5 unless separately waived by the Finance Authority.

(h) In the event Construction is to be paid from Loan proceeds, execute and deliver to the Finance Authority upon its request any other forms as may be required by the Clean Water Act or SRF Policy Guidelines.

(i) In the event Construction is to be paid from Loan proceeds, follow guidance issued by the Finance Authority in procuring contracts for Construction, including (1) submission to the Finance Authority of Project change orders, (2) obtaining approval from the Director of Environmental Programs of any Project change order which

significantly changes the scope or Design of the Project or, when taking into account other change orders and contracts, are reasonably expected to result in expenditures in an amount greater than the Loan, (3) receiving approval from the Director of Environmental Programs prior to the award of any contract for Construction and (4) receiving authorization from the Director of Environmental Programs prior to initiating procurement of Construction of the Project.

(j) In the event Construction is to be paid from Loan proceeds, before awarding Construction contracts, receive approval of the Director of Environmental Programs for the user charge system (including any use ordinance and interlocal agreement) associated with the Project.

(k) In the event Construction is to be paid from Loan proceeds, cause the Project to be constructed in accordance with the Preliminary Engineering Report and Plans and Specifications, using approved contract papers.

(l) Permit the Finance Authority and its agents to inspect from time to time (1) the Project, (2) the Treatment Works and (3) the books and other financial records of the Treatment Works, including the inspections described in SRF Policy Guidelines. Construction contracts shall provide that the Finance Authority or its agents will have access to the Project and the work related thereto and that the Participant's contractor will provide proper facilities for such access and inspection. All files and records pertaining to the Project shall be retained by the Participant for at least six years after Substantial Completion of Construction.

(m) Upon Substantial Completion of Construction and when requested by the Finance Authority, provide audited reports to the Finance Authority to permit the Finance Authority to determine that the Loan proceeds have been used in compliance with this Agreement.

(n) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, consistent with SRF Policy Guidelines, certify to the Finance Authority that the Project meets performance standards, or if not met, (1) submit to the Finance Authority (or if directed by the Finance Authority, to the Department) a corrective action plan and (2) promptly and diligently undertake any corrective action necessary to bring the Project into compliance with such standards.

(o) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, provide as-built plans (if requested by the Finance Authority) for the Project to the Finance Authority (or if directed by the Finance Authority, to the Department).

Section 3.02. General Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Comply with all applicable federal, State and local statutes, rules and regulations relating to Operation and Maintenance.

(b) (1) Own, operate and maintain the Project and the Treatment Works for their useful life, or cause them to be operated and maintained for their useful life; (2) at all times maintain the Treatment Works in good condition and operate it in an efficient manner and at a reasonable cost; and (3) not sell, transfer, lease or otherwise encumber the Treatment Works or any portion thereof or any interest therein without the prior written consent of the Finance Authority.

(c) Obtain and maintain the property rights necessary to operate and maintain the Treatment Works, and in procuring any such rights, comply with federal and State law.

(d) Acquire and maintain insurance coverage acceptable to the Finance Authority, including fidelity bonds, to protect the Treatment Works and its operations. All insurance shall be placed with responsible insurance companies qualified to do business under State law. Insurance proceeds and condemnation awards shall be used to replace or repair the Treatment Works unless the Finance Authority consents to a different use of such proceeds or awards.

(e) Establish and maintain the books and other financial records of the Project and the Treatment Works (including the establishment of separate accounts or subaccounts for the Project and revenues and expenses of the Treatment Works) in accordance with (i) generally accepted governmental accounting principles, as promulgated by the Government Accounting Standards Board (including GASB No. 34 standards relating to the reporting of infrastructure) and (ii) the rules, regulations and guidance of the State Board of Accounts; provided, however, to the extent the Participant does not maintain separate accounts or subaccounts for the revenues and expenses of the Treatment Works, it hereby certifies to the Finance Authority that it has adopted sufficient accounting and/or bookkeeping practices to accurately track all revenues and expenses of the Treatment Works.

(f) Provide to the Finance Authority and not the Agency (unless specifically requested by the Agency) such periodic financial and environmental reports as it may request from time to time, including (1) annual operating and capital budgets and (2) any and all environmental data related to the Project that is required to be reported. Additionally, the Participant shall provide such other information requested or required of the Finance Authority or the Participant by the Agency.

(g) Provide to the Finance Authority audited financial statements of the Participant inclusive of the activities of the Treatment Works, commencing with financial statements for a calendar year period that ends not more than two (2) years after the date of this Agreement (and for each calendar year period that ends every two (2) years thereafter until

the Loan has been repaid), which audit (i) shall have been performed by the Indiana State Board of Accounts or by an independent public accountant and (ii) shall be submitted to the Finance Authority no later than nine (9) months following the end of the calendar year period to which such audit pertains.

(h) Continue to update, implement, and maintain its Asset Management Program (inclusive of a Fiscal Sustainability Plan) of which the Participant has certified to the Authority that it has developed. In addition, as part of maintaining and updating the Asset Management Program, the Participant shall annually undertake a cyber security assessment, which the Participant may use "CISA's Free Cyber Vulnerability Scanning Assessment" or a similar cyber security assessment tool acceptable to the Finance Authority. The results of the Cyber Vulnerability Scanning Assessment shall be reviewed by the Participant and incorporated into its existing cybersecurity protocol.

(i) Provide notice to the Finance Authority under the circumstances contemplated, and undertake inspections as required, by SRF Policy Guidelines.

(j) (1) Establish and maintain just and equitable rates and charges for the use of and the service rendered by the Treatment Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the Treatment Works, or that in any way uses or is served by the Treatment Works, (2) establish, adjust and maintain rates and charges at a level adequate to produce and maintain sufficient revenue (when determined including user and other charges, fees, income or revenues available to the Participant, provided that to the extent permitted by law System Development Charges shall be excluded when determining if such are sufficient) to provide for the proper Operation and Maintenance of the Treatment Works, to comply with and satisfy all covenants contained herein and to pay all obligations of the Treatment Works and of the Participant with respect thereto, and (3) if and to the extent Bonds are payable from property taxes, levy each year a special ad valorem tax upon all property located in the boundaries of the Participant, to pay all obligations of the Participant with respect thereto.

(k) If the Bonds are payable from the revenues of the Treatment Works, not borrow any money, enter into any contract or agreement or incur any other liabilities in connection with the Treatment Works without the prior written consent of the Finance Authority if such undertaking would involve, commit or use the revenues of the Treatment Works; provided that the Participant may authorize and issue additional obligations, payable out of the revenues of its Treatment Works, ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Treatment Works, or to refund obligations of the Treatment Works, subject to the conditions, if any, in the Authorizing Instrument.

(l) Comply with the Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000d et seq., the Age Discrimination Act of 1975, as amended, Public Law 94-135, Section 504 of the Rehabilitation Act of 1973, as amended (including Executive Orders 11914 and 11250), 29 U.S.C. Section 794, Section 13 of the Federal

Water Pollution Control Act Amendments of 1972, Public Law 92-500, and Executive Orders 11625 and 12138.

(m) Undertake all actions necessary to investigate all potential, material claims which the Participant may have against other persons with respect to the Treatment Works and the Project and take whatever action is necessary or appropriate to (1) recover on any actionable, material claims related to the Project or the Planning, Design or Construction thereof, (2) meet applicable Project performance standards and (3) otherwise operate the Treatment Works in accordance with applicable federal, State and local law.

(n) Not modify, alter, amend, add to or rescind any provision of the Authorizing Instrument without the prior written consent of the Finance Authority.

(o) In the event the Participant adopts an ordinance or resolution to refund the Bonds, within 5 days of the adoption of the ordinance or resolution, provide written notice to the Finance Authority of the refunding. Any refunding of the Bonds shall only be undertaken by the Participant with the prior written consent of the Finance Authority.

(p) In any year in which total expenditures of Federal financial assistance received from all sources exceeds $1,000,000 the Participant shall comply with the Federal Single Audit Act (SAA) of 1984, as amended by the Federal Single Audit Act Amendments of 1996 (see 2 CFR 200 Subpart F) and have an audit of their use of Federal financial assistance. The Participant agrees to provide the Finance Authority with a copy of the SAA audit within 9 months of the audit period.

(q) Inform the Finance Authority of any findings and recommendations pertaining to the SRF program contained in an audit of 2 CFR 200 Subpart F (a/k/a “Super Circular”) matters in which SRF Federal financial assistance was less than $1,000,000.

(r) Initiate within 6 months of the audit period corrective actions for those audit reports with findings and recommendations that impact the SRF financial assistance.

(s) Notwithstanding anything in the Authorizing Instrument related to the Bonds (or in any authorizing instrument related to any other outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds) to the contrary, in the event any Credit Provider that has provided a Credit Instrument fails to be rated on a long term basis at least "A-/A3" by S&P Global Ratings and Moody's Investors Service, Inc., and their successors (such Credit Instrument, a “Disqualified Instrument”), within 12 months of such failure (or pursuant to such other schedule as may be approved by the Finance Authority), the Participant shall cause cash (or a replacement Credit Instrument from a Credit Provider that is rated on a long term basis at least "AA-/Aa3" by S&P Global Ratings and Moody's Investors Service, Inc., and their successors)(or some combination thereof) in an aggregate amount equal to the stated credit available under the Disqualified Instrument(s) to be deposited in the related reserve account(s) in lieu of such Disqualified Instrument(s). No Disqualified Instrument shall be included as part of the reserve balance which satisfies any such reserve requirement under any such authorizing instrument.

Nothing in this subsection shall waive or modify additional requirements contained in any such authorizing instrument (including the Authorizing Instrument related to the Bonds); the provisions of this subsection and any such authorizing instrument (including the Authorizing Instrument related to the Bonds) shall both be required to be met. Unless and until notice shall be given by the Finance Authority to the Participant, a surety policy issued by MBIA Insurance Corporation or Financial Guaranty Insurance Company that has been reinsured by National Public Finance Guarantee Corporation (formerly known as MBIA Insurance Corp. of Illinois) shall not be treated as a Disqualified Instrument.

(t) (i) comply with Title 40 CFR Part 34 (New Restrictions on Lobbying) and the Byrd Anti-Lobbying Amendment ("Lobbying Restrictions"); (ii) provide certifications and disclosures related to Lobbying Restrictions in a form and manner as may from time to time be required by SRF Policy Guidelines or the Clean Water Act including without limitation the Lobbying Restrictions; and (iii) pay any applicable civil penalty required by the Lobbying Restrictions as may be applicable to making a prohibited expenditure under Title 40 CFR Part34, or failure to file any required certification or lobbying disclosures. The Participant understands and acknowledges that pursuant to such Lobbying Restrictions, the making of any such prohibited expenditure, or any such failure to file or disclose, is subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such expenditure or failure.

(u) Comply with all federal requirements applicable to the Loan (including those imposed by the Clean Water Act and related SRF Policy Guidelines) which the Participant understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Participant has requested and obtained a waiver from the Agency pertaining to the Project or (ii) the Finance Authority has otherwise advised the Participant in writing that the American Iron and Steel Requirement is not applicable to the Project.

(v) Comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

(w) Whenever from time to time requested by the Finance Authority, submit evidence satisfactory to the Finance Authority demonstrating that the Participant's rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds) and, in the event the Participant's rates and charges are insufficient to demonstrate such coverage, then to the

extent permitted by law annually enact an increase in its rates and charges reasonably designed to be consistent with SRF Policy Guidelines regarding such coverage.

(x) Notwithstanding any provision of the Authorization Instrument to the contrary, not make any payment in lieu of property taxes from any account of the Treatment Works (i) if the Finance Authority provides notice to the Participant that the Finance Authority has determined in its reasonable discretion that such a transfer adversely affects the Finance Authority and (ii) more frequently than semiannually if the Authority provides notice to the Participant so requiring such a limitation on frequency.

(y) Comply with Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal contracts, grants, or loans (Section 306 of the Clean Air Act and Section 508 of the federal Clean Water Act.

(z) Comply with all requirements of this Agreement applicable to the Loan (including those imposed by the attached Exhibit D).

Section 3.03. Representations and Warranties of the Participant. After due investigation and inquiry, the Participant hereby represents and warrants to the Finance Authority that:

(a) The Participant is duly organized and existing under State law and constitutes a "political subdivision" within the meaning of I.C. 5-1.2-2-57) and a "participant" within the meaning of I.C. 5-1.2-2-54. The Project and the Treatment Works are subject to I.C. 36-9-23 and the Participant has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works and the Project, consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

(b) The Participant has full power and authority to adopt the Authorizing Instrument, enter into this Agreement and issue the Bonds and perform its obligations hereunder and thereunder.

(c) By all required action, the Participant has duly adopted the Authorizing Instrument and authorized the execution and delivery of this Agreement, the Bonds and all other papers delivered in connection herewith.

(d) Neither the execution of, nor the consummation of the transaction contemplated by, this Agreement nor the compliance with the terms and conditions of any other paper referred to herein, shall conflict with, result in a breach of or constitute a default under, any indenture, mortgage, lease, agreement or instrument to which the Participant is a party or by which the Participant or its property, including the Treatment Works, is bound or any law, regulation, order, writ, injunction or decree of any court or governmental agency or instrumentality having jurisdiction.

(e) There is no litigation pending or, to the knowledge of the Participant, upon investigation, threatened that (1) challenges or questions the validity or binding effect of

this Agreement, the Authorizing Instrument or the Bonds or the authority or ability of the Participant to execute and deliver this Agreement or the Bonds and perform its obligations hereunder or thereunder or (2) would, if adversely determined, have a significant adverse effect on the ability of the Participant to meet its obligations under this Agreement, the Authorizing Instrument or the Bonds.

(f) The Participant has not at any time failed to pay when due interest or principal on, and it is not now in default under, any warrant or other evidence of obligation or indebtedness of the Participant.

(g) All information furnished by the Participant to the Finance Authority or any of the persons representing the Finance Authority in connection with the Loan or the Project is accurate and complete in all material respects including compliance with the obligations, requirements and undertakings imposed upon the Participant pursuant to this Agreement.

(h) The Participant has taken or will take all proceedings required by law to enable it to issue and sell the Bonds as contemplated by this Agreement.

(i) For any outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds, each Credit Provider, if any, that has provided a Credit Instrument is at least rated on a long term basis "A-/A3" long term by S&P Global Ratings and Moody's Investors Service, Inc., and their successors, except as represented and set forth in Exhibit C attached thereto (and with respect to which true, accurate and complete copies of each such Credit Instrument have been delivered to the Finance Authority).

Each of the foregoing representations and warranties will be deemed to have been made by the Participant as of the date of this Agreement and as of the date of any disbursement of Loan proceeds (including from the Construction Fund). Each of the foregoing representations and warranties shall survive the Loan disbursements regardless of any investigation or investigations the Finance Authority may have undertaken.

Section 3.04. Covenants Regarding Assignment. The Participant acknowledges that the Finance Authority may pledge, sell or assign the Bonds or cause the Bonds to be pledged, sold or assigned, and certain of its rights related thereto, as permitted pursuant to Section 5.02 herein. The Participant covenants and agrees to cooperate with and assist in, at its expense, any such assignment. Within 30 days following a request by the Finance Authority, the Participant covenants and agrees with the Finance Authority that the Participant will, at its expense, furnish any information, financial or otherwise, with respect to the Participant, this Agreement, the Authorizing Instrument and the Bonds and the Treatment Works as the Finance Authority reasonably requests in writing to facilitate the sale or assignment of the Bonds.

Section 3.05. Nature of Information. All information furnished by the Participant to the Finance Authority or any person representing the Finance Authority in connection with the Loan or the Project may be furnished to any other person the Finance Authority, in its judgment, deems necessary or desirable in its operation and administration of the Wastewater SRF Program.

Section 3.06. Tax Covenants. The Participant hereby covenants that it will not take, or cause or permit to be taken by it or by any party under its control, or fail to take or cause to permit to be taken by it or by any party under its control, any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code. The Participant further covenants that it will not do any act or thing that would cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code or "arbitrage bonds" within the meaning of Section 148 of the Code. In furtherance and not in limitation of the foregoing, the Participant shall take all action necessary and appropriate to comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable to the Participant or the Bonds, including accounting for and making provision for the payment of any and all amounts that may be required to be paid to the United States of America from time to time pursuant to Section 148 of the Code.

Section 3.07. Non-Discrimination Covenant. (a) Pursuant to and with the force and effect set forth in I.C. 22-9-1-10, the Participant hereby covenants that the Participant, and its contractor and subcontractor for the Project, shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry.

(b) The Participant covenants that it shall not discriminate against any employee or applicant for employment relating to this Agreement with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). The Participant certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this subparagraph may be regarded as a material breach of this Agreement, including for purposes of I.C. 5-11-5.5-2, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the Finance Authority and any applicant or employee of the Participant or any of its contractors or subcontractors for the Project.

(c) Participant covenants that it does not and shall not operate any programs or engage in any practices promoting Diversity, Equity, and Inclusion (DEI), or other similar goals, that violate Indiana or Federal Civil Rights Laws by treating a person differently on the basis of race or sex, such as by considering race or sex when making recruitment, hiring, disciplinary, promotion, or employment decisions; requiring employees to participate in training or educational programs that employ racial or sex stereotypes; or attempting to achieve racial or sex balancing in the Participant's workforce. The Parties agree that a breach of this subparagraph is a material breach of this Agreement, including for purposes of I.C. 5-11-5.5-2, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the Finance Authority and any applicant or employee of the Participant or any of its contractors or subcontractors for the Project.

(End of Article III)

ARTICLE IV

DEFAULTS

Section 4.01. Remedies. The Finance Authority's obligation to make a disbursement under the Loan to the Participant hereunder may be terminated at the option of the Finance Authority, without giving any prior notice to the Participant, in the event: (a) the Participant fails to undertake or perform in a timely manner any of its agreements, covenants, terms or conditions set forth herein or in any paper entered into or delivered in connection herewith (including the Authorizing Instrument); or (b) any representation or warranty made by the Participant as set forth herein or in any paper entered into or delivered in connection herewith is materially false or misleading. Any such event shall constitute an event of default and in addition to any other remedies at law or in equity, the Finance Authority may (x) require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds, (y) in the event a Deposit Agreement has not previously been entered into related to the Participant's Bond Fund (including any related reserve), require the Participant to enter into a Deposit Agreement (or to modify any such previously entered Deposit Agreement) and the Participant shall enter into (or modify) such an agreement within 5 days after any such demand and (z) without giving any prior notice, declare the entire outstanding principal amount of the Loan, together with accrued interest thereon, immediately due and payable.

Section 4.02. Effect of Default. Failure on the part of the Finance Authority in any instance or under any circumstance to observe or perform fully any obligation assumed by or imposed upon the Finance Authority by this Agreement or by law shall not make the Finance Authority liable in damages to the Participant or relieve the Participant from paying any Bond or fully performing any other obligation required of it under this Agreement or the Authorizing Instrument; provided, however, that the Participant may have and pursue any and all other remedies provided by law for compelling performance by the Finance Authority of such obligation assumed by or imposed upon the Finance Authority. The obligations of the Finance Authority hereunder do not create a debt or a liability of the Finance Authority or the State under the constitution of the State or a pledge of the faith or credit of the Finance Authority or the State and do not directly, indirectly or contingently, obligate the Finance Authority or the State to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the Finance Authority or the State, nor any agent, attorney, member or employee of the Finance Authority or the State shall in any event be liable for damages, if any, for the nonperformance of any obligation or agreement of any kind whatsoever set forth in this Agreement.

Section 4.03. Defaults under Prior Agreement. The Participant and the Finance Authority agree that any event of default occurring under the Prior Agreements shall constitute an event of default under this Agreement. Similarly, the Participant and the Finance Authority agree that any event of default under this Agreement, or under any subsequent financial assistance agreement entered into between the Participant and the Finance Authority, shall constitute an event of default under the Prior Agreements and the subsequent financial assistance agreement, if any, as the case may be.

(End of Article IV)

ARTICLE V

MISCELLANEOUS

Section 5.01. Citations. Any reference to a part, provision, section or other reference description of a federal or State statute, rule or regulation contained herein shall include any amendments, replacements or supplements to such statutes, rules or regulation as may be made effective from time to time. Any reference to a Loan disbursement shall include any disbursement from the Construction Fund. Any use of the term "including" herein shall not be a limitation as to any provision herein contained but shall mean and include, without limitation, the specific matters so referenced.

Section 5.02. Assignment. Neither this Agreement, nor the Loan or the proceeds thereof may be assigned by the Participant without the prior written consent of the Finance Authority and any attempt at such an assignment without such consent shall be void. The Finance Authority may at its option sell or assign all or a portion of its rights and obligations under this Agreement, the Authorizing Instrument, and the Bonds to an agency of the State or to a separate body corporate and politic of the State or to a trustee under trust instrument to which the Finance Authority, the State or any assignee is a beneficiary or party. The Finance Authority may at its option pledge or assign all or a portion of its rights under this Agreement, the Authorizing Instrument, and the Bonds to any person. The Participant hereby consents to any such pledge or assignment by the Finance Authority. This Agreement shall be binding upon and inure to the benefit of any permitted secured party, successor and assign.

Section 5.03. No Waiver. Neither the failure of the Finance Authority nor the delay of the Finance Authority to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.

Section 5.04. Modifications. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.

Section 5.05. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties and representations, either written or oral, expressed or implied between the parties hereto other than as herein set forth or as may be made in the Authorizing Instrument and the other papers delivered in connection herewith. In the event there is a conflict between the terms of this Agreement and the Authorizing Instrument, the terms of this Agreement shall control. It is expressly understood and agreed that except as otherwise provided herein this Agreement represents an integration of any and all prior and contemporaneous promises, agreements, conditions, undertakings, warranties and representations between the parties hereto. This Agreement shall not be deemed to be a merger or integration of the existing terms under the Prior Agreements except as expressly set forth in Section 4.03 herein.

Section 5.06. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be executed by the Finance Authority and the

Participant, and all of which shall be regarded for all purposes as one original and shall constitute one and the same instrument.

Section 5.07. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Agreement on the part of the Finance Authority or the Participant to be performed shall be deemed by a court of competent jurisdiction to be contrary to law or cause the Bonds to be invalid as determined by a court of competent jurisdiction, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and waived and shall in no way affect the validity of the other provisions of this Agreement.

Section 5.08. Notices. All notices hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered personally or sent or transmitted to the appropriate destination as set forth below in the manner provided for herein. Notice to the Finance Authority shall be addressed to:

Indiana Finance Authority
SRF Programs
100 North Senate, Room 1275

Indianapolis, Indiana 46204
Attention: Director of Environmental Programs

or at such other address(es) or number(s) and to the attention of such other person(s) as the Finance Authority may designate by notice to the Participant. Notices to the Participant shall be addressed to:

Adams County Regional Sewer District
313 W. Jefferson Street, Room 115
Decatur, Indiana 46733
Attention: Secretary

or at such other address(es) or number(s) and to the attention of such other person(s) as the Participant may designate by notice to the Finance Authority. Any notice hereunder shall be deemed to have been served or given as of (a) the date such notice is personally delivered, (b) three (3) Business Days after it is mailed U.S. mail, First Class postage prepaid, (c) one (1) Business Day after it is sent on such terms by Federal Express or similar next-day courier, or (d) the same day as it is sent by facsimile transmission with telephonic confirmation of receipt by the person to whom it is sent.

Section 5.09. Expenses. The Participant covenants and agrees to pay (a) the fees, costs and expenses in connection with making the Loan, including issuing the Bonds and providing the necessary certificates, documents and opinions required to be delivered therewith; (b) the fees, costs and expenses in connection with making and administering the Loan; (c) the costs and expenses of complying with its covenants made herein; and (d) any and all costs and expenses, including attorneys' fees, incurred by the Finance Authority in connection with the enforcement of this Agreement, the Authorizing Instrument and the Bonds in the event of the breach by the Participant of or a default under this Agreement, the Authorizing Instrument or the Bonds. Notwithstanding clause (b) above, the Participant shall not be obligated to pay any of the fees, costs and expenses in connection with administering the Loan except as follows: (1) the Finance Authority may request and the Participant shall promptly pay (no later than the date first above written), a closing fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding $1,500, which may not be paid from a Loan disbursement; (2) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), an annual administrative fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding $1,500, which may not be paid from a Loan disbursement; (3) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-Use Fee in connection with the Loan, which may not be paid from a Loan disbursement; (4) for so long as the Finance Authority is the registered owner of the Bonds, at the direction of the Finance Authority, the interest rate on the Bonds may be adjusted to lower the interest rate on the Bonds, and the difference between the amount payable as the original rate on the Bonds and the lower rate shall be deemed an additional administrative fee in connection with the Wastewater SRF Program; and (5) the Participant shall only be obligated to pay fees, costs and expenses of the Finance Authority's counsel and financial advisers in connection with making the Loan, which may be paid from a Loan disbursement.

Section 5.10. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

Section 5.11. Term. This Agreement shall terminate at such time as the Participant has fully met and discharged all of its obligations hereunder, which term may extend beyond the final payment of the Bonds or provision for the payment of the Bonds pursuant to the Authorizing Instrument.

Section 5.12. Non-Collusion. The undersigned attests, subject to the penalties of perjury, that he/she is an authorized officer or representative of the Participant, that he/she has not, nor has any other officer or representative of the Participant, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive pay, and that the undersigned has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the agreement or is a payment to lawyers, accountants and engineers by the Participant related to customary services rendered in connection with the Loan.

Section 5.13. Federal Award Information. The CFDA Number for the Finance Authority's Wastewater SRF Program (also known as the Clean Water SRF Loan Program) is 66.458 and the Federal Agency & Program Name is "US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds."

(End of Article V)

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BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or officials, all as of the date first above written.

ADAMS COUNTY REGIONAL SEWER DISTRICT	(1) **INDIANA FINANCE AUTHORITY**
"Participant"	"Finance Authority"
By: _____	By: _____
Printed: _____	James P. McGoff
Title: _____	Director of Environmental Programs
Attest: _____	

EXHIBIT A

Project Description

The Project consists of the following improvements to the Participant's Treatment Works:

- The purchase of a spare lift station pumps and miscellaneous spare parts for emergency repairs; new hydro-excavation/vacuum trailer, service body with crane, utility trailer, lawn mower (for use within ACRWD properties/facilities), and portable generator/inverter.

  The funding of the "on the shelf" equipment will help to facilitate the replacement /rehabilitation of existing sewer infrastructure in advance of their failure and allow the District to be more proactive in this endeavor. The mover trailer, service body, and hydro-excavation/vacuum equipment will allow ACRSD to perform more of their own maintenance and not be reliant on subcontractors.

- ACRSD would also like to use a portion of the remaining funds for engineering design services for the following service areas, described in the ACRSD -2024 Sanitary Sewer Improvements PER, dated March 2024:
  - CR 200 E Sanitary Sewer Improvements Engineering
  - CR 100 E – CR 400 N Sanitary Sewer Improvements Engineering
  - CR 1200 E-CR 200 W Sanitary Sewer Improvements Engineering
  - Master Project Sanitary Sewer Improvements Engineering

The Project is more fully described in, and shall be in accordance with, the Preliminary Engineering Report and the Plans and Specifications approved by the Finance Authority (or if designated by the Finance Authority, the Department).

[End of Exhibit A]

EXHIBIT B
Principal Payment Schedule for the Bonds

Maturity Date	**Principal Amount**	**Maturity Date**	**Principal Amount**
01/01/2026	$	01/01/2043	$
07/01/2026		07/01/2043	
01/01/2027		01/01/2044	
07/01/2027		07/01/2044	
01/01/2028		01/01/2045	
07/01/2028		07/01/2045	
01/01/2029		01/01/2046	
07/01/2029		07/01/2046	
01/01/2030		01/01/2047	
07/01/2030		07/01/2047	
01/01/2031		01/01/2048	
07/01/2031		07/01/2048	
01/01/2032		01/01/2049	
07/01/2032		07/01/2049	
01/01/2033		01/01/2050	
07/01/2033		07/01/2050	
01/01/2034		01/01/2051	
07/01/2034		07/01/2051	
01/01/2035		01/01/2052	
07/01/2035		07/01/2052	
01/01/2036		01/01/2053	
07/01/2036		07/01/2053	
01/01/2037		01/01/2054	
07/01/2037		07/01/2054	
01/01/2038		01/01/2055	
07/01/2038		07/01/2055	
01/01/2039		01/01/2056	
07/01/2039		07/01/2056	
01/01/2040		01/01/2057	
07/01/2040		07/01/2057	
01/01/2041		01/01/2058	
07/01/2041		07/01/2058	
01/01/2042		01/01/2059	
07/01/2042		07/01/2059	
		01/01/2060	
		TOTAL	**$**

[End of Exhibit B]

EXHIBIT C
Credit Instrument

Credit Providers rated on a long term basis lower than "A-/A3" long term by S&P Global Ratings and Moody's Investors Service, Inc. are:

- None.

[End of Exhibit C]

Exhibit D
Additional Terms

A. The following additional terms in this Paragraph A are [NOT] applicable to the Loan:

"Equivalency Project" shall mean a project designated by the Finance Authority as an "equivalency project" under the Clean Water Act related to the "US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds" for the federal fiscal year designated by the Finance Authority.

"A/E Services" shall mean professional services related to the Planning or Design of the Project including for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services.

"**BIL**" shall mean the Bipartisan Infrastructure Law (BIL) (P.L. 117-58), also known as the "Infrastructure Investment and Jobs Act of 2021" (IIJA), signed into law on November 15, 2021.

The Participant understands and acknowledges that the Project has been designated as an Equivalency Project and is required to meet the related applicable requirements of the Clean Water Act which among other requirements requires that for costs of Planning or Design (including costs for A/E Services) to be treated as Eligible Costs under this Agreement, such services (and the related contract) are required to be negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended). In connection with any request for disbursement of the Loan that is submitted by the Participant to the Finance Authority to provide for the payment of any costs of Planning or Design (including costs for A/E Services), the Participant represents and warrants that such costs relate only to services provided under a contract negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended).

The Participant further understands and agrees that it is required to comply with all terms of 2 CFR 200.216, Prohibition on certain telecommunication and video surveillance services or equipment, which among other requirements prohibits the use of Loan proceeds by the Participant to procure (by means of entering into, extending, or renewing contracts) or obtain equipment, systems or services that use "covered telecommunications equipment or services" identified in the regulation as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works. Such prohibitions extend to the use of Loan proceeds by the Participant to enter into a contract with an entity that "uses any equipment, system, or service that uses covered telecommunications equipment or services" as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works. The Participant represents and warrants that it has not procured or obtained from Loan proceeds equipment,

systems or services that use "covered telecommunications equipment or services" identified in the regulation as a substantial or essential component of any Treatment Works, or as critical technology as part of any Treatment Works.

The Participant further understands and agrees that it shall comply with all federal requirements applicable to the assistance received (including those imposed by BIL) which the Participant understands includes, but is not limited to, the following requirements: that all of the iron and steel, manufactured products, and construction materials used in the Project are to be produced in the United States ("Build America, Buy America Requirements") unless (i) the Participant has requested and obtained a waiver from the cognizant Agency pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (ii) all of the contributing Agencies have otherwise advised the Participant in writing that the Build America, Buy America Requirements are not applicable to the Project.

The Participant further understands and agrees that it shall comply with all record keeping and reporting requirements under all applicable legal authorities, including any reports required by the Finance Authority or the Agency, such as performance indicators of program deliverables, information on costs and progress of the Project. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the applicable legal requirements and this Agreement may result in a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds, termination and/or repayment of grants, cooperative agreements, direct assistance or other types of financial assistance, and/or other remedial actions.

The Participant further understands and agrees that it shall comply with (i) Executive Order 14030, regarding Climate-Related Financial Risk, (ii) Executive Order 13690, regarding Flood Risk Management Standards and (iii) The Uniform Relocation and Real Property Acquisition Policies Act.

The Participant further understands that the Project is being financed, in whole or in part, with BIL funds, and therefore must meet the signage requirement as set forth in the United States Environmental Protection Agency's June 2015 Guidelines for Enhancing Public Awareness of SRF Assistance Agreements.

B. The following additional terms in this Paragraph B (related to GPR Projects and the related defined terms) are [NOT] applicable to the Loan.

"GPR Projects" shall mean Project components that meet the requirement of the "Green Project Reserve (GPR) Sustainability Incentive Program" consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

"GPR Projects Adjustment Fee" shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an

interest rate determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual GPR Projects Expenditures (rather than the GPR Projects Business Case Amount), all as determined by the Finance Authority.

"GPR Projects Business Case Amount" shall mean the amount referenced in the Participant's business case related to GPR Projects as was set in the Participant's Preliminary Engineering Report (or categorical exclusion) posted at www.srf.in.gov, uses of funds information submitted to the Finance Authority after the Project was bid or some other submitted information that was used by the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program's interest rate policies and practices applicable to the Bonds.

"GPR Projects Expenditures" shall mean those costs and expenses incurred by the Participant that are part of the Project which are GPR Projects in nature (within the meaning of the Wastewater SRF Act) as determined by the Finance Authority, in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program's interest rate policies and practices.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a GPR Projects project. In the event GPR Projects Expenditures are hereafter determined by the Finance Authority to be less than the GPR Projects Business Case Amount, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a GPR Projects Adjustment Fee in connection with the Loan. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its GPR Projects Expenditures when and as required by SRF Policy Guidelines. The Participant understands and acknowledges that it is required to submit a business case or categorical exclusion documenting the GPR Projects and the GPR Projects Business Case Amount prior to loan closing or if a request is made pursuant to Section 3.02(f) of this Agreement.

C. The following additional terms in this Paragraph C (related to Non-point Source Projects and the related defined terms) are [NOT] applicable to the Loan:

"Non-point Source Adjustment Fee" shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual Non-point Source Expenditures (rather than the amount referenced in the Participant's post-bid and other documents submitted to the Finance Authority), all as determined by the Finance Authority.

"Non-point Source Expenditures" shall mean those costs and expenses incurred by the Participant that are Non-point Source Projects in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program's interest rate policies and practices.

"Non-point Source Projects Amount" shall mean the amount referenced in the Participant's post-bid and other documents submitted to the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program's interest rate policies and practices applicable to the Bonds

"Non-point Source Projects" shall mean Project components that meet the requirement of SRF Policy Guidelines and the Wastewater SRF Act to be non-point source in nature as determined by the Finance Authority.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a non-point source project. In the event Non-point Source Expenditures are hereafter determined by the Finance Authority to be less than the Non-point Source Projects Amount, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-point Source Adjustment Fee in connection with the Loan. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its Non-point Source Expenditures when and as requested by SRF Policy Guidelines.

[End of Exhibit D]

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