

ORDINANCE NO. 07-07

ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF FRANKLIN, INDIANA ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2007 (KEONE ELE, LLC PROJECT), AND TO LOAN THE PROCEEDS THEREOF TO KEONE ELE, LLC AND AUTHORIZING AND APPROVING OTHER ACTIONS IN RESPECT THERETO

WHEREAS, the City of Franklin, Indiana (the "City"), is a municipal corporation and political subdivision of the State of Indiana and by virtue of I.C. 36-7-11.9 and I.C. 36-7-12 (collectively, the "Act"), is authorized and empowered to adopt this ordinance (this "Bond Ordinance") and to carry out its provisions; and

WHEREAS, the Borrower desires to finance the acquisition, construction, and/or equipping of the following: (i) the expansion and rehabilitation to its existing facility from approximately 14,700 square feet to 35,000 square feet with additional parking, (ii) the purchase of \$500,000 of new equipment, and (iii) to pay costs of issuance of the Bonds (the "Project"); and

WHEREAS, the Borrower has advised the City of Franklin Economic Development Commission (the "Commission") and the City that it proposes that the City issue revenue bonds in an amount not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) (the "Bonds") under the Act and loan the proceeds of such Bonds to the Borrower for the financing the Project; and

WHEREAS, the completion of the Project results in the diversification of industry, the creation of forty jobs and the creation of business opportunities in the City; and

WHEREAS, pursuant to I.C. § 36-7-12-24, the Commission published notice of a public hearing (the "Public Hearing") on the proposed issuance of the Bonds to finance the Project; and

WHEREAS, on July 23, 2007, the Commission held the Public Hearing on the Project and received uncontroverted evidence that there are no facilities which are similar to the Project and have already been constructed or operating in or near the City; and

WHEREAS, the Commission has performed all actions required of it by the Act preliminary to the adoption of this Bond Ordinance and has approved and forwarded to the Common Council the forms of: (1) a Loan Agreement, between the City and the Borrower (including a Series 2007 Note) (the "Loan Agreement"); (2) a Trust Indenture, with respect to the Bonds, between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee") (the "Indenture"); (3) the Bonds; (4) a Bond Purchase Agreement among the City, the Borrower and Fifth Third Securities, Inc. (the "Underwriter") (the "Bond Purchase Agreement"); (7) a Preliminary Official Statement with respect to the Bonds (the "Preliminary Official Statement"); and (8) this Bond Ordinance (the Loan Agreement, the Indenture, the Bonds, the Bond Purchase Agreement, the Preliminary Official Statement, and this Bond Ordinance, collectively, the "Financing Agreements").

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FRANKLIN, INDIANA, THAT:

Section 1. Findings; Public Benefits. The Common Council hereby finds and determines that the Project involves the acquisition, construction, and equipping of an "economic development facility" as that phrase is used in the Act; that the Project will increase employment opportunities and increase diversification

of economic development in the City, will improve and promote the economic stability, development and welfare in the City, will encourage and promote the expansion of industry, trade and commerce in the City and the location of other new industries in the City; that the public benefits to be accomplished by this Bond Ordinance, in tending to overcome insufficient employment opportunities and insufficient diversification of industry, are greater than the cost of public services (as that phrase is used in the Act) which will be required by the Project; and, therefore, that the financing of the Project by the issue of the Bonds under the Act, (i) will be of benefit to the health and general welfare of the City; and (ii) complies with the Act.

Section 2. Approval of Financing. The proposed financing of the Project by the issuance of the Bonds under the Act, in the form that such financing was approved by the City of Franklin Economic Development Commission, is hereby approved.

Section 3. Authorization of the Bonds. The issuance of the Bonds, payable solely from revenues and receipts derived from the Financing Agreements, is hereby authorized.

Section 4. Terms of the Bonds. The Bonds, in the aggregate principal amount not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000), shall (i) be executed at or prior to the closing date by the manual or facsimile signatures of the Mayor and the Clerk-Treasurer of the City, (ii) be dated as of the date of delivery, (iii) mature on a date not later than thirty years after the date of issuance; (iv) bear interest at such rates as determined through the marketing of the Bonds by the Underwriter on the date of sale and the remarketing of the Bonds as provided in the Indenture, with such interest payable as provided in the Financing Agreements; (v) be issuable in such denominations as set forth in the Financing Agreements; (vi) be issuable only in fully registered form; (vii) be subject to registration on the bond register as provided in the Indenture; (viii) be payable in lawful money of the United States of America; (ix) be payable at an office of the Trustee as provided in the Indenture; (x) be subject to optional redemption prior to maturity and subject to redemption as otherwise provided in the Financing Agreements; and (xi) contain such other terms and provisions as may be provided in the Financing Agreements.

(b) The Bonds and the interest thereon do not and shall never constitute an indebtedness of, or a charge against the general credit or taxing power of, the City, but shall be special and limited obligations of the City, payable solely from revenues and other amounts derived from the Financing Agreements. Forms of the Financing Agreements are before this meeting and are by this reference incorporated in this Bond Ordinance, and the Clerk-Treasurer of the City is hereby directed, in the name and on behalf of the City, to keep them on file.

Section 5. Sale of the Bonds. The Mayor and the Clerk-Treasurer of the City are hereby authorized and directed, in the name and on behalf of the City, to sell the Bonds to the Underwriter at the price, in the manner and at the time set forth in the Bond Purchase Agreement, at such prices as are determined on the date of sale and approved by the Mayor and the Clerk-Treasurer of the City.

Section 6. Preliminary Official Statement and Official Statement. (a) The Common Council hereby approves, and authorizes and directs the Mayor and the Clerk-Treasurer of the City, for and on behalf of the City, to distribute or cause to be distributed, the Preliminary Official Statement, in the form presented at this meeting, with such changes thereto as the Mayor and the Clerk-Treasurer of the City determine to be necessary or appropriate, such determination to be conclusively evidenced by such distribution. The Common Council hereby authorizes the Mayor and the Clerk-Treasurer of the City, for and on behalf of the City, to deem the Preliminary Official Statement final as of its date, except for the omission of no more than the following:

offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

(b) The Common Council hereby authorizes the distribution of an Official Statement for the Bonds (the "Official Statement"). The Common Council hereby approves, and authorizes and directs the Mayor and the Clerk-Treasurer of the City, for and on behalf of the City, to execute and deliver, and to distribute or cause to be distributed, the Official Statement, in substantially the form of the Preliminary Official Statement, with the addition of any items omitted therefrom described in subsection (a) above and with such other changes thereto as the Mayor and the Clerk-Treasurer of the City determine to be necessary or appropriate, such determination to be conclusively evidenced by such Mayor's and such Clerk-Treasurer's execution thereof.

Section 7. Execution and Delivery of Financing Agreements. The Mayor and the Clerk-Treasurer of the City are hereby authorized and directed, in the name and on behalf of the City, to execute or endorse and deliver the Loan Agreement, the Series 2007 Note from the Borrower to the City, dated as of August 1 or September 1, 2007, the Indenture, the Bonds and the Bond Purchase Agreement, submitted to the Common Council, which are hereby approved in all respects.

Section 8. Changes in Financing Agreements. The Mayor and the Clerk-Treasurer of the City are hereby authorized, in the name and on behalf of the City, without further approval of the Common Council or the Commission, to approve such changes in the Financing Agreements as may be permitted by Act, such approval to be conclusively evidenced by their execution thereof.

Section 9. Public Hearing. The Commission is hereby appointed to conduct a public hearing on behalf of the City pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, and the Commission's having conducted such a hearing on July 23, 2007 (the "Public Hearing"), as such appointee, is hereby ratified and approved.

Section 10. Public Approval. The Common Council hereby approves the issue of the Bonds and the Project to be financed by the Bonds, which facilities are described in the published notice of the Public Hearing.

Section 11. General. The Mayor and the Clerk-Treasurer of the City, and each of them, are hereby authorized and directed, in the name and on behalf of the City, to execute or endorse any and all agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by them, or either of them, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this Bond Ordinance (including the preambles hereto and the documents mentioned herein), the Project, the issuance and sale of the Bonds, and the securing of the Bonds under the Financing Agreements, and any such execution, endorsement, performance or doing of other things heretofore effected be, and hereby is, ratified and approved.

Section 12. Binding Effect. The provisions of this Bond Ordinance and the Financing Agreements shall constitute a binding contract between the City and the holders of the Bonds, and after issuance of the Bonds this Bond Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of the holders of the Bonds as long as the Bonds or interest thereon remains unpaid.

Section 13. Repeal. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 14. Effective Date. This Bond Ordinance shall be in full force and effect immediately upon adoption and compliance with I.C. § 36-4-6-14.

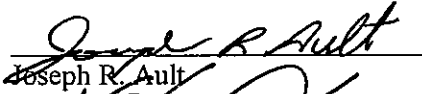
Section 15. Copies of Financing Agreements on File. Two copies of the Financing Agreements incorporated into this Bond Ordinance were duly filed in the office of the Clerk-Treasurer of the City, and are available for public inspection in accordance with I.C. § 36-1-5-4.

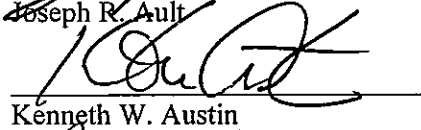
Introduced and Filed on the 23 day of July, 2007. A motion to consider same on the First Reading or day of introduction was offered and passed by a unanimous vote.

DULY PASSED on this 23 day of July, 2007, by the Common Council of the City of Franklin, Johnson County, Indiana, having been passed by a vote of 6 in Favor and 0 Opposed.

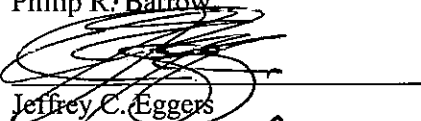
CITY OF FRANKLIN, INDIANA, BY ITS COMMON COUNCIL:

Voting Affirmative:


Joseph R. Ault

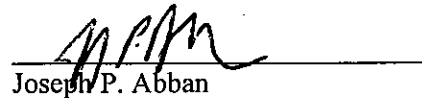

Kenneth W. Austin


Philip R. Barrow


Jeffrey C. Eggers


Dr. William T. Murphy

absent
Ann Gordon


Joseph P. Abban

Voting Opposed:

Joseph R. Ault

Kenneth W. Austin

Philip R. Barrow

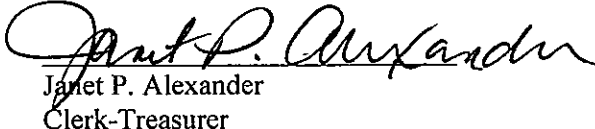
Jeffrey C. Eggers

Dr. William T. Murphy

Ann Gordon

Joseph P. Abban

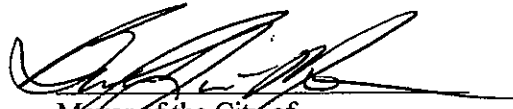
Attest:


Janet P. Alexander
Clerk-Treasurer


Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this 23 day of July, 2007 at 8:30 o'clock ~~am~~/p.m.


City Clerk-Treasurer

This resolution having been passed by the legislative body and presented to me and approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1) this 23 day of July, 2007 at 8:30 o'clock ~~a.m.~~ p.m.


Mayor of the City of
Franklin, Indiana

Attest:


Clerk-Treasurer

RESOLUTION NO. EDC 6702

A RESOLUTION APPROVING AND AUTHORIZING
CERTAIN ACTIONS AND PROCEEDINGS WITH RESPECT TO
CERTAIN PROPOSED ECONOMIC DEVELOPMENT REVENUE BONDS

WHEREAS, the City of Franklin, Indiana (the "City"), is authorized by I.C. 36-7-11.9 and I.C. 36-7-12 (collectively, the "Act") to issue revenue bonds for the financing of economic development facilities, and loan the proceeds of the revenue bond issue to another entity to finance the acquisition, construction, renovation, installation and equipping of said facilities; and

WHEREAS, the Borrower desires to finance the acquisition, construction, and/or equipping of the following: (i) the expansion and rehabilitation to its existing facility from approximately 14,700 square feet to 35,000 square feet with additional parking, (ii) the purchase of \$500,000 of new equipment, and (iii) to pay costs of issuance of the Bonds (the "Project"); and

WHEREAS, the Borrower has advised the City of Franklin Economic Development Commission (the "Commission") and the City that it proposes that the City issue revenue bonds in an amount not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) (the "Bonds") under the Act and loan the proceeds of such Bonds to the Borrower for the financing the Project; and

WHEREAS, the Commission has studied the Project and the proposed financing of the Project and their effect on the health and general welfare of the City and its citizens;

WHEREAS, the completion of the Project results in the diversification of industry, the creation of jobs and the creation of business opportunities in the City;

WHEREAS, pursuant to I.C. § 36-7-12-24, the Commission published notice of a public hearing (the "Public Hearing") on the proposed issuance of the Bonds to finance the Project; and

WHEREAS, on the date hereof the Commission held the public hearing on the Project and received uncontroverted evidence that there are no facilities which are similar to the Project and have already been constructed or operating in or near the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FRANKLIN ECONOMIC DEVELOPMENT COMMISSION AS FOLLOWS:

SECTION 1. The Commission hereby finds, determines, ratifies and confirms that the diversification of industry, the creation of business opportunities and the creation of opportunities for gainful employment within the jurisdiction of the City is desirable, serves a public purpose, and is of benefit to the health and general welfare of the City; and that it is in the public interest that the City take such action as it lawfully may to encourage the diversification of industry, the creation of business opportunities, and the creation of opportunities for gainful employment within the jurisdiction of the City.

SECTION 2. The Commission hereby makes a finding of fact, based upon the uncontroverted evidence presented at the Public Hearing, that there are no facilities which are similar to the Project and already constructed or operating in or near the City and, based upon such finding of fact, hereby determines that the Project will not have, and have not had, an adverse competitive effect on any similar facilities already constructed or operating in or near the City.

SECTION 3. The Commission hereby approves the report with respect to the Project presented at this meeting. The Secretary of this Commission shall submit such report to the executive director or chairman of the plan commission of the City.

SECTION 4. The Commission finds, determines, ratifies and confirms that the issuance and sale of the Bonds in an amount not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) and the loan of the proceeds of the Bonds to the Borrower for the financing of the construction, equipping and installation of the Project will be of benefit to the health and general welfare of the City, will serve the public purposes referred to above in accordance with the Act, and fully comply with the Act.

SECTION 5. The financing of the Project through the issuance of the Bonds, in an amount not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000), is hereby approved.

SECTION 6. The Commission hereby approves the terms of the following documents in the form presented at this meeting: (i) a Loan Agreement (including the Series 2007 Note), between the City and the Borrower; (ii) a Trust Indenture, between the City and The Bank of New York Trust Company, N.A. (the "Trustee"); (iii) a Bond Purchase Agreement, among the City, the Borrower and Fifth Third Securities, Inc.; (iv) a Preliminary Official Statement with respect to the Bonds; and (v) an Ordinance of the Common Council of the City.

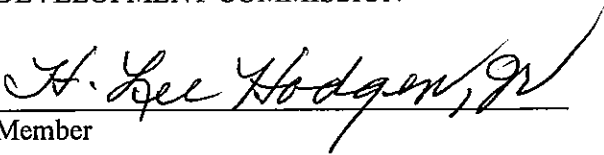
SECTION 7. Any officer of the Commission is hereby authorized and directed, in the name and on behalf of the Commission, to execute any and all other agreements, documents and instruments, perform any and all acts, approve any and all matters, and do any and all other things deemed by him, to be necessary or desirable in order to carry out and comply with the intent, conditions and purposes of this resolution (including the preambles hereto and the documents mentioned herein), the Project and the issuance and sale of the Bonds, and any such execution, performance, approval or doing of other things heretofore effected be, and hereby is, ratified and approved.

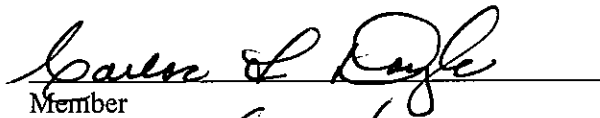
SECTION 8. The Secretary of this Commission shall transmit this resolution, together with the forms of the documents approved by this resolution, to the Common Council of the City.

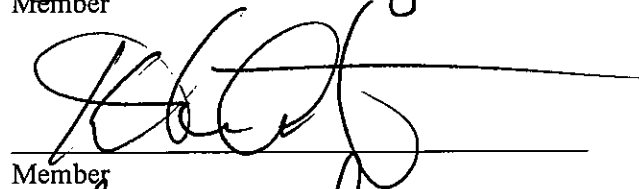
SECTION 9. This resolution shall be in full force and effect upon adoption.

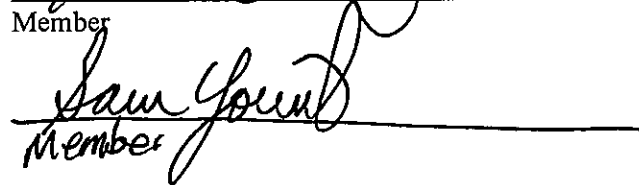
Adopted this 23rd day of July, 2007.

CITY OF FRANKLIN ECONOMIC
DEVELOPMENT COMMISSION


Member


Member


Member


member

**REPORT OF THE CITY OF FRANKLIN
ECONOMIC DEVELOPMENT COMMISSION CONCERNING
THE PROPOSED FINANCING OF ECONOMIC DEVELOPMENT
FACILITIES FOR KEONE ELE, LLC**

The City of Franklin Economic Development Commission (the "Commission") proposes to recommend to the Common Council of the City of Franklin, Indiana (the "City"), that it loan the proceeds of certain economic development revenue bonds to Keone Ele, LLC (the "Applicant") for the financing of certain economic development facilities in the City.

In connection therewith, the Commission hereby reports as follows:

A. The proposed economic development facilities consist of the following for use in the Applicant's manufacturing of biopsy needles and surgical instruments located at 3049 Hudson Street, Franklin, Indiana: (i) the expansion and rehabilitation to its existing facility from approximately 14,700 square feet to 35,000 square feet with additional parking, (ii) the purchase of \$500,000 of new equipment, and (iii) to pay costs of issuance of the Bonds (collectively, the "Projects").


B. The Commission estimates that no public works or services, including public ways, schools, water, sewer, street lights and fire protection, will be made necessary or desirable by the Projects, because any such works or services already exist or will be provided by the Applicant or other parties.

C. The Commission estimates that the total costs of financing the acquisition, construction and equipping of the Projects will be approximately \$2,500,000.

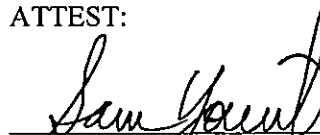
D. The Commission estimates that the Projects created or will create approximately 40 new jobs with an annual payroll of approximately \$1,428,000.

E. There are no facilities similar to the Projects or the Applicant's existing manufacturing facility that are already constructed or operating in the City, and consequently, the Projects will have no adverse competitive effect on similar facilities already constructed or operating in the City of Franklin, Indiana.

Adopted this 23rd day of July, 2007.


Secretary, City of Franklin
Economic Development Commission

ATTEST:



President, City of Franklin
Economic Development Commission