

ORDINANCE NO. 2019-02

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$27,500,000 AGGREGATE PRINCIPAL AMOUNT OF ECONOMIC DEVELOPMENT REVENUE REFUNDING BONDS, SERIES 2019 (OTTERBEIN HOMES OBLIGATED GROUP), OF THE CITY OF FRANKLIN, INDIANA, THE PROCEEDS OF WHICH SHALL BE LOANED TO OTTERBEIN HOMES OR AN AFFILIATE THEREOF TO REFUND A TAXABLE LOAN; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF SUCH BONDS; AUTHORIZING A LOAN AGREEMENT AND TRUST INDENTURE APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX EXEMPTION CERTIFICATE AND AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT WITH RESPECT TO SUCH BONDS; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT IN RESPECT OF SUCH BONDS; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

WHEREAS, the City of Franklin, Indiana (the "City"), by virtue of the laws of the State of Indiana (the "State"), including Title 36, Article 7, Chapters 11.9 and 12 of the Indiana Code, as supplemented and amended (the "Act"), in order to, among other things, create or retain opportunities for gainful employment and create business opportunities, is authorized to (i) make loans for the cost of acquisition, construction or installation of "economic development facilities" (as defined in the Act), including land, machinery, or equipment therefor; (ii) issue bonds for the purpose of providing funds to pay all or any part of such cost; and (iii) enter into a financing agreement and execute and deliver other transaction documents providing for payments in an amount sufficient to pay the principal and interest on said bonds; and

WHEREAS, Otterbein Homes ("Otterbein") is an Ohio nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and operates continuing care retirement communities in Ohio and Indiana; and

WHEREAS, Otterbein is the parent company of The Franklin United Methodist Home, Inc., an Indiana nonprofit corporation ("FUMH"), which operates Otterbein Franklin, a continuing care retirement community located in the City (the "Facility"); and

WHEREAS, Otterbein, FUMH, an affiliate thereof or any combination of the foregoing (as applicable, the "Borrower") has requested that the City issue one or more series of taxable and/or tax-exempt economic development revenue bonds in the aggregate principal amount of not to exceed \$27,500,000 (the "Series 2019 Bonds") for the purpose of (a) refunding a taxable loan incurred by Otterbein and certain of its affiliates, including FUMH (the "Prior Loan"), the proceeds of which were used to finance certain improvements to the Facility and to refund the City's Economic Development Revenue Refunding and Improvement Bonds, Series 2015 (The Franklin United Methodist Home, Inc. Project), the proceeds of which, together with the proceeds of other revenue



bonds previously issued by the City for the benefit of FUMH, were used to finance or refinance the costs of acquisition, construction, renovation, installation and/or equipping of certain improvements to the Facility; and (b) paying certain costs of issuance related to the Series 2019 Bonds (collectively, the "Project"); and

WHEREAS, this Common Council (the "Council") of the City has determined and does hereby confirm that the financing of the Project with the proceeds of the Series 2019 Bonds (as hereinafter defined) will promote a substantial likelihood of increasing business opportunities and be of benefit to the health and general welfare of the City and its citizens and complies with the purposes and provisions of the Act, and that the City, by assisting with the financing of the Project with the proceeds of the Series 2019 Bonds, will be acting in the manner consistent with and in furtherance of the provisions of the laws of the State of Indiana, particularly the Act; and

WHEREAS, no member of the Council has any pecuniary interest in any employment, financing agreement or other contract made under the provisions of the Act and related to the Series 2019 Bonds authorized herein, which pecuniary interest has not been fully disclosed to the Council and no such member has voted on any such matter, all in accordance with the provisions of the Act;

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FRANKLIN, STATE OF INDIANA, AS FOLLOWS:

SECTION 1. Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Loan Agreement, between the City and the Borrower (the "Loan Agreement"), or the Indenture (as defined below), each relating to the Series 2019 Bonds.

Any reference herein to the City or the Council, or to any officers or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

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

SECTION 2. Determinations of City. Based solely on the representations made, information presented and testimony given by the Borrower and without independent verification by this Council, it is hereby found that the financing of the Project, the issuance and sale of the Series 2019 Bonds, the loan of the net proceeds thereof to the Borrower for the purposes stated above (the "Loan"), and the repayment of the Loan by the Borrower, will promote a substantial likelihood of increasing business opportunities and be of benefit to the health and general welfare of the City and its citizens and complies with the purposes and provisions of the Act. Based solely on the representations made, information presented and testimony given by the Borrower and without independent verification by this Council, it is hereby further found that the Facility is owned by the Borrower, is used in furtherance of the exempt purpose of the Borrower, and is not used by any other Person.

The Council, as the “applicable elected representative” of the City for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), reasonable public notice having been provided to the public in accordance therewith, hereby approves the issuance of the Series 2019 Bonds in a maximum aggregate face amount of not to exceed \$27,500,000, the proceeds of which will be used to finance the Project.

The City has not designated any portion of the Series 2019 Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

SECTION 3. Authorization of Bonds. It is hereby determined to be necessary to, and the City shall, issue, sell and deliver, as provided herein and pursuant to the authority of the Act, the Series 2019 Bonds for the purposes of making a loan to the Borrower to (a) refund the outstanding Prior Loan; and (b) pay certain costs of issuance relating to the Series 2019 Bonds, all in accordance with the provisions of an Indenture of Trust (Bond Indenture) (the “Indenture”), between the City and U.S. Bank National Association, a national banking association and its successors in trust, as trustee (the “Bond Trustee”). The Series 2019 Bonds shall be designated “Economic Development Revenue Refunding Bonds, Series 2019 (Otterbein Homes Obligated Group),” may be issued in one or more series and may bear a series designation that may be appropriate to further distinguish the Series 2019 Bonds. The maximum amount of Series 2019 Bonds to be outstanding at any one time is not to exceed \$27,500,000.

In order to provide for the further authorization, and to secure the Series 2019 Bonds to be issued pursuant to this Ordinance and to prescribe the terms and conditions upon which the Series 2019 Bonds are to be secured, executed, authenticated, accepted and held, there is hereby authorized, empowered and directed to execute and deliver, on behalf of the City, the Indenture, which Indenture shall be in substantially the form on file with the City Clerk, as provided by Dinsmore & Shohl LLP, as bond counsel to the City (“Bond Counsel”), final approval of which on behalf of the City to be conclusively evidenced by the execution and delivery thereof.

SECTION 4. Terms and Execution of the Series 2019 Bonds. The Series 2019 Bonds shall be issued in the forms and denominations, shall be numbered, dated and payable as provided in the Indenture. The Series 2019 Bonds shall mature as provided in the Indenture, and have such terms, bear such interest, and be subject to mandatory and optional redemption as provided in the Indenture. This Council hereby fixes and establishes the interest rate in effect from time to time on the Series 2019 Bonds in the manner and pursuant to the provisions of the Indenture. The Series 2019 Bonds shall not bear interest in excess of 7% per annum and the maximum term for the Series 2019 Bonds shall be 40 years. The Series 2019 Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of the City Clerk. In case any officer whose signature or a facsimile thereof shall appear on the Series 2019 Bonds shall cease to be such officer before the issuance or delivery of the Series 2019 Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until after that time.

The form of the Series 2019 Bonds as set forth in the Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture, is hereby approved, and when the same shall be executed on behalf of the City by the appropriate officers thereof in the

manner contemplated hereby and by the Indenture, in the aggregate principal amount of not to exceed \$27,500,000, shall represent the approved form of Bonds of the City.

SECTION 5. Sale of the Series 2019 Bonds. The Series 2019 Bonds shall be awarded to Fifth Third Securities, Inc. (the "Underwriter") at the purchase price set forth, and on the terms and conditions described, in the Bond Purchase Agreement with respect to the Series 2019 Bonds (the "Bond Purchase Agreement") among the City, the Borrower and the Underwriter, which shall be in such form as is acceptable to the City Attorney. The Mayor and City Clerk are authorized and directed to make on behalf of the City the necessary arrangements to establish the date, location, procedure and conditions for the delivery of the Series 2019 Bonds to the Underwriter, and to take all steps necessary to effect due execution and delivery to the Underwriter (or temporary bonds delivered in lieu of definitive Bonds until their preparation and delivery can be effectuated) under the terms of this Ordinance, the Indenture, the Bond Purchase Agreement and the Loan Agreement. It is hereby determined that the price for and the terms of the Series 2019 Bonds, and the sale thereof, all as provided in the aforesaid documents, are in the best interests of the City and consistent with all legal requirements.

SECTION 6. Arbitrage Provisions. The City will, at the direction of the Borrower and to the extent the Series 2019 Bonds are issued as tax-exempt bonds, restrict the use of the proceeds of the Series 2019 Bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the Series 2019 Bonds are delivered to the Underwriter, so that they will not constitute arbitrage bonds under Section 148 of the Code. The Mayor or any other officer having responsibility with respect to the issuance of the Series 2019 Bonds, is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee, consultant or agent of the City, to deliver a certificate for inclusion in the transcript of proceedings for the Series 2019 Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to said Section 148 of the Code and regulations thereunder.

SECTION 7. Authorization of Indenture, Loan Agreement, Bond Purchase Agreement, Tax Exemption Certificate and Agreement and All Other Documents to be Executed by the City. In order to better secure the payment of the principal of, premium, if any, and interest on the Series 2019 Bonds as the same shall become due and payable, the Mayor and City Clerk are authorized and directed to, as applicable, finalize, execute, acknowledge and deliver in the name and on behalf of the City, the Indenture, Loan Agreement, Tax Exemption Certificate and Agreement related to the Series 2019 Bonds (the "Tax Exemption Certificate and Agreement") and Bond Purchase Agreement, each of which is hereby approved in substantially the form on file with the City Clerk or in such form as is acceptable to the City Attorney or other counsel to the City, as applicable, with such changes therein not inconsistent with this Ordinance and not substantially adverse to the City as may be permitted by the Act and approved by the officers executing the same on behalf of the City. The approval of such changes by said officers, and that such are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Indenture, Loan Agreement, Tax Exemption Certificate and Agreement and Bond Purchase Agreement by such officers.

The Mayor and City Clerk are each hereby separately authorized to take any and all actions and to execute such financing statements, assignments, certificates, deeds and other instruments that may be necessary or appropriate in the opinion of Bond Counsel in order to effect the issuance of the Series 2019 Bonds, the repayment of the Prior Loan and the intent of this Ordinance. The City Clerk,

or other appropriate officer of the City, shall certify a true transcript of all proceedings had with respect to the issuance of the Series 2019 Bonds, along with such information from the records of the City as is necessary to determine the regularity and validity of the issuance of the Series 2019 Bonds.

SECTION 8. Official Statement. A Preliminary Official Statement with respect to the Series 2019 Bonds is hereby authorized and approved. The use of the name of the City in such Preliminary Official Statement is hereby approved. The Mayor and City Clerk are each hereby separately authorized to certify that the Preliminary Official Statement is “final” for purposes of Rule 15c2-12 (the “Rule”) promulgated under the Securities Exchange Act of 1934, as amended.

The final Official Statement in respect of the Series 2019 Bonds, substantially in the form of the Preliminary Official Statement approved and authorized in the preceding paragraph, is hereby authorized and approved, including the use of the name of the City in the final Official Statement. The Mayor and City Clerk are each hereby separately authorized to certify that the Official Statement is “final” for purposes of the Rule.

The distribution of an Official Statement relating to the Series 2019 Bonds is hereby approved. The City has not confirmed, and assumes no responsibility for, the accuracy, sufficiency or fairness of any statements in the Official Statement or any amendments thereof or supplements thereto, or in any reports, financial information, offering or disclosure documents or other information relating to the Underwriter, the Project or the Borrower, or the history, businesses, properties, organization, management, financial condition, market area or any other matter relating to the Borrower or otherwise contained in the Official Statement.

SECTION 9. Covenants of City. In addition to other covenants of the City in this Ordinance, the City further covenants and agrees as follows:

(a) Payment of Principal, Premium and Interest. The City will, solely from and only to the extent of the sources herein or in the Indenture provided, pay or cause to be paid the principal of, premium, if any, and interest on each and all Series 2019 Bonds on the dates, at the places and in the manner provided herein, in the Indenture and in the Series 2019 Bonds.

(b) Performance of Covenants, Authority and Actions. The City will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Series 2019 Bonds, Loan Agreement, Indenture, Bond Purchase Agreement, Tax Exemption Certificate and Agreement, and in all proceedings of the City pertaining to the Series 2019 Bonds. The City warrants and covenants that it is, and upon delivery of the Series 2019 Bonds will be, duly authorized by the laws of the State of Indiana, including particularly and without limitation the Act, to issue the Series 2019 Bonds and to execute the Loan Agreement, the Indenture, the Tax Exemption Certificate and Agreement and the Bond Purchase Agreement, and all other documents to be executed by it, to provide for the security for payment of the principal of, premium, if any, and interest on the Series 2019 Bonds in the manner and to the extent herein and in the Bond Purchase Agreement set forth; that all actions on its part for the issuance of the Series 2019 Bonds and execution and delivery of the Loan Agreement, the Indenture, the Bond Purchase Agreement, the Tax Exemption Certificate and Agreement and all other documents to be executed by it in connection with the issuance of the Series 2019 Bonds, have been or will be duly and effectively taken; and that the Series 2019 Bonds will be valid and enforceable special obligations of the City according to the terms thereof. Each

provision of the Ordinance, the Loan Agreement, the Indenture, the Bond Purchase Agreement, the Tax Exemption Certificate and Agreement and each Series 2019 Bond, and all other documents to be executed by the City in connection with the issuance of the Series 2019 Bonds, is binding upon each officer of the City as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; and each duty of the City and of its officers and employees undertaken pursuant to such proceedings for the Series 2019 Bonds is established as a duty of the City and of each such officer and employee having authority to perform such duty.

The Mayor and the City Clerk of the City are hereby authorized to execute and deliver on behalf of the City such other certificates, documents and instruments in connection with the issuance and sale of the Series 2019 Bonds as may be required, necessary or appropriate, including, without limitation, any documents which are necessary or appropriate in order to provide that the Series 2019 Bonds constitute "qualified 501(c)(3) bonds" under the Code to the extent the Series 2019 Bonds are issued as tax-exempt bonds. Such documents, including the ones specifically authorized hereby, shall be subject to such changes, insertions and omissions as may be approved by the appropriate officers of the City, which approval shall be conclusively evidenced by the execution thereof as aforesaid.

SECTION 10. No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this Ordinance, or in any Series 2019 Bond, or in the Loan Agreement, the Indenture, the Tax Exemption Certificate and Agreement or the Bond Purchase Agreement, or under any judgment obtained against the City or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any officer as such, past, present, or future, of the City, either directly or through the City, or otherwise, for the payment for or to the City or any receiver thereof, or for or to any holder of any Bond, or otherwise, of any sum that may be due and unpaid by the City upon any of the Series 2019 Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the City or any receiver thereof, or for or to the owner or any holder of any Bond, or otherwise, of any sum that may remain due and unpaid upon any Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of the Loan Agreement, the Indenture, the Tax Exemption Certificate and Agreement and the Bond Purchase Agreement and the issuance of the Series 2019 Bonds.

SECTION 11. No Debt or Tax Pledge. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF INDIANA. THE SERIES 2019 BONDS SHALL BE PAYABLE SOLELY FROM THE REVENUES AND SECURITY INTERESTS PLEDGED FOR THEIR PAYMENT AS PROVIDED IN THE INDENTURE, AND NEITHER MONEYS RAISED BY TAXATION NOR ANY OTHER GENERAL OR SPECIAL REVENUES OF THE CITY SHALL BE OBLIGATED OR PLEDGED FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THE SERIES 2019 BONDS.

SECTION 12. Incorporation of Preambles. The preambles of this Ordinance are hereby incorporated as an integral part of this Ordinance, to the same extent as if repeated herein verbatim,

it being declared that the statements of fact set forth in such preambles are true and accurate in all respects.


SECTION 13. 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 14. Open Meetings Law. This Council hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements, particularly Title 5, Article 14, Chapter 1.5 of the Indiana Code.

SECTION 15. Effective Date. This Ordinance shall be in full force and effect from and after passage by this Council and its approval by the Mayor of the City of Franklin, Indiana.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF FRANKLIN, INDIANA THIS DAY, July 15th, 2019.

COMMON COUNCIL,
CITY OF FRANKLIN, INDIANA



President, Common Council

ATTEST:

By:



City Clerk

Presented by me, the undersigned City Clerk of the City of Franklin, Indiana to the Mayor of said City for his approval on July 15, 2019 at 6:50 o'clock p.m.



City Clerk

Having examined the foregoing Ordinance, I do now, as the Mayor of the City of Franklin, Indiana approve said Ordinance and return the same to the City Clerk of the City of Franklin, Indiana this day, July 15, 2019.



Mayor

CERTIFICATE

STATE OF INDIANA)
 SS:)
COUNTY OF JOHNSON)

I hereby certify that the attached and foregoing document is a true, accurate and complete copy of Ordinance No. 2019-02 adopted by the Common Council of the City of Franklin, Johnson County, Indiana, on July 15, 2019 and approved by the Mayor of said City on July 15, 2019 as the same appears on file and record in my office.

Witness my hand and the seal of said City, affixed at Franklin, Indiana on July 15, 2019,
2019.

By: Jaime Rhodes
City Clerk
City of Franklin, Indiana

Approved:

Approved: _____
By: 
Mayor

ATTEST:

By: Jaime Rhodes
City Clerk

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

City of Franklin, Indiana

(Name of Issuer and Co-Issuer(s), if applicable)

July 15, 2019

(Date)

The Depository Trust Company
18301 Bermuda Green Drive
Tampa, FL 33647
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: (Note: Issuer shall represent one and cross out the other.)

~~[Incorporated in]~~ [formed under the laws of] the State of Indiana

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Very truly yours,

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

City of Franklin, Indiana

(Issuer)

By:

(Authorized Officer's Signature)

Steve Barnett, Mayor

(Print Name)

70 E. Monroe Street

(Street Address)

Franklin, Indiana USA 46131

(City)

(State)

(Country)

(Zip Code)

(317) 736-3602

(Phone Number)

mayor@franklin.in.gov

(E-mail)

DTCC

Address)

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

SCHEDULE A
(To Blanket Issuer Letter of Representations)

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
- [6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
- [9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

City of Franklin, Indiana

(Name of Issuer and Co-Issuer(s), if applicable)

July __, 2019

(Date)

The Depository Trust Company
18301 Bermuda Green Drive
Tampa, FL 33647
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: (Note: Issuer shall represent one and cross out the other.)

[incorporated in] [formed under the laws of] the State of Indiana


To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Very truly yours,

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

City of Franklin, Indiana

By:  (Authorized Officer's Signature)

Steve Barnett, Mayor

(Print Name)

70 E. Monroe Street

(Street Address)

Franklin, Indiana USA 46131

(City) (State) (Country) (Zip Code)

(317) 736-3602

(Phone Number)

mayor@franklin.in.gov

(E-mail)

DTCC

Address)

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

Additional Signature Page to BLANKET ISSUER LETTER OF REPRESENTATIONS For use with Co-Issuers

(Name of Issuer and Co-Issuer(s), if applicable)

In signing this Blanket Issuer Letter of Representations dated as of
Co-Issuer agrees to and shall be bound by all "Issuer" representations.

(Co-Issuer)

By: _____
(Authorized Officer's Signature)

(Print Name)

(Street Address)

(City) (State) (Country) (Zip Code)

(Phone Number)

(E-mail Address)

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

SCHEDULE A
(To Blanket Issuer Letter of Representations)

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

\$(Principal Amount)
COUNTY OF WARREN, OHIO
HEALTHCARE FACILITIES
(OTTERBEIN HOMES OBLIGATED GROUP)
(THE "OHIO BONDS")
-AND-

\$(Principal Amount)
CITY OF FRANKLIN, INDIANA
ECONOMIC DEVELOPMENT REVENUE REFUNDING BONDS, SERIES 2019B
(OTTERBEIN HOMES OBLIGATED GROUP)
(THE "INDIANA BONDS")

DUE DILIGENCE QUESTIONS

Based on our review of the draft of the Preliminary Official Statements for the above-captioned Bonds, Keating Muething & Klekamp, PLL, as counsel to the Underwriter, requests that the Otterbein Homes Obligated Group (the "Obligated Group"), Warren County, Ohio (the "Ohio Issuer"), and Franklin, Indiana (the "Indiana Issuer"), address the following questions:

QUESTIONS FOR THE OHIO ISSUER

1. Have all resolutions been adopted and other official actions been taken that are required for the issuance of the Ohio Bonds under applicable state and local laws? To the best of the knowledge of the Ohio Issuer, are any such governmental actions the subject of active referendum campaigns?
1. Have the appropriate officials of the Ohio Issuer reviewed the current draft of the Preliminary Official Statement for the Ohio Bonds (the "Ohio POS")? If so, please state the name/names of such officials.
2. To the best of the knowledge of the officials of the Ohio Issuer who reviewed the Ohio POS, is the information contained in the Ohio POS true and correct in all material respects?
3. Do you expect that it will be necessary to make any changes to the information concerning the Ohio Issuer in the Ohio POS between now and closing?
4. Are you aware of any pending litigation against the Ohio Issuer that could have an adverse effect on the Ohio Bonds? If so, please provide the details.
5. Will the Ohio Issuer have a written post issuance compliance policy regarding its obligations for purposes of compliance with provisions of the federal income tax code?
6. Has the Ohio Issuer ever defaulted on any debt obligation? If so, please provide the details.

QUESTIONS FOR THE INDIANA ISSUER

1. Have all resolutions/ordinances been adopted and other official actions been taken that are required for the issuance of the Indiana Bonds under applicable state and local laws? To the best of the knowledge of the Indiana Issuer, are any such governmental actions the subject of active referendum campaigns? *All resolutions/ordinances have been adopted and other official actions have been taken that are required for the issuance of the Indiana Bonds under applicable state and local laws, with final approval (including the Common Council Ordinance) anticipated July 15, 2019.*

2. Have the appropriate officials of the Indiana Issuer reviewed the current draft of the Preliminary Official Statement for the Indiana Bonds (the "Indiana POS")? *Yes* If so, please state the name/names of such officials. *Franklin Mayor Steve Barnett, 70 East Monroe Street, Franklin, Indiana.*

3. To the best of the knowledge of the officials of the Indiana Issuer who reviewed the Indiana POS, is the information contained in the Indiana POS true and correct in all material respects? *Yes*

4. Do you expect that it will be necessary to make any changes to the information concerning the Indiana Issuer in the Indiana POS between now and closing? *No*

5. Are you aware of any pending litigation against the Indiana Issuer that could have an adverse effect on the Indiana Bonds? If so, please provide the details. *No*

6. Will the Indiana Issuer have a written post issuance compliance policy regarding its obligations for purposes of compliance with provisions of the federal income tax code? *No*

7. Has the Indiana Issuer ever defaulted on any debt obligation? If so, please provide the details. *No*

QUESTIONS FOR THE OBLIGATED GROUP

1. Please generally discuss the results of the Obligated Group's financial performance during FY 2018.

2. Please generally discuss the results of the Obligated Group's financial performance year-to-date during FY 2019. Any positive or negative trends?

3. Please discuss any material financial challenges that face the Obligated Group and the senior housing industry.

4. Please discuss any material weaknesses, reportable conditions, or findings by the Obligated Group's auditor(s) regarding the Obligated Group's audited financial statements for the two (2) most recent completed fiscal years.

5. What is the status of the Obligated Group's employee pension obligations, including any future unfunded liabilities, or any other material liability (contracts, post employment benefits, etc.)?

6. Are you aware of any current or proposed legislation that would materially impact the Obligated Group's operations?
7. Will the Obligated Group have a written post issuance compliance policy regarding its obligations for purposes of compliance with provisions of the federal income tax code?
8. Have the rating agencies expressed any particular concerns relating to the captioned Bonds? Any expected changes to ratings? If the ratings have been received, have you reviewed the associated report and do you believe the assumptions and conclusions made therein are reasonable?
9. Have the appropriate officials of the Obligated Group reviewed the current draft of the Ohio POS and the Indiana POS (collectively, the "Offering Documents")? If so, please state the name/names of such officials.
10. Do the Offering Documents fail to include any information necessary to make the information contained therein accurate in all material respects?
11. Do you expect that it will be necessary to make any material changes to the information in the Offering Documents between now and closing (except for any changes related to pricing information)?
12. Is there any pending or threatened litigation or proceedings (including any internal investigations) that would affect payment of debt service or bondholder security on the Bonds?
13. Are you anticipating any additional changes to Appendix A prior to the sale or closing of the Bonds?
14. In each of the past five Fiscal Years, has the Obligated Group timely filed all annual financial information and audited financial statements required to be filed in accordance with any agreement entered into pursuant to Section (b)(5) of the SEC Rule 15c2-12 (collectively, the "Continuing Disclosure Agreements") in which the Obligated Group is an "obligated person"? If not, have these filing failures been disclosed in subsequent official statements, and were "notices of failure to file" (timely) filed with EMMA?
15. In the past five years, has the Obligated Group timely filed all notices of any of the events listed in Section (b)(5)(i)(C) of SEC Rule 15c2-12 ("Disclosure Events"), which notice is required to be filed under the Continuing Disclosure Agreements? If not, please discuss. For reference, these Disclosure Events are as follows:
- Principal and interest payment delinquencies;
 - Non-payment related defaults, if material;
 - Unscheduled draws on any debt service reserves or on credit enhancements reflecting financial difficulties;
 - Substitution of credit or liquidity providers, or their failure to perform;
 - Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - Modifications to rights of security holders, if material;
 - Bond calls, if material, and tender offers;

- Defeasances;
 - Release, substitution, or sale of property securing repayment of the securities, if material;
 - Rating changes;
 - Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- Incurrence of a financial obligation of the Obligated Group, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligated Group, any of which affect holders of the Bonds, if material; and
 - Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Obligated Group, any of which reflect financial difficulties.

16. Please briefly describe the procedures followed by Obligated Group to ensure compliance with continuing disclosure obligations.

17. Has an event of default occurred that is continuing with respect to any bonds or notes issued by or on behalf of the Obligated Group?

18. Has the Obligated Group received any audit or examination inquiries from the SEC pertaining to any of its securities within the last five years? If so, what were the results of those inquiries?

19. Has the Obligated Group received any audit inquiries from the Internal Revenue Service pertaining to tax exempt bonds within the last five years? If so, what were the results of those audit inquiries?

20. Other than information provided today and in the Offering Documents, are you aware of any other information or facts that if known by a potential purchaser of the Bonds would affect that purchaser's investment decisions with respect to the Bonds?