

TOWN OF ST. JOHN, LAKE COUNTY, INDIANA

RESOLUTION NO. SD 07-12-17

**A RESOLUTION OF THE BOARD OF SANITARY COMMISSIONERS OF THE
TOWN OF ST. JOHN, INDIANA APPROVING A LOAN EXTENSION TO
THE TOWN OF ST. JOHN, INDIANA**

WHEREAS, the Town of St. John, Lake County, Indiana (the "Town"), has heretofore established, constructed and financed municipal sewage works (the "Sewage Works") and now owns and operates the Sewage Works pursuant to Indiana Code 36-9-23, as amended, and other applicable laws; and

WHEREAS, in 2007, the St. John Sanitary District ("Sanitary District") loaned certain funds to the Town in the amount of \$1,500,000 from the Waste Water Treatment Plant Expansion Fund of the Sewage Works to Fund certain obligations of the Town, which amount has been repaid by the Town in the amount of \$300,000 to the Sewage Works, leaving an outstanding principal balance on the loan (the "Loan") of \$1,200,000; and

WHEREAS, the Sanitary District, agrees to extend the term of the Loan under the following conditions: (a) the Loan be for a term of four (4) years from the date of this Resolution (the "Term"), (b) the Loan shall bear interest at the rate of five percent (5%) per annum during the Term, (c) the Loan shall be pre-payable by the Town at any time during the Term upon seven (7) days' prior written notice to the Sanitary District, and (d) the Sanitary District shall have the right to demand payment from the Town at any time during the Term with 180 days prior written notice to the Town; and

WHEREAS, the Loan shall be junior and subordinate in all respects to any bonds that are currently outstanding which pledge any portion of the revenues of the Sewage Works, including those certain Town of St. John, Lake County, Indiana Sanitary District Works Revenue Bonds of 2004 originally issues in the principal amount of \$3,000,000, and any bonds or other obligations issued on parity with such outstanding bonds (collectively, the "Outstand Bonds"); and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
SANITARY COMMISSIONERS OF THE TOWN OF ST. JOHN, INDIANA, AS
FOLLOWS:**

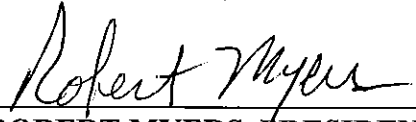
SECTION ONE: The Loan is hereby extended pursuant to the terms as outlined above pursuant to the Act. The Loan shall be junior and subordinate in all respects to the Outstanding Bonds.

SECTION TWO: The Sanitary District President is hereby authorized to approve and execute any and all documents necessary to complete the Loan, and the

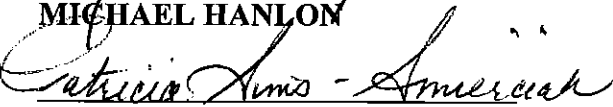
execution of any such documents by the Sanitary District President shall be evidence of such approval.

SECTION THREE: This Resolution shall take effect, and be in full force and effect, from and after its passage by the Board of Sanitary Commissioners of the Town of St. John, Indiana.

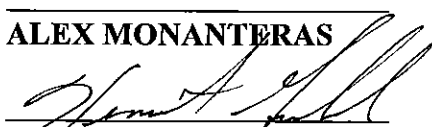
**PASSED AND ADOPTED BY THE BOARD OF SANITARY COMMISSIONERS
OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA THIS 17 DAY
OF DECEMBER, 2007.**


ROBERT MYERS, PRESIDENT

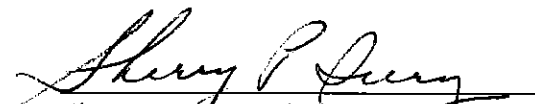

MICHAEL HANLON


PATRICIA SIMS-SMIERCIAK


ALEX MONANTERAS


KENNETH GEMBALA

ATTEST:


Sherry P. Gury, Clerk-Treasurer