

RESOLUTION NO. 8-1

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (KIDZEUM PROJECT), SERIES 2017, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS

WHEREAS, the Industrial Building Revenue Bond Act, 50 ILCS 445/1, *et seq.*, as amended (hereinafter referred to as the "Act"), authorizes and empowers The County of Sangamon, Illinois (the "Issuer") to issue its revenue bonds to defray in whole or in part the reasonable and necessary costs incidental to the construction, rebuilding, acquisition, improvement or extension of any industrial project including without limitation the cost of studies and surveys; plans, specifications, architectural and engineering services; legal, marketing or other special services; financing, acquisition, demolition, construction, equipment and site development or new and rehabilitated buildings, rehabilitation, reconstruction, repair or remodeling of existing buildings and all other necessary and incidental expenses, and in conjunction therewith, to enter into an agreement with any persons, with respect to any economic development project whereby the Issuer agrees to loan the proceeds of its bonds to such person in order to cause the acquisition, construction and equipping of such project, and such person shall agree to pay to the Issuer or for its account an amount sufficient to pay the principal of, interest, and redemption premium, if any, on the bonds of the Issuer issued with respect to such project, all for the purpose of encouraging the increase of industry and commerce within the Issuer, thereby reducing the evils attendant upon unemployment and under employment, and providing for the increased welfare and prosperity of the residents of the Issuer; and

WHEREAS, it has been proposed that the Issuer issue its Economic Development Revenue Bonds (Kidzeum Project), Series 2017, in an aggregate principal amount of \$2,380,000 (the "Bonds") and loan the proceeds thereof to the Borrower for the purpose of financing Borrower's cost of renovation, construction, equipping and improvement of three (3) existing buildings totaling approximately 25,000 square feet located at 412/416 East Adams Street, Springfield, Illinois, all to be owned and operated by Borrower to provide a children's museum in furtherance of its charitable purpose (the "Project"), said location being within the territorial boundaries of the Issuer (the "Project"); and

WHEREAS, drafts of the following documents relating to the Project have been submitted to the County Board and are now, or shall be placed, on file in the office of the County Clerk:

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JUN 23 2017

Andy Goleman
SANGAMON COUNTY AUDITOR

FILED

JUN 28 2017

Don [Signature]
Sangamon County Clerk

(a) Loan Agreement, dated as of July 1, 2017 (the "Loan Agreement"), proposed to be made and entered into by and between the Issuer and the Borrower;

(b) Assignment and Agreement, dated as of July 1, 2017 (the "Assignment"), proposed to be made and entered into between the Issuer and Town and Country Bank as Assignee;

(c) Arbitrage Regulation Agreement, dated as of July 1, 2017 (the "Arbitrage Regulation Agreement"), proposed to be made and entered into by and between the Borrower and the Issuer;

(d) Bond Purchase Agreement, dated July 11, 2017 (the "Bond Purchase Agreement"), proposed to be made and entered into among the Issuer, the Borrower and Town and Country Bank (the "Purchaser"); and

WHEREAS, the Project will provide for the economic development of the Issuer, and provide for increased employment, increased revenue and an increased tax base for the Issuer and promote the health, safety and welfare of the Issuer; and

WHEREAS, the Issuer proposes to sell the Bonds hereinafter authorized upon a negotiated basis to the Purchaser.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF THE COUNTY OF SANGAMON, ILLINOIS, AS FOLLOWS:

Section 1. Definitions. Terms defined in the Loan Agreement and used herein shall have the meanings set forth in the Loan Agreement unless the context or use indicates another or different meaning. The words "hereof," "herein," "hereunder" and other words of similar import refer to this Bond Resolution as a whole.

Section 2. Authorization of the Project. That in order to promote the general welfare of The County of Sangamon, Illinois and its inhabitants by providing for the economic development of the Issuer and providing increased employment, increased revenue and an increased tax base for the Issuer, the Project shall be and are hereby authorized to be financed as described herein. It is hereby found and declared that the financing for the Project, and the use thereof by the Borrower as hereinafter provided is necessary to accomplish the public purposes described in the preamble hereto and in the Act.

Section 3. Authorization and Payment of Bonds. That for the purpose of financing the cost of the Project, there shall be and there is hereby authorized to be issued the Bonds. The Bonds shall be dated as of the date of issuance thereof, and be payable to the order of the Purchaser in the amount and on the dates set forth in the Bond form, shall bear interest on the unpaid principal installments at the rate set forth in the Bond form, and shall contain such other terms as are contained in the Bond form.

In the event of prepayment, the Bonds may be redeemed by the Bond Registrar as directed by the Assignee at a prepayment price as set forth in the Bond form upon written notice to the Registered Owners of the Bonds given by the Borrower on behalf of the Issuer, at least five (5) business days prior to the date which the Borrower shall have designated as the prepayment date. In the event the Bonds are redeemed in part, the Registered Owner of the Bonds shall deliver the Bonds to the Paying Agent for an endorsement which duly notes the redemption in part. Any failure to have duly noted or endorsed such prepayment shall not render such prepayment ineffective. In addition, the Bonds are subject to redemption as set forth in the Loan Agreement.

All principal installments of the Bonds or portion thereof designated for prepayment will cease to bear interest on the specified prepayment date, provided funds for their prepayment are on deposit at the place of payment at that time.

The principal installments of (except the final installment which will be paid upon presentment at the principal office of the Paying Agent) and interest on the Bonds shall be payable by check or draft of the Paying Agent mailed to the Registered Owner of the Bonds at the address as shown in the Bond Register.

The Bonds shall be signed by the Chairman of the County Board and attested by the County Clerk of the Issuer and the corporate seal of the Issuer shall be affixed thereto.

The Bonds, together with interest thereon, shall be limited obligations of the Issuer secured by, among other things, the Assignment and payable solely from the receipts derived from and as described in the Loan Agreement (except to the extent paid out of moneys attributable to the Bond proceeds or the income from the temporary investment thereof) and shall be a valid claim of the Registered Owners hereof only against moneys required to be applied to the payment of the Bonds and other moneys held by the Assignee and Paying Agent and the receipts derived from the Loan Agreement, which receipts shall be used for no other purpose than to pay the principal installments of, and interest on the Bonds, except as may be otherwise expressly authorized in this Bond Resolution. The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provisions of the State of Illinois, but shall be secured by the Assignment, and payable solely from the receipts from the Loan Agreement. Without limiting the foregoing, the Issuer makes no representation that interest on the Bonds is or will continue to be tax-exempt under the Code, and expressly disclaims any liability for absence or loss of any such tax-exempt status for any reason whatsoever.

Section 4. Bond Form. That the Bonds shall be in substantially the form as shown on attached Exhibit A, with appropriate insertions.

Section 5. Creation of the Project Fund and Bond Fund; Custody and Application of Proceeds of Bonds.

(a) Project Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated “The County of Sangamon Economic Development Revenue Bonds Project Fund (Kidzeum Project)” (the “Project Fund”). The proceeds received by the Issuer upon the sale of the Bonds shall be deposited in the Project Fund which shall be held in a separate account by the Assignee. Moneys in the Project Fund shall be expended in accordance with the provisions of the Loan Agreement, and particularly Article IV thereof.

The Assignee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after the Project has been completed and a certificate of payment of all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

Upon completion of the Project and payment of all costs and expenses incident thereto, any moneys thereafter remaining in the Project Fund shall be applied in accordance with Sections 4.3 and 9.3 of the Loan Agreement.

(b) Bond Fund. There is hereby created and established with the Assignee a special fund in the name of the Issuer to be designated “The County of Sangamon Economic Development Revenue Bonds Bond Fund (Kidzeum Project)” (the “Bond Fund”). The payments of the Borrower received by the Issuer or the Assignee shall be deposited in the Bond Fund which shall be held in a separate account by the Assignee. Moneys in the Bond Fund shall be held for application to payment of the Bonds and shall be timely paid over to the Paying Agent for application in accordance with the provisions of this Bond Resolution.

The Assignee shall keep and maintain adequate records pertaining to the Bond Fund and all disbursements therefrom, and after all the Bonds have been paid and all costs filed as provided in this Section, the Assignee upon request shall deliver copies of such records to the Issuer and the Borrower.

The payment of all the Bonds and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Issuer and the Assignee of a certificate of the Authorized Borrower Representative (as set forth in Section 10.1 of the Loan Agreement).

Section 6. Payment of Amounts Under the Loan Agreement. It is the declared intention of the Issuer to authorize the disbursement of the proceeds of the Bonds in order to finance the acquisition, construction and improvement of the Project pursuant to the Loan Agreement in substantially the form which has been presented to and is hereby approved by the County Board of the Issuer.

The Chairman of the County Board is hereby authorized to execute and acknowledge said Loan Agreement for and on behalf of the Issuer, and the County Clerk is hereby authorized to attest same and to affix thereto the corporate seal of the Issuer.

The Loan Agreement and the Notes and the receipts therefrom, including all moneys received under their terms and conditions, are intended to be sufficient to pay the principal installments of and interest on the Bonds hereby authorized and are hereby pledged and ordered paid to the Registered Owners of the Bonds for payment of the Bonds. The Loan Agreement provides that the Borrower shall remit the required payments thereunder directly to the Assignee for deposit in the Bond Fund for payment of the Bonds and such provision for payment is hereby expressly approved.

Section 7. Receipts. Notwithstanding any provision of this Bond Resolution or the Loan Agreement to the contrary, the Bonds and all payments required of the Issuer hereunder are not general obligations of the Issuer but are special and limited obligations secured by the Assignment and are payable by the Issuer solely and only out of the receipts derived from the Loan Agreement and the Notes as provided herein and therein.

There shall be deposited in the Bond Fund and applied to the payment of the Bonds, as and when received, (a) a sum equal to the accrued interest paid by the purchaser of the Bonds, if any; (b) all prepayments specified in the Loan Agreement; and (c) all other moneys required to be deposited under and pursuant to any of the provisions of the Loan Agreement and the Notes. The Assignee is authorized and directed to transfer amounts available therefor to the Paying Agent for the payment when due of the principal of and interest on the Bonds.

The Issuer covenants and agrees that should there be a default under the Loan Agreement, the Issuer shall fully cooperate with the Assignee and with the Registered Owners of the Bonds to enforce the obligations of the Borrower under the Loan Agreement and the Notes to the end of fully protecting the rights and security of such Registered Owners. Nothing herein shall be construed as requiring the Issuer to use any funds or receipts from any source other than funds and receipts derived from or as described in the Loan Agreement and the Notes, or to undertake to perform the obligations of the Borrower under the Loan Agreement and the Notes, including without limitation the obligation to complete the Project.

Any amounts held by the Assignee, after payment in full of the principal installments of and interest on the Bonds (or provision for payment thereof as provided in this Bond Resolution) and the charges and expenses of the Bond Registrar and Paying Agent, shall be paid to the Borrower upon the expiration or sooner termination of the term of the Loan Agreement.

Section 8. Assignment. As security for the due and punctual payment of the principal installments of and interest on the Bonds hereby authorized, the Issuer hereby assigns and pledges to the Assignee, the Loan Agreement and the Notes, including all receipts derived by the Issuer pursuant to the Loan Agreement and the Notes (except any payment made pursuant to Sections 2.3, 3.4, 6.2, 6.4, 8.2, 8.3, 8.5, 8.6 and 8.7 of the Loan Agreement relating to reimbursement or indemnification of the Issuer by the Borrower) and all rights and remedies of

the Issuer under the Loan Agreement and the Notes to enforce payment thereof, including evidence of such assignment and of the agreement of the Assignee to accept its responsibilities with respect to the moneys to be applied to the payment of the Bonds, the Chairman of the County Board is hereby authorized to execute for and on behalf of the Issuer, and the Chairman of the County Board and County Clerk are authorized and directed to cause the Assignment to be executed by the Assignee, with the Assignment to be in substantially the form which has been presented to and is hereby approved by the County Board of the Issuer.

Section 9. Investments: Arbitrage. Any moneys held as part of the Project Fund created pursuant to Section 5 hereof or held by the Assignee for application to payment of the Bonds, may be invested or reinvested on the direction of the Borrower, in accordance with the provisions of the Loan Agreement and this Bond Resolution. Any such investment shall be held by or under control of the Borrower, Assignee or Bond Registrar and shall be deemed at all times a part of the account from which such investment was made and the interest accruing thereon and any profit realized from such investments shall be credited to such account, and any loss resulting from such investments shall be charged to such account, which loss shall be an obligation of the Borrower as provided in the Loan Agreement.

As and when any amount invested pursuant to this Section may be needed for disbursement, the Borrower may direct the Assignee to cause a sufficient amount of the investments to be sold and reduced to cash to the credit of such accounts regardless of the loss on such liquidation which loss shall be the obligation of the Borrower to restore to the affected fund as described in the Loan Agreement.

With respect to Section 148 of the Code, the Borrower has made certain certifications, representations and warranties to the Issuer in Sections 2.2 and 2.3 of the Loan Agreement, which certifications, representations and warranties by this reference are incorporated herein and made a part hereof. The Issuer agrees to comply with all provisions of the Code which, if not complied with by the Issuer, would cause the Bonds not to be tax-exempt. The County Board of the Issuer, acting in reliance upon such certifications, representations and warranties, in furtherance of the foregoing provisions, but without limiting their generality, agrees that it will not take or authorize the taking of any action which will affect the tax-exempt status of the Bonds under the Code or will cause the Bonds to be classified as an "arbitrage bond" within Section 148 of the Code and regulations or rulings lawfully promulgated thereunder.

The Issuer recognizes that the provisions of Section 148 of the Code require a rebate to the United States government in certain circumstances, and pursuant to the Arbitrage Regulation Agreement, authorizes the creation, as necessary, and orders established with the Assignee, a trust fund in the name of the Issuer to be designated "The County of Sangamon Economic Development Revenue Bonds Rebate Fund (Kidzeum Project)" (the "Rebate Fund"), which shall be held, invested, expended and accounted for at the direction of the Borrower and at the Borrower's expense in accordance with the Assignment, the Loan Agreement and the Arbitrage Regulation Agreement. Such Rebate Fund shall not be considered moneys held under the Assignment and shall not constitute part of the Project held for the benefit of the Registered Owners, the Issuer, or the Borrower, but shall be held on behalf of the United States government

as contemplated by the provisions of the Arbitrage Regulation Agreement and subject to direction by the Borrower as provided in the Arbitrage Regulation Agreement.

Moneys in the Rebate Fund shall be held in trust and, except for those excess amounts which may be transferred to the Assignee as funds to be held and applied under the Assignment, shall be held for future payment at the Borrower's direction to the United States government as contemplated under the provisions of the Arbitrage Regulation Agreement.

Notwithstanding the foregoing, exemptions to rebate requirements applicable to the Bonds appear at Treasury Regulation 1.148-7. Based upon the certifications of the Borrower, no rebate is required or planned by the Issuer. In support of this conclusion, the Chairman of the County Board and the County Clerk may make such further certifications and covenants as they deem necessary in the Arbitrage Regulation Agreement.

Section 10. General Covenants. The Issuer covenants that it will promptly cause to be paid solely and only from the source mentioned in the Bonds, the principal installments of and interest on the Bonds hereby authorized at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof. The Bonds and the obligation to pay interest thereon are limited obligations of the Issuer, secured by, among other things, the Assignment and payable solely out of the receipts derived by the Issuer from the Loan Agreement and the Notes and otherwise as provided herein and in the Loan Agreement and the Notes. The Bonds and the obligation to pay interest thereon shall not be deemed to constitute an indebtedness or a loan of credit of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against their general taxing powers, within the meaning of any constitutional or statutory provision of the State of Illinois. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Resolution, in the Bonds and in all proceedings of its County Board pertaining thereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Illinois, including particularly and without limitation the Act, to issue the Bonds authorized hereby, and to pledge and assign the receipts hereby pledged and assigned in the manner and to the extent herein set forth; and that all action on its part for the issuance of the Bonds has been duly and effectively taken and that the Bonds are and will be a valid and enforceable limited obligation of the Issuer according to the true intent and meaning thereof, except as the enforceability of the same may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors' rights, and to the exercise of judicial discretion in accordance with general principles of equity.

The Issuer covenants that it will execute, acknowledge and deliver such instruments and other documents as the Registered Owners of the Bonds or the Assignee may reasonably require for the better assuring, granting, pledging and assigning unto the Assignee the interest of the Issuer in the Loan Agreement and the Notes, as well as the rights of the Issuer in and to the receipts hereby assigned and pledged to the payment of the principal installment of and interest on the Bonds. The Issuer covenants and agrees that, except as herein and in the Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of the

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receipts derived from the Loan Agreement and the Notes or of its rights under the Loan Agreement and the Notes.

The Issuer covenants and agrees that all books and documents in its possession relating to the receipts derived from and as described in the Loan Agreement and the Notes shall at all reasonable times be open to inspection by the Registered Owners of the Bonds or such accountants or other agencies as such Registered Owners may from time to time designate.

Section 11. Event of Default and Remedies. Upon the occurrence of an Event of Default and so long as such event is continuing, the Assignee by notice in writing delivered to the Issuer and the Borrower, may declare the principal installments of the Bonds and the interest accrued thereon immediately due and payable, and such principal installments and interest shall thereupon become and be immediately due and payable. Upon any such declaration all payments under the Loan Agreement and the Notes from the Borrower immediately shall become due and payable as provided in the Loan Agreement.

While any principal installments of the Bonds or interest are unpaid, the Issuer shall not exercise any of the remedies on default specified in Section 8.2 of the Loan Agreement without prior written consent of the Assignee.

Upon the occurrence of an Event of Default, the Assignee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal installments and interest on the Bonds and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth and of the Borrower as set forth in the Loan Agreement and the Notes.

No remedy by the terms of this Bond Resolution conferred upon or reserved to the Assignee is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Assignee or to the Registered Owner hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time as often as may be deemed expedient.

All moneys received pursuant to any right given or action taken under the provisions of this Section or under the provisions of the Loan Agreement (after payments of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Issuer, the Assignee or the Registered Owners of the Bonds) and all moneys held by the Assignee at the time of the occurrence of an Event of Default shall be applied to the payment of the principal installments and interest then due and unpaid upon the Bonds to the person entitled thereto.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Paying Agent or the Assignee as the case may be shall determine, but in any event within fifteen (15) business days after receipt of such moneys by the Paying Agent or the Assignee as the case may be. The Paying Agent shall give such notice as it may deem appropriate of the receipt of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Registered Owner of any Bond until such Bond shall be presented to the Paying Agent for appropriate endorsement or for cancellation if fully paid.

Whenever all principal installments and interest on the Bonds have been paid under the provisions of this Section and all expenses of the Assignee, Paying Agent, Bond Registrar and the Issuer have been paid, any balance remaining with the Assignee shall be paid to the Borrower.

With regard to any default concerning which notice is given to the Borrower under the provisions of this Section, the Issuer hereby grants the Borrower full authority for account of the Issuer to perform or observe any covenant or obligation alleged in said notice not to have been performed or observed, in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do in order to remedy such default.

Section 12. Sale of the Bonds; Execution of Bond Purchase Agreement. The sale of the Bonds (the execution and issuance of which is authorized pursuant to Section 13 hereunder) to the Purchaser at a price of par plus accrued interest, if any, and payment pursuant to the Bond Purchase Agreement is hereby in all respects authorized, approved and confirmed. The Bond Purchase Agreement in substantially the form which has been presented to this County Board is hereby approved.

The Chairman of the County Board is hereby authorized and directed to execute said Bond Purchase Agreement for and on behalf of the Issuer, and the County Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the Issuer.

Section 13. Performance Provisions. The forms, terms and provisions of the proposed Loan Agreement, Bond Purchase Agreement, Notes, Assignment, and Arbitrage Regulation Agreement (the "Issuer Documents") are hereby in all respects approved, and the Chairman of the County Board and County Clerk are hereby authorized, empowered and directed to execute and deliver the Issuer Documents in the name and on behalf of the Issuer. The Issuer Documents, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Issuer Documents now before this meeting.

The Chairman of the County Board and County Clerk be, and they are hereby, further authorized and directed for and on behalf of the Issuer, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority

conferred by this Bond Resolution or to evidence said authority and to exercise and otherwise take all necessary action to the full realization of the rights, accomplishments and purposes of the Issuer under the Loan Agreement, the Assignment, the Bond Purchase Agreement, and the Arbitrage Regulation Agreement and to discharge all of the obligations of the Issuer thereunder. From and after the execution and delivery of the Issuer Documents authorized by this Bond Resolution, the officers, agents and employees of the Issuer are hereby further authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out the intent and accomplish the purposes of this resolution and to comply with and make effective the provisions of the instruments as executed.

Section 14. Other Tax Covenants.

A. The Issuer recognizes the provisions of Section 265(b)(3) of the Code which provide that a “qualified tax exempt obligation” as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Issuer hereby designates each of the Bonds as may be from time to time outstanding for purposes of Section 265(b)(3) of the Code as a “qualified tax exempt obligation”. In making such designation, the Issuer is relying upon covenants and warranties of the Borrower and continued compliance in connection with Section 501(c)(3) of the Code and the status of the Bonds as “Qualified 501(c)(3) Bonds” under Section 141(e)(1)(G).

In support of such designation, the Issuer further certifies, represents and covenants as follow:

1) Including the Bonds, the Issuer (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in “tax-exempt obligations” during calendar year 2017. The term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in Section 145 of the Code) but does not include other “private activity bonds” (as defined in Section 141 of the Code) and does not include current refunding bonds except to the extent the amount of such current refunding bonds exceeds the amount of the bonds refunded with such current refunding bonds.

2) Including the Bonds, not more than \$10,000,000 of obligations issued by the Issuer (including any entities subordinate thereto) during calendar year 2017 have been to date or will be designated by the Issuer as “qualified tax-exempt obligations” for purposes of said Section 265(b)(3).

B. The Bonds are qualified 501(c)(3) “private activity bonds” as defined in Section 141(e)(1)(G) of the Code. In support of such conclusion, the Issuer certifies, represents and covenants as follows:

1) All property which is to be provided by the net proceeds of the issue is to be owned by a 501(c)(3) organization or a governmental unit.

2) No direct or indirect payments are to be made on any Bonds with respect to any private business use by any person other than the qualified 501(c)(3) organization.

3) None of the proceeds of the Bonds are to be used, directly or indirectly, to make or finance loans to persons other than a qualified 501(c)(3) organization.

C. The Issuer recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain tax-exempt. In this connection, the Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 15. Notices. It shall be sufficient service of any notice or other paper on the Issuer if the same shall be duly mailed to the Issuer by registered or certified mail, postage prepaid, return receipt requested, addressed to the Issuer at The County of Sangamon, Sangamon County Court House, 200 South 9th Street, Springfield, Illinois 62701, Attention: County Board Chairman, or to such other address as the Issuer may from time to time file with the Assignee and the Borrower. It shall be sufficient service of any notice or other paper on the Borrower if the same shall be duly mailed to the Borrower by registered or certified mail, postage prepaid, return receipt requested, addressed to Children’s Museum Foundation Corporation, P.O. Box 9863, Springfield, Illinois 62791, Attention: President, or to such other address as the Borrower may from time to time file with the Issuer and the Assignee. It shall be sufficient service of any notice or other paper on the Assignee if the same shall be duly mailed to the Assignee by registered or certified mail, postage prepaid, return receipt requested, addressed to Town and Country Bank, P.O. Box 13255, Springfield, Illinois 62791-3255, Attention: Commercial Loan Department, or to such other address or addresses as the Assignee may from time to time file with the Issuer and the Borrower

Section 16. Resolution a Contract; Provisions for Modifications, Alterations and Amendments. The provisions of this Bond Resolution shall constitute a contract between the Issuer and the Registered Owner or Registered Owners of the Bonds hereby authorized; and after the issuance of the Bonds no modification, alteration, or amendment or supplement to the provisions of this Bond Resolution shall be made in any manner except with the written consent of the Registered Owner or Registered Owners of the Bonds until such time as all principal installments of, and interest on the Bonds shall have been paid in full.

Section 17. Satisfaction and Discharge. All rights and obligations of the Issuer and the Borrower under the Loan Agreement, the Notes, the Assignment, the Bonds, the Bond Purchase Agreement and this Bond Resolution shall terminate and such instruments shall cease to be of further effect and the Assignee and Paying Agent shall cancel the Bonds, deliver them to the Issuer, and deliver a copy of the canceled Bonds to the Borrower, and shall assign and deliver to the Borrower any moneys held by the Assignee and Paying Agent required to be paid to the Borrower under Section 7 hereof (except moneys held by the Paying Agent for the payment of principal of or interest on the Bonds) when:

(a) all expenses of the Issuer, the Assignee, the Registrar and the Paying Agent shall have been paid;

(b) the Issuer and the Borrower shall have performed all of their covenants and promises in the Loan Agreement, the Notes, the Assignment, the Bonds, the Bond Purchase Agreement and in this Resolution; and

(c) all principal installments and interest on the Bonds have been paid.

Section 18. Severability. If any section, paragraph, clause or provision of this resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

Section 19. Captions. The captions or headings of this resolution are for convenience only and in no way define, limit or describe the scope or intent of any provision of this resolution.

Section 20. Provisions In Conflict Repealed. All resolutions, and orders, or parts thereof, in conflict with the provisions of this resolution are to the extent of such conflict, hereby repealed, and this Bond Resolution shall be in full force and effect upon its passage and approval as required by law.

AND BE IT FURTHER RESOLVED, that the Chairman of the County Board of The County of Sangamon is authorized to execute all documents necessary to effectuate this Bond Resolution.

This Bond Resolution is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of a majority of the members of the County Board of The County of Sangamon, Illinois, at a regular meeting of said County Board on this July 11, 2017.

PASSED by the County Board this July 11, 2017.

Chairman of the County Board

(SEAL)

County Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, Don Gray, hereby certify that I am the duly qualified and acting County Clerk of The County of Sangamon, Illinois and as such official I further certify that attached hereto is a copy of a RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (KIDZEUM PROJECT), SERIES 2017, AUTHORIZING EXECUTION OF A LOAN AGREEMENT, AN ASSIGNMENT AND AGREEMENT, AND A BOND PURCHASE AGREEMENT, ALL RELATIVE TO SAID BONDS, AND AUTHORIZING OTHER ACTION TO BE TAKEN WITH RESPECT TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS, dated as of July 11, 2017 (the "Bond Resolution") adopted at the meeting of the County Board of The County of Sangamon, Illinois held on July 11, 2017; that I have compared said copy with the original Bond Resolution in my official custody; that said copy is true, correct and complete; and that as of the date hereof the attached Bond Resolution is still in full force and effect and has not been amended, repealed or rescinded.

I further certify that in accordance with the requirements of The Open Meetings Act, 5 ILCS 120/1, *et seq.*, public notice of the regular dates, times and places of the regular meetings of the County Board of The County of Sangamon, Illinois was given at the beginning of the 2017 calendar or fiscal year of The County of Sangamon, Illinois by posting a copy of such notice at the principal office of the County Board, namely at Room 201, Sangamon County Court House, 200 South Ninth Street, Springfield, Illinois, and by supplying copies of such notice to any local newspaper of general circulation or any local radio or television station that has filed an annual request for such notice.

I further certify that all meetings of the County Board concerning the \$2,380,000 Economic Development Revenue Bonds (Kidzeum Project), Series 2017 were held at times and places convenient to the public and specified in the notice regarding said meetings, and that said meetings were public meetings.

WITNESS my official signature and seal of The County of Sangamon, Illinois this July 14, 2017.

County Clerk

(SEAL)

814

EXHIBIT A
(FORM OF BOND)

UNITED STATES OF AMERICA
THE COUNTY OF SANGAMON, ILLINOIS
ECONOMIC DEVELOPMENT REVENUE BONDS
(KIDZEUM PROJECT)
SERIES 2017

No. ____

\$2,380,000.00

KNOW ALL MEN BY THESE PRESENTS that The County of Sangamon, Illinois (the “Issuer”), a county of the State of Illinois, for value received, promises to pay from the source and as hereinafter provided, to the order of TOWN AND COUNTRY BANK, or registered assigns, the principal sum of TWO MILLION THREE HUNDRED EIGHTY THOUSAND DOLLARS, in installments of principal as hereinafter provided and to pay interest on the unpaid balance of said principal sum as hereinafter provided, until the principal amount is paid in full.

(1) Interest shall be calculated on the outstanding principal amount of this Bond from the date of the authentication of this Bond at an interest rate per annum equal to the Five Year Rate, provided however that the interest rate shall be adjusted to the then existing Five Year Rate on the Adjustment Dates; and further provided that from and after any Effective Date of Taxability as defined in the Loan Agreement, this Bond shall bear interest at the Taxable Interest Rate as adjusted on the Adjustment Dates.

(2) If there is a Change of Law, the interest rate on this Bond shall change accordingly to compensate the holder for such change in the effective yield on this Bond. In the event of an increase or decrease in the Corporate Tax Rate of the Purchaser, enacted or effective after the date of issuance of this Bond, the interest rate set forth herein (other than any interest rate in effect following a Determination of Taxability or an Event of Default) shall be decreased (in the case of an increase in the Corporate Tax Rate) or increased (in the case of a decrease in said Corporate Tax Rate) to the Adjusted Tax Exempt Rate, effective as of the date of such change in the Corporate Tax Rate.

(3) “Adjustment Dates” means July 14, 2022 and July 14, 2027.

(4) “Adjusted Tax Exempt Rate” means the product of (a) the interest rate on the Bonds times (b) a fraction (expressed as a decimal) the numerator of which is the number 1 minus the Corporate Tax Rate in effect following the change in the Corporate Tax Rate and the denominator of which is the number 1 minus the Corporate Tax Rate in effect on the date of the original issuance of the Bonds.

(5) “Agreement” means the Loan Agreement dated as of July 1, 2017 between the Issuer and the Borrower.

(6) “Base Rate” means a rate equal to the sum of the published Federal Home Loan Bank of Chicago Five Year Term with Fifteen Year Amortization Period Advance Rate plus 3.00%.

(7) “Bonds” means the Issuer’s Economic Development Revenue Bonds (Kidzeum Project), Series 2017, in an aggregate principal amount of \$2,380,000.

(8) “Borrower” means Children’s Museum Foundation Corporation, an Illinois not-for-profit corporation and a 501(c)(3) organization.

(9) “Change in Law” means a change in the Code, the regulations promulgated thereunder or in the interpretation thereof by any court, administrative authority or other governmental authority (other than an Event of Taxability) which takes effect after the date of issuance of the Bonds, and which changes the effective yield on the Bonds to the Purchaser, including, but not limited to, changes in the Corporate Tax Rate.

(10) “Code” means the Internal Revenue Code of 1986, as now or hereafter amended, and applicable regulations. All references herein to sections of the Code are to the sections thereof as they existed on the date of execution of the Loan Agreement.

(11) “Corporate Tax Rate” shall mean the highest marginal statutory rate of Federal income tax imposed on corporations and applicable to the Purchaser.

(12) “Five Year Rate” means a rate of interest per annum equal to 67% of Base Rate on the date the Bonds are issued, subject to adjustment on the Adjustment Dates to 67% of the then existing Base Rate.

(13) “Interest Payment Date” means the fourteenth (14th) day of each month commencing August 14, 2017.

(14) “Overdue Rate” means the applicable interest rate (Five Year Rate, Adjusted Tax Exempt Rate or Taxable Interest Rate, as the case may be) plus 2.00%.

(15) “Purchaser” means Town and Country Bank, Springfield, Illinois, a state banking corporation.

(16) “Principal Payment Date” means an Interest Payment Date occurring on and after August 14, 2018.

(17) “Resolution” means Resolution No. ___ adopted by the County Board of the Issuer on July 11, 2017 authorizing issuance of the Bonds.

(18) “Taxable Interest Rate” means a rate of interest per annum equal to the Base Rate. The Taxable Interest Rate shall be adjusted to the then existing Taxable Interest Rate on the Adjustment Dates.

(19) Principal advances shall be made on this Bond from time to time in accordance with the Agreement. Interest shall be calculated on the then outstanding principal amount of this Bond (not on the unpaid principal amount of the Promissory Note) from the date hereof at the Five Year Rate as provided herein; provided, however, that from and after any Effective Date of Taxability, as defined in the Agreement, this Bond shall bear interest at the Taxable Interest Rate.

(20) Time is of the essence with respect to this Bond. In the event any payment is not made when due hereunder, the Borrower shall pay to the Assignee, a "late charge" equal to the Overdue Rate times the amount of such principal, interest or other charges to cover the extra expenses involved in handling delinquent payment. In addition, upon acceleration of the Note, as defined in the Agreement, all amounts payable as a result of such acceleration shall bear interest at the Overdue Rate from the date of acceleration until paid. In the event of any Event of Default under the Agreement, the Bond shall bear interest at the Overdue Rate.

(21) Monthly interest payments shall be payable on the Interest Payment Dates in arrears, calculated at the applicable interest rate for the actual number of days elapsed, with a 360 day year basis. Principal repayments shall be made monthly on each Principal Payment Date in amounts calculated in accordance with the attached Amortization Schedule. All payments of principal and interest shall be due and payable on the Payment Dates through July 14, 2032, when payment shall be made of all principal then remaining unpaid together with interest thereon. All payments shall be applied first to interest due and the balance to repayment of principal.

(22) The Issuer has authorized the issuance of the Bonds for the purpose of providing funds to pay a portion of the cost of acquiring, constructing, equipping and improving a certain project as describe in the Resolution.

(23) Principal of and interest and premium, if any, on this Bond are payable in lawful money of the United States of America at the office of Town and Country Bank, Springfield, Illinois. Payment of principal and interest on this Bond shall be made to the registered owner thereof and shall be paid by check or draft mailed to the registered owner at his address as it appears on the registration books of Issuer or at such other address as is furnished to Issuer in writing by such registered owner.

(24) The proceeds from the sale of the Bonds have been lent by the Issuer to the Borrower under the terms of the Agreement, under which the Borrower is obligated to pay amounts which are sufficient to pay (1) the principal of and premium, if any, and interest on the Bonds as the same shall become due in accordance with the terms and provisions of the Bonds t the Agreement, and (2) the fees and expenses of any paying agents properly payable under the Agreement and certain expenses of the Issuer.

(25) The Bonds are secured by an Assignment and Agreement dated as of July 1, 2017, between the Issuer and the Purchaser. Reference is hereby made to the Agreement for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of Issuer, and the owner of the Bonds, and the terms upon which the Bonds is issued and secured.

(26) This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges provided in the Agreement, and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Issuer and any paying agents may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes, and Issuer shall not be affected by the notice to the contrary.

(27) The Bonds are issuable only as fully registered bonds without coupons. Subject to the limitations and upon payment of the charges provided in the Agreement a registered Bond without coupons may be exchanged for a like aggregate principal amount of registered Bonds without coupons of other authorized denominations of the same series and the same maturity.

(28) The principal installments of the Bonds are subject to prepayment as set forth in the Agreement.

(29) In the event of prepayment, the Bonds may be redeemed at a prepayment price as set forth in the Loan Agreement upon written notice to the Registered Owners of the Bonds given by the Borrower on behalf of the Issuer, at least five (5) business days prior to the installment payment date which the Borrower shall have designated as the prepayment date. Reference is hereby made to the Loan Agreement for a description of the circumstances under which the Borrower may prepay or be required to prepay the amounts payable under the Lan Agreement.

(30) In the event the Bonds are redeemed in part, the Registered Owner of the Bonds shall deliver the Bonds to the Paying Agent for an endorsement which duly notes the redemption in part. Any failure to have duly noted or endorsed such prepayment shall not render such prepayment ineffective.

(31) In the event the Borrower prepays the Bonds in part, the Borrower shall be required to continue to make payments on each subsequent Principal Payment Date until the entire principal balance of the Bonds is paid in full.

(32) The Bonds are issued pursuant to and in full compliance with the Industrial Building Revenue Bond Act, 50 ILCS 445/1, *et seq.*, as amended, and by appropriate action duly taken by the County Board of the Issuer which authorizes the execution and delivery of the Agreement. Payments sufficient for the prompt payment, when due, of the principal of and premium, if any, and interest on the Bonds are to be paid to Town and Country Bank, Springfield, Illinois for the account of Issuer and deposited in a special account created by Issuer and designated "The County of Sangamon Economic Development Revenue Bonds Bond Fund (Kidzeum Project)" and such payments have been duly pledged and assigned for that purpose, and in addition, the rights of Issuer (other than certain indemnification rights and the payment of certain expenses of Issue) under the Agreement have been assigned to the Purchaser to secure

payment of such principal and premium, if any, and interest under the Agreement. The Bonds are issued in part pursuant to the Local Government Debt Reform Act.

(33) THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER NOR A LOAN OF THE CREDIT OF THE ISSUER OR THE STATE OF ILLINOIS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE TAXING POWER OF THE STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

(34) The owner of this Bond shall have no right to enforce the Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, unless an Event of Default, as defined in the Agreement shall have occurred. In certain events, on the conditions, in the manner and with the effect set forth in the Agreement, the principal of the Bonds and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon.

(35) The Agreement permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Issuer and the rights of the owner of the Bonds at any time by Issuer with the consent of the owner the Bonds. Any such consent or waiver by the owner of the Bonds shall be conclusive and binding upon such owner and upon all future owners of this Bond and of any Bond issued in replacement thereof whether or not notation of such consent or waiver is made upon this Bond. The Agreement also contains provisions permitting waiver of certain past defaults under the Agreement and their consequences.

(36) The Issuer has designated the Bonds "qualified tax-exempt obligations" under Section 265(b)(3) of the Code.

(37) It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Agreement and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Bond and the issue of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation; and that the amounts payable under the Agreement and pledged to the payment of the principal of and premium, if any, and interest on this Bond and the issue of which it forms a part, as the same become due, will be sufficient in amount for that purpose.

IN WITNESS WHEREOF, The County of Sangamon, Illinois, has caused this Bond to be executed in its name by the manual signature of its County Chairman and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual signature of its County Clerk, all as of the _____, 20__.

THE COUNTY OF SANGAMON, ILLINOIS

By: _____
Chairman of the County Board

(SEAL)
ATTEST:

County Clerk

(Form of Certificate of Authentication)

This Bond is one of the Bonds described in the within mentioned Resolution No. _____ of The County of Sangamon, Illinois.

Registration Date: _____

TOWN AND COUNTRY BANK

By: _____
Authorized Signature

Bond Registrar and Paying Agent:

Town and Country Bank
Springfield, Illinois

AMORTIZATION SCHEDULE

Each payment of interest shall be calculated so as to equal the interest for the period preceding the Payment Date. Each payment of principal shall be calculated by amortizing the outstanding principal balance of the Bonds as of the Payment Date at the interest rate then applicable using an amortization factor resulting in maturity on July 14, 2032.

(Form for Transfer)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____

(Print name, address and employer identification number or social security number of Transferee)
the within Bond and all rights thereunder, and hereby irrevocable constitutes and appoints _____, Attorney to transfer the within Bond on the Bond Register kept for registration thereof, with full power of substitution in the premises.

Dated: _____

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

Signature Guaranteed By:

(Name of Bank)

By: _____

Title: _____

Finance Committee

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<u>Greg Smith</u>	, Chairman	_____	, Member
<u>Debra Burch</u>	, Member	_____	, Member
<u>Cathy Scife</u>	, Member	_____	, Member
<u>Rose Ruzic</u>	, Member	_____	, Member
<u>Jim Bell</u>	, Member	_____	, Member
<u>J. Smith</u>	, Member	_____	, Member