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NEW ISSUE
Book-Entry-Only

Rating: S&P Global Ratings "A+"

*This Preliminary Official Statement is deemed "nearly final"
and is dated August 6, 2018*

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, ("Bond Counsel") under existing laws, interest on the Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds. In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, under existing laws, interest on the Bonds is exempt from income taxation in the State of Indiana, except for the financial institutions tax. See "TAX MATTERS" and Appendix E herein.

\$15,285,000*
TIPTON COUNTY, INDIANA JAIL BUILDING CORPORATION
Tipton County, Indiana
LEASE RENTAL REVENUE BONDS, SERIES 2018
(JAIL PROJECT)

Original Date: Date of Delivery (Anticipated to be August 29, 2018)

Due: January 15 and July 15, as shown on inside cover page

The Tipton County, Indiana Jail Building Corporation (the "Building Corporation") is issuing \$15,285,000* of Lease Rental Revenue Bonds, Series 2018 (Jail Project) (the "Bonds") for the purpose of paying the cost of all or any portion of the acquisition, construction, improvement, and/or equipping of all or any portion of a new county jail facility on property located immediately to the west of the Indiana State Highway Garage in Tipton, Indiana, with frontage on the north side of State Road 28 and on the south side of West Jefferson Street (West CR 150 South), all to be used for the purposes of providing incarceration, community corrections or other law enforcement or criminal justice services by the County (collectively, the "Project"), paying capitalized interest, and paying issuance expenses.

The Bonds are secured by and payable from fixed, semiannual lease rental payments (the "Lease Rentals") to be paid by Tipton County, Indiana (the "County") directly to U.S. Bank National Association, in Indianapolis, Indiana (the "Trustee") under a Trust Indenture between the Building Corporation and the Trustee dated as of July 1, 2018 (the "Trust Indenture") and a Lease between the County and the Building Corporation dated March 5, 2018, as amended (the "Lease") and in accordance with Indiana Code Title 36, Article 1, Chapter 10. Such Lease Rentals are payable from the revenues of the income tax levied and collected by the County pursuant to Indiana Code Title 6, Article 3.6, Chapter 7, Section 21.5 (the "Special Purpose Income Tax Revenues"). **To the extent that the Special Purpose Income Tax Revenues are insufficient to pay such amounts, the Lease Rentals are payable from an ad valorem tax levied on all taxable property in the County (the "Property Tax Revenues"), as more fully described in this Official Statement.** See "Securities Being Offered – Securities and Sources of Payment" herein. The Bonds shall not constitute an indebtedness of the County within the meaning of the provisions and limitations of the constitution of the State of Indiana.

The Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiples thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 15 and July 15 of each year, beginning January 15, 2019. Principal and interest will be disbursed on behalf of the Building Corporation by U.S. Bank National Association, in Indianapolis, Indiana (the "Registrar" and "Paying Agent"). Interest on the Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent. Interest on, together with the principal of, the Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See "BOOK-ENTRY-ONLY SYSTEM". The Bonds will be subject to optional redemption prior to maturity, as more fully described herein. The Bonds may be issued as "Term Bonds" at the Underwriter's (hereinafter defined) discretion and subject to mandatory sinking fund redemption as more fully described herein. See "THE BONDS – REDEMPTION PROVISIONS".

*Preliminary, subject to change.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(Base CUSIP* _____)

<u>Maturity</u>	<u>Principal**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Maturity</u>	<u>Principal**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
July 15, 2020	\$330,000				July 15, 2029	\$415,000			
January 15, 2021	335,000				January 15, 2030	425,000			
July 15, 2021	340,000				July 15, 2030	430,000			
January 15, 2022	340,000				January 15, 2031	435,000			
July 15, 2022	345,000				July 15, 2031	445,000			
January 15, 2023	350,000				January 15, 2032	450,000			
July 15, 2023	355,000				July 15, 2032	460,000			
January 15, 2024	360,000				January 15, 2033	465,000			
July 15, 2024	365,000				July 15, 2033	475,000			
January 15, 2025	365,000				January 15, 2034	480,000			
July 15, 2025	375,000				July 15, 2034	490,000			
January 15, 2026	375,000				January 15, 2035	500,000			
July 15, 2026	380,000				July 15, 2035	510,000			
January 15, 2027	390,000				January 15, 2036	515,000			
July 15, 2027	395,000				July 15, 2036	525,000			
January 15, 2028	400,000				January 15, 2037	540,000			
July 15, 2028	405,000				July 15, 2037	550,000			
January 15, 2029	410,000				January 15, 2038	560,000			

*Copyright 2018 CUSIP Global Services. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the America Bankers Association by S&P Global Marketing Intelligence.

**Preliminary, subject to change. The Building Corporation reserves the right to adjust principal amounts within maturities to achieve the financial objectives of the Building Corporation with respect to its anticipated debt service obligations during the term of the Bonds. In addition, the Building Corporation reserves the right to decrease the entire principal amount of the Bonds issued based on the actual interest rates bid by the successful bidder based on the principal and interest payments to be paid by the Building Corporation.

INFORMATION FOR BIDDING

Date and Time of Sale: Upon 24 hours' notice. Anticipated to take place on August 14, 2018, at 11:00 a.m. (EDT)
Place of Sale: Umbaugh, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240
Maximum Interest Rate: 5.0% **Minimum Purchase Price**:** 99.0% (\$15,132,150*)
Multiples: 1/8, 1/20 or 1/100 of 1% **Anticipated Closing Date:** August 29, 2018
Good Faith Deposit: \$152,850* certified or cashier's check bond or wire transfer submitted by the winning bidder no later than 3:30 p.m. (EDT) on the business day following the award
Method of Bidding: Electronic bidding by PARITY® or traditional bidding.
Basis of Award: True Interest Cost (TIC)

Issue Price Determination: As set forth in the Preliminary Official Statement, the bidder agrees by submission of their bid to assist the County in establishing the issue price of the Bonds under the terms outlined in Appendix G and shall execute and deliver to the County at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the County and bond counsel. Provided the winning bidder is purchasing the Bonds as an Underwriter (as defined in Appendix G) and is not purchasing the Bonds with the intent to hold the Bonds for its own account, then the County and the Purchaser shall agree to the process by which issue price will be established on the date of sale of the Bonds in the event that the Competitive Sale Requirements (as defined in Appendix G) are not met. The winning bidder must agree to execute the applicable schedules depending on the sale results.

For a complete description of terms and conditions for bidding, please refer to the next section of this Official Statement (Appendix i) for the Notice of Intent to Sell Bonds.

The Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Mark Regnier, Graham, Regnier, Farrer & Wilson, P.C. as Attorney for the County and Building Corporation. The Bonds are expected to be available for delivery to DTC in New York, New York, on or about August 29, 2018.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman or other person has been authorized by the Building Corporation to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Building Corporation. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Building Corporation, and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the securities described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the Building Corporation since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the Building Corporation will provide a certificate stating that there have been no material changes in the information contained in the Final Official Statement since its delivery.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

*Preliminary, subject to change.

** Minimum Purchase Price shall mean the par amount of the Bonds less total discount submitted with bid, including any underwriter discount, purchaser discount, original issue discount or any expenses submitted by the bidder which will reduce the amount of bond proceeds to be received by the Building Corporation, and adding any amortizable bond premium.

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TABLE OF CONTENTS

	<u>Page(s)</u>
Introduction to the Official Statement	1
The Project	
Project Description	3
Construction Program.....	3
Estimated Project Funding and Costs	4
Schedule of Amortization of \$15,285,000* Principal Amount of Lease Rental Revenue Bonds, Series 2018 (Jail Project)	5
Securities Being Offered	
Authorization and Approval Process	6
The Building Corporation.....	6
Leased Premises	6
Security and Sources of Payment	6
Funds and Accounts	7
Additional Obligations Payable from Special Purpose Income Tax Revenues	7
Intercept Program	8
Relationship of Annual Lease Rental Payments to Annual Debt Service Requirements	8
Risks to Bondholders.....	8
Investment of Funds	11
The Bonds	
Interest Calculation.....	11
Redemption Provisions.....	11
Book-Entry-Only System	11
Procedures For Property Assessment, Tax Levy and Collection	11
Circuit Breaker Tax Credit	15
Summary of Tipton County’s Local Income Tax Revenues.....	17
Continuing Disclosure	18
Bond Rating.....	18
Underwriting.....	18
Municipal Advisor.....	19
Proposed Legislation	19
Tax Matters.....	20
Original Issue Discount	20
Amortizable Bond Premium.....	21
Litigation and Other Material Disclosure	22
Certain Legal Matters	22
Legal Opinions and Enforceability of Remedies	22

*Preliminary, subject to change.

Appendices:

- i Notice of Intent to Sell Bonds
- A General Information
- B Accounting Report
- C Summary of Certain Provisions of the Lease
- D Summary of Certain Provisions of the Trust Indenture
- E Form of Legal Opinion
- F Continuing Disclosure Agreement
- G Issue Price Determination

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PROJECT PERSONNEL

Names and positions of County personnel and professionals who have taken part in the planning of this Project and bond issue are:

County Council

Jim Ashley
Jeff Hoover
Beth Roach
Emily Wilson
Dennis Henderson
Jim Leffler
Helen Tragesser

Construction Manager

William Shepler
PMSI
16378 State Road 32 East
Noblesville, IN 46060

County Auditor

Gregg Townsend

County Commissioners

James N. Mullins
Gerald Shuck
Mark D. Manier

Building Corporation and
County Attorney

Mark Regnier
Graham, Regnier, Farrer & Wilson, P.C.
120 S. West St.
Tipton, Indiana 46072

Municipal Advisor

Matthew R. Eckerle
H.J. Umbaugh & Associates
Certified Public Accountants, LLP
8365 Keystone Crossing, Suite 300
Indianapolis, Indiana 46240

Bond Counsel

Richard J. Hall
Barnes & Thornburg LLP
11 South Meridian Street
Indianapolis, Indiana 46204

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This introduction to the Official Statement contains certain information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

PRELIMINARY OFFICIAL STATEMENT

\$15,285,000*

TIPTON COUNTY, INDIANA JAIL BUILDING CORPORATION **Tipton County, Indiana** **LEASE RENTAL REVENUE BONDS, SERIES 2018** **(JAIL PROJECT)**

INTRODUCTION TO THE OFFICIAL STATEMENT

The Tipton County, Indiana Jail Building Corporation (the “Building Corporation”) is issuing \$15,285,000* of Lease Rental Revenue Bonds, Series 2018 (Jail Project) (the “Bonds”). The Building Corporation was organized to issue Bonds pursuant to Indiana Code Title 36, Article 1, Chapter 10 to finance the construction of a new county jail facility and lease the building to Tipton County, Indiana (the “County”).

SECURITY AND SOURCES OF PAYMENT

The Bonds are secured by and payable from fixed, semiannual lease rental payments (the “Lease Rentals”) to be paid by Tipton County, Indiana (the “County”) directly to U.S. Bank National Association, in Indianapolis, Indiana (the “Trustee”) under a Trust Indenture between the Building Corporation and the Trustee dated as of July 1, 2018 (the “Trust Indenture”) and a Lease between the County and the Building Corporation dated March 5, 2018, as amended (the “Lease”) and in accordance with Indiana Code Title 36, Article 1, Chapter 10. Such Lease Rentals are payable from the revenues of the income tax levied and collected by the County pursuant to Indiana Code Title 6, Article 3.6, Chapter 7, Section 21.5 (the “Special Purpose Income Tax Revenues”). **To the extent that the Special Purpose Income Tax Revenues are insufficient to pay such amounts, the Lease Rentals are payable from an ad valorem tax levied on all taxable property in the County (the “Property Tax Revenues”), as more fully described in this Official Statement.** See “Securities Being Offered – Securities and Sources of Payment” herein. The Bonds shall not constitute an indebtedness of the County within the meaning of the provisions and limitations of the constitution of the State of Indiana.

CIRCUIT BREAKER TAX CREDIT

Indiana Code Title 6, Article 1.1, Chapter 20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (“Circuit Breaker Tax Credit”). If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. The legislation requires local governments to fund their debt service obligations regardless of any property tax revenue shortfalls due to the Circuit Breaker Tax Credit. The State may intercept funds to pay debt service. (See “CIRCUIT BREAKER TAX CREDIT” herein).

PURPOSE

The Bonds are being issued for the purpose of paying the cost of all or any portion of the acquisition, construction, improvement, and/or equipping of all or any portion of a new county jail facility on property located immediately to the west of the Indiana State Highway Garage in Tipton, Indiana, with frontage on the north side of State Road 28 and on the south side of West Jefferson Street (West CR 150 South), all to be used for the purposes of providing incarceration, community corrections or other law enforcement or criminal justice services by the County (collectively, the “Project”), paying capitalized interest, and paying issuance expenses.

*Preliminary, subject to change.

REDEMPTION PROVISIONS

The Bonds are subject to optional redemption beginning January 15, 2028 as more fully described herein. The Bonds may be issued as Term Bonds at the discretion of the Underwriter and in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

DENOMINATIONS

The Bonds are being issued in the denomination of \$5,000 or integral multiples thereof.

REGISTRATION AND EXCHANGE FEATURES

The Trustee shall keep at its designated corporate trust office, a record for the registration of the Bonds. Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Trustee at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney.

BOOK-ENTRY-ONLY SYSTEM

When issued, the Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form. Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. For so long as the Bonds are held in book-entry-only form, payments of principal of and interest on the Bonds will be paid by the Paying Agent only to DTC or its nominee. Neither the Issuer nor the Trustee will have any responsibility for a Beneficial Owner’s receipt from DTC or its nominee, or from any Direct Participant (as hereinafter defined) or Indirect Participant (as hereinafter defined), of any payments of principal of or interest on any Bonds. See “Book-Entry-Only System” under this caption of this Official Statement.

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners as the names appear as of the first day of the month preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

For so long as the Bonds are held in book-entry-only form, the Trustee will send notices of redemption of the Bonds only to DTC or its nominee, as the registered owner of the Bonds, in accordance with the preceding paragraphs. Neither the Issuer nor the Trustee will have any responsibility for any Beneficial Owners’ receipt from DTC or its nominee, or from any Direct Participant or Indirect Participant, of any notices of redemption. See “Book-Entry-Only System” under this caption of this Official Statement.

NOTICES

Notices shall be provided per the Trust Indenture. See the Summary of Certain Provisions of the Trust Indenture (Appendix D).

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, (“Bond Counsel”) under existing laws, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds (the “Code”), is not an item of tax preference for purposes of the federal alternative minimum tax, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations for taxable years that began prior to January 1, 2018. In the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from income taxation in the State of Indiana, except for the financial institutions tax. See “TAX MATTERS” and Appendix E herein.

The Bonds are not “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from County officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof. A complete text of the Trust Indenture will be provided upon request. Additional information may be requested from Gregg Townsend, Tipton County Auditor, 101 East Jefferson Street, Tipton, Indiana 46072, phone (765) 675-2794.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the Bonds.

THE PROJECT

PROJECT DESCRIPTION

The Building Corporation, on behalf of the County is issuing the Bonds for the purpose of paying the cost of all or any portion of the acquisition, construction, improvement, and/or equipping of all or any portion of a new county jail facility on property located immediately to the west of the Indiana State Highway Garage in Tipton, Indiana, with frontage on the north side of State Road 28 and on the south side of West Jefferson Street (West CR 150 South), all to be used for the purposes of providing incarceration, community corrections or other law enforcement or criminal justice services by the County (collectively, the “Project”).

CONSTRUCTION PROGRAM

The design-build contract for construction of the Project was awarded in July 2018. Construction of the Project will begin in August 2018 and is anticipated to be completed in September 2019.

In addition to proceeds of the Bonds, the County intends to pay a portion of the cost of the Project with Special Purpose Income Tax Revenues currently on deposit with the County or collected prior to January 2020.

ESTIMATED PROJECT FUNDING AND COSTS

Estimated Project Funding*

Lease Rental Revenue Bonds, Series 2018 (Jail Project)	\$15,285,000
Special Purpose Income Tax Revenues collected prior to January 2020	<u>2,150,000</u>
Total Estimated Project Funding	<u>\$17,435,000</u>

Estimated Project Costs*

Net proceeds available for projects	\$16,380,000
Capitalized interest through January 15, 2020	660,024
Allowance for Underwriter's discount (1.0%)	152,850
Allowance for bond issuance costs and contingencies	<u>242,126</u>
Total Estimated Project Costs	<u>\$17,435,000</u>

*Preliminary, subject to change.

SCHEDULE OF AMORTIZATION OF \$15,285,000* PRINCIPAL AMOUNT OF
LEASE RENTAL REVENUE BONDS, SERIES 2018 (JAIL PROJECT)

Payment Date	Principal Outstanding*	Principal*	Interest Rates	Interest	Total	Budget Year Total
	(-----In Thousands-----)		(%)			
01/15/19	\$15,285					
07/15/19	15,285					
01/15/20	15,285					
07/15/20	15,285	\$330				
01/15/21	14,955	335				
07/15/21	14,620	340				
01/15/22	14,280	340				
07/15/22	13,940	345				
01/15/23	13,595	350				
07/15/23	13,245	355				
01/15/24	12,890	360				
07/15/24	12,530	365				
01/15/25	12,165	365				
07/15/25	11,800	375				
01/15/26	11,425	375				
07/15/26	11,050	380				
01/15/27	10,670	390				
07/15/27	10,280	395				
01/15/28	9,885	400				
07/15/28	9,485	405				
01/15/29	9,080	410				
07/15/29	8,670	415				
01/15/30	8,255	425				
07/15/30	7,830	430				
01/15/31	7,400	435				
07/15/31	6,965	445				
01/15/32	6,520	450				
07/15/32	6,070	460				
01/15/33	5,610	465				
07/15/33	5,145	475				
01/15/34	4,670	480				
07/15/34	4,190	490				
01/15/35	3,700	500				
07/15/35	3,200	510				
01/15/36	2,690	515				
07/15/36	2,175	525				
01/15/37	1,650	540				
07/15/37	1,110	550				
01/15/38	560	<u>560</u>				
Totals		<u>\$15,285</u>				

*Preliminary, subject to change. The Building Corporation reserves the right to adjust principal maturities to accomplish approximately level annual debt service based upon the interest rates of the successful bidder.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

Pursuant to Indiana Code 6-1.1-20, with certain exceptions listed below, when property taxes are pledged to the repayment of bonds or leases to finance a project, a determination must be made as to whether the project is a “controlled project”. Projects classified as controlled projects are subject to certain public approval procedures. A controlled project is one that is financed by a bond or lease, is payable by property taxes and costs more than the lesser of:

- (1) Depending on the date of adoption of the preliminary determination ordinance or resolution:
 - (a) If adopted prior to January 1, 2018, \$2 million;
 - (b) If adopted after December 31, 2017, but before January 1, 2019, \$5 million;
 - (c) If adopted after December 31, 2018, an amount equal to the assessed value growth quotient (as determined by the DLGF) multiplied by the amount determined under this clause for the preceding calendar year;
- (2) An amount equal to:
 - (a) At least 1% of gross assessed value, if that total gross assessed value is more than \$100 million;
or
 - (b) \$1 million if the gross assessed value is not more than \$100 million.

The main exceptions for a project being classified as a controlled project when there are property taxes being pledged to the repayment of the bonds or leases, and the project meets the criteria set forth in (1)-(2) above are when (a) the political subdivision reasonably expects to pay debt service or lease rentals with funds other than property taxes and property taxes are used only as a back-up to enhance credit, (b) a project is being refinanced to generate taxpayer savings, (c) the project is mandated by federal law, or (d) the project is in response to a natural disaster, emergency or accident with is approved by the County making it unavailable for its intended use.

The Bonds are considered a non-controlled project and the issuance of the Bonds because the County reasonably expects to pay the Lease Rentals with the Special Purpose Income Tax Revenues. As a result, the authorization of the Bonds and the Lease to finance the Project was able to continue without additional approval procedures.

THE BUILDING CORPORATION

The Building Corporation was organized as a not-for-profit corporation pursuant to the Indiana Code Title 23, Article 17, for the sole purpose of acquiring land and constructing, renovating and improving facilities to be leased to the County.

During its existence, the Building Corporation will operate entirely without profit to the Building Corporation, its officers or directors.

LEASED PREMISES

The leased premises consists of certain real estate and improvements on the north side of State Road 28 and on the south side of West Jefferson Street (West CR 150 South) in Tipton, Indiana (collectively, the “Leased Premises” or the “Premises”).

SECURITY AND SOURCES OF PAYMENT

The Bonds shall constitute an indebtedness of the Building Corporation payable in accordance with the terms of the Trust Indenture and secured by the pledge and assignment to the Trustee of the funds and accounts defined and described therein, including the Lease Rentals and other funds as defined in the Trust Indenture. The Trust Indenture creates a continuing pledge by the Building Corporation to the bondholders to pay principal and interest on the Bonds, until the principal sum shall be fully paid. Funds for the Lease Rentals will be paid by or on behalf of the County directly to the Trustee (for the account of the Building Corporation) pursuant to the terms of the Lease. The Trust Indenture does not create and the owners of the Bonds will not receive any mortgage, lien or security interest in any portion of the Leased Premises.

The first Lease Rental for the Bonds is to begin on the day the Project is completed and ready for occupancy or July 1, 2020, whichever is later. See the Summary of Certain Provisions of the Lease (Appendix C). If there is excessive delay in construction and the Project is not available for occupancy and use by July 1, 2020, sufficient funds may not be available to meet the principal and interest payment due on the Bonds on July 15, 2020, and subsequent interest and principal payments.

If, for any reason, the Leased Premises is partially or totally destroyed or unfit for occupancy, the fixed annual rental shall be proportionately abated. The Building Corporation is required by the Lease to maintain rental value insurance, in an amount equal to the full rental value for a period of up to two years. In addition, the proceeds of any property or casualty insurance would be used either to repair and reconstruct the Leased Premises or retire obligations issued to finance the Leased Premises. To the extent the damaged or destroyed Leased Premises is not restored or repaired is unfit for occupancy and use beyond the period covered by rental value insurance, the Building Corporation may not have sufficient funds to pay debt service on the Bonds. See “Risks to Bondholders.”

The Lease Rentals to be paid by the County during the term of the Lease are required to be in amounts sufficient to pay the principal of and interest on the Bonds. Such Lease Rentals are payable from the revenues of the income tax levied and collected by the County pursuant to Indiana Code 6-3.6-7-21.5 (the “Special Purpose Income Tax Revenues”).

To the extent that the Special Purpose Income Tax Revenues are insufficient to pay such amounts, the Lease Rentals are payable from an ad valorem tax levied on all taxable property in the County (the “Property Tax Revenues”), as more fully described in this Official Statement.

The Lease Rentals shall be payable as follows:

From Special Purpose Income Tax Revenues: The Lease Rentals shall be payable out of Special Purpose Income Tax Revenues. Any Special Purpose Income Tax Revenues not needed to pay the next Lease Rental due under the Lease may be used by the County for any purpose permitted by IC 6-3.6-7-21.5, including the payment of any parity obligations. Pursuant to IC 6-3.6-7-21.5, eligible uses for Special Purpose Income Tax Revenues include to finance (A) construction, acquisition, and equipping of the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and (B) improvement, renovation, remodeling, repair, and equipping of the courthouse to address security concerns and mitigate excess moisture in the courthouse. The Special Purpose Income Tax Revenues may also be used to operate and maintain the county jail or courthouse facilities.

From Property Tax Revenues: To the extent that the Special Purpose Income Tax Revenues to be distributed in the subsequent calendar year are not expected to be available on the dates on which the Lease Rental is due in the subsequent bond year for which the budget is being prepared or if Special Purpose Income Tax Revenues are insufficient to fully pay the next Lease Rental then due, the County shall annually levy a tax on all taxable property in the County in accordance with Indiana Code Title 36, Article 1, Chapter 10 in an amount sufficient when combined with the Special Purpose Income Tax Revenues, to pay the Lease Rental due under the Lease.

The Building Corporation will acquire ownership of the real estate as described within the Lease. The ownership shall be for a term no less than the term of the Lease. (See Appendix C - Summary of the Lease.)

FUNDS AND ACCOUNTS

The Trust Indenture establishes certain funds and accounts and the flow of funds. (For greater detail, refer to the Summary of Certain Provisions of the Trust Indenture provided in Appendix D. The complete Trust Indenture and the Lease may be obtained from the County Auditor.)

ADDITIONAL OBLIGATIONS PAYABLE FROM SPECIAL PURPOSE INCOME TAX REVENUES

Pursuant to Resolution No. 2018-04, adopted by the County Council on February 20, 2018 (the “Resolution”), the County pledged the Special Purpose Income Tax Revenues to the payment of the Lease Rentals under the Lease. Under the terms of the Resolution, the County reserves the right to authorize and issue bonds or incur additional lease or other obligations entitled to the pledge of Special Purpose Income Tax Revenues on a parity with the Lease (“Parity Obligations”) in accordance with the requirements set forth below:

- (a) All payments due under the Lease and all payments on any Parity Obligations payable from Special Purpose Income Tax Revenues shall be current to date in accordance with the terms thereof, with no payment in arrears.
- (b) For Parity Obligations payable from Special Purpose Income Tax Revenues, the County shall have received a certificate prepared by an independent, qualified accountant or feasibility consultant certifying the amount of the Special Purpose Income Tax Revenues estimated to be received in each succeeding year shall be at least equal to one hundred twenty-five percent (125%) of the lease rental and debt service requirements with respect to the Lease and the proposed Parity Obligations for each respective year during the term of the Lease and the Parity Obligations. If when the proposed Parity Obligations are issued, the Tipton County Income Tax Council shall have finally approved an increase in the income tax rate, the Special Purpose Income Tax Revenues estimate described in the preceding sentence may be adjusted to take the increased income tax rate into account. The County shall approve and confirm the figures and estimates set forth in the above-described certificate in any resolution or ordinance authorizing the Parity Obligations.
- (c) Payments of any Parity Obligations payable from Special Purpose Income Tax Revenues shall be payable semiannually on January 1 and July 1.

The terms and conditions of any Parity Obligations shall be set forth in the ordinance or resolution authorizing such Parity Obligations.

The County may issue obligations payable from Special Purpose Income Tax Revenues on a junior basis to the Lease and the Parity Obligations. Any such junior obligations shall be payable semiannually on January 1 and July 1.

INTERCEPT PROGRAM

In 2008, the Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6, Section 10) to ensure that shortfalls in property tax receipts due to the Circuit Breaker Tax Credit do not affect the ability of a political subdivision to make payments on any existing debt service and lease rental obligations. The legislation requires that local governments fund their debt service and lease rental obligations regardless of property tax shortfalls due to the Circuit Breaker Tax Credit. If a political subdivision fails to make debt service or lease rental payments, the State Treasurer, upon being notified of the failure, shall pay the unpaid debt service or lease rental payments that are due from funds that are held by the State (including among others, income tax distributions and motor vehicle highway distributions) that would otherwise be available for distribution to the political subdivision to ensure that Debt Service Obligations (as hereinafter defined) are made when due.

While the above description is based upon enacted legislation, the General Assembly may make amendments to such statutes and therefore there is no assurance of future events.

RELATIONSHIP OF ANNUAL LEASE RENTAL PAYMENTS TO ANNUAL DEBT SERVICE REQUIREMENTS

The Lease Rentals to be paid by the County each January 1 and July 1 for the use and occupancy of the Leased Premises will be equal to an amount which, when added to funds in the Sinking Fund will be sufficient to pay unpaid principal and interest on the Bonds which is due on or before the July 15 and January 15 following such July 1 and January 1, plus an amount sufficient to provide for the fees of the Trustee and incidental expenses of the Building Corporation.

All Lease Rentals shall be paid by or on behalf of the County to the Trustee under the Trust Indenture or to such other bank or trust company as may from time to time succeed the Trustee as provided thereunder. All payments so made by or on behalf of the County shall be considered as payment to the Building Corporation of Lease Rentals payable under the Lease.

RISKS TO BONDHOLDERS

Risks Associated with Lease Rental payments:

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from Lease Rentals:

- (1) The principal of and interest on the Bonds are payable only from Lease Rentals received by the Trustee on behalf of the Building Corporation from the County pursuant to the Lease. The Building Corporation has no taxing power. The Building Corporation has no source of funds from which to pay debt service on the Bonds except monies collected from Lease Rentals and funds held under the Trust Indenture. If there is capitalized interest: The Trustee will have funds from capitalized interest and earnings thereon, to pay interest due through and including January 15, 2020.
 - a. According to the Lease, the Lease Rentals will commence on the later of the date of completion of the Leased Premises or July 15, 2020. Bond proceeds will be held by the Trustee in the Bond Interest Account to pay capitalized interest on the Bonds through and including January 15, 2020. In the event the Leased Premises are not completed by July 15, 2020, the Building Corporation may not be able to pay the full amount of the Lease Rentals. The Building Corporation expects to complete the Leased Premises by September 2019.
 - b. The County is legally permitted to pay Lease Rentals only for portions of the Leased Premises which are complete and ready for use and occupancy. If, for any reason, the Leased Premises are damaged or destroyed and unavailable for use, the County would no longer be able to pay Lease Rentals. **However, the County is required by the Lease to maintain rental value insurance in an amount equal to full rental value for a period up to two (2) years.** In addition, the proceeds of any property and/or casualty insurance claim for the Leased Premises would be used either to reconstruct the Leased Premises or to retire obligations issued to finance the Leased Premises.

Risks Associated with Local Income Tax (LIT) Revenues:

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from LIT Revenues:

- (1) There are certain risks associated with LIT Revenues, and this official statement contains information regarding the historical certified distributions of Special Purpose Income Tax Revenues received by the County. The County's LIT Revenues in the future may differ materially from the County's historical receipts. Factors impacting LIT Revenues, include but are not limited to the following:
 - a. Adverse economic conditions in the County, the State of Indiana or the United States could result in a reduction in the adjusted gross income of qualifying taxpayers in the County and, therefore, a reduction in County's collection of LIT Revenues.
 - b. Local area or statewide delinquencies in state income tax collection could result in reduced County's collection of LIT Revenues, including Special Purpose Income Tax Revenues.
 - c. Under IC 6-3.6-7-21.5, the County Council could not impose a special purpose rate that exceeds 0.40%, and the Income Tax Revenue rate may not be greater than the rate necessary to pay for the authorized purposes. The County has imposed an Income Tax Revenue rate at the maximum rate of 0.40%. The County has made no representation and are not authorized by current law to take any action to increase the rate at which the Income Tax Revenue rate is imposed to pay Lease Rentals.
 - d. The legislature, or an administrative agency with jurisdiction in the matter, could enact new laws or regulations or interpret, amend, alter, change or modify, or a court of competent jurisdiction could interpret, the laws or regulations governing the collection, distribution, definition or accumulation of LIT Revenues in a fashion that would adversely affect the owners of the Bonds.
 - e. LIT Revenues can vary considerably from year to year depending on the relative amounts of the property tax levies of the County and the other cities and the towns located in the County and the amount of LIT Revenues collected from taxpayers.

Before June 1 of each calendar year, the State Budget Agency must provide the DLGF and the county auditor with an estimate of the amount of Special Purpose Income Tax Revenues that will be distributed to the County. This gives the County time to include in its budget a property tax levy in an amount sufficient

to meet the debt service due in the subsequent bond year for which the budget is being prepared to the extent the certified Special Purpose Income Tax Revenues are determined to be insufficient.

The certified income tax distribution is based on actual income tax returns filed and processed from July 1 of the prior year through June 30 of the current year, adjusted for any refunds.

The amount of local income tax to be certified may also be adjusted to offset any overpayments of local income tax made to a county in a prior calendar year, for clerical or mathematical errors or for tax rate changes. This certified amount is distributed to the County in equal, monthly payments in the subsequent calendar year. The County expects that the amount of local income tax to be distributed in the subsequent year by the State to the County will not be less than the amount certified on the previous August 2.

The local income tax distribution is paid from actual revenues collected in the year following the certification. If the actual revenue collected is less than the certified distribution amount, this could cause a reduction in certified local income tax distributions in future years.

The County's 2018 certified distribution of Special Purpose Income Tax Revenues resulting from the Income Tax Revenue rate are \$1,430,189.

Risks Associated with Property Tax Revenues:

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from Property Tax Revenues:

- a. *Tax Collection.* In the event of delinquent tax payments or delayed billing, collection or distribution by the County of ad valorem property taxes, including the Property Tax Revenues levied on the County, sufficient funds may not be available to pay the lease rental when due. This risk is inherent in all property tax-supported obligations.
- b. *Circuit Breaker Tax Credit.* If applicable, the Circuit Breaker Tax Credit results in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

IC 6-1.1-20.6-10 requires political subdivisions to fully fund any levies for the payment of outstanding debt service or lease rental obligations regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. IC 6-1.1-20.6-9.8 further provides that property taxes imposed by a political subdivision to pay for debt service obligations of such political subdivision (including lease rental payments on leases) are "protected taxes." If property tax collections are insufficient to fully fund debt service or lease rental levies due to the Circuit Breaker Tax Credit, political subdivisions must use non-property tax revenues or revenues from property tax levies for other funds (including operating) to offset revenue loss to the debt service fund. See "Procedures for Property Assessment, Tax Levy and Collection" and "Circuit Breaker Tax Credit" herein. IC 6-1.1-20.6-10 also provides that if property tax revenues are not sufficient to pay debt service on bonds or leases payable from property taxes, the State must intercept local income tax distributions and available distributions of State monies for the benefit of bondholders.

This application of property tax revenues may impact the ability of political subdivisions to provide existing levels of service and, in extreme cases, the ability to make debt service or lease rental payments on bonds secured by intercepted funds. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes.

- c. *Reassessment and Trending.* All Indiana counties are required to reassess 25% of all parcels of real property annually or in accordance with its reassessment plan. All real property must be reassessed under the plan once every four years. Trending is scheduled to occur on an annual basis. Delays in the reassessment and trending process or appeals of reassessments could adversely affect the collection of property taxes.

- (2) *Adverse Legislative Action*: It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds. Refer to the “Legislative Proposals” section herein.

INVESTMENT OF FUNDS

The proceeds of this issue are to be invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly Indiana Code 5-13, and the acts amendatory thereof and supplemental thereto. The Building Corporation shall direct the investment of Bond proceeds. See Appendix D – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE – CREATION OF FUNDS AND ACCOUNTS – INVESTMENT OF FUNDS.

THE BONDS

INTEREST CALCULATION

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

REDEMPTION PROVISIONS

Optional Redemption:

The Bonds maturing on or after July 15, 2028 are redeemable prior to maturity at the option of the Building Corporation in whole or in part in any order of maturity as determined by the Building Corporation and by lot within maturities, on any date not earlier than January 15, 2028, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

Mandatory Sinking Fund Redemption:

If any Bonds are issued as Term Bonds, the Trustee shall credit against the mandatory sinking fund requirement for the Term Bonds, and corresponding mandatory redemption obligation, in the order determined by the Building Corporation, any Term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bond to the extent received on or before 45 days preceding the applicable mandatory redemption date.

If fewer than all the Bonds are called for redemption at one time, the Bonds shall be redeemed in order of maturity determined by the Building Corporation and by lot within maturity. Each \$5,000 principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. If some Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Trustee shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed not less than 30 days nor more than 60 days prior to the date fixed for such redemption. If any of the Bonds are so called for redemption, and payment therefore is made to the Trustee in accordance with the terms of the Trust Indenture, then such Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

BOOK-ENTRY-ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds 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 Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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.

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 the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Trust Indenture. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds 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 Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Building Corporation 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 the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, premium and interest payments on the Bonds 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 the Building Corporation or the Trustee on the 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, the Trustee or the Building Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Building Corporation or the Trustee, 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.

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

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

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

Discontinuation of Book-Entry System

In the event that the book-entry system for the Bonds is discontinued, the Trustee would provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The Building Corporation and the Trustee treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and neither the Building Corporation nor the Trustee would be bound by any notice or knowledge to the contrary.

Each Bond would be transferable or exchangeable only upon the presentation and surrender thereof at the corporate trust office of the Trustee, duly endorsed for transfer or exchange, or accompanied by a written assignment duly executed by the owner or its authorized representative in form satisfactory to the Trustee. Upon due presentation of any Bonds for transfer or exchange, the Trustee would authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new Bond, registered in the name of the transferee or transferees (in the case of a transfer), or the owner (in the case of an exchange), in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond so presented. The Building Corporation or the Trustee would require the owner of any Bonds to pay a sum sufficient to cover any tax, fee or other governmental charge required to be paid in connection with the transfer or exchange of such Bonds.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

Generally, real and personal property in the State of Indiana (the "State") is assessed each year as of January 1. On or before August 1 of each year, each county auditor must submit a statement of the assessed value for the ensuing year to the Department of Local Government Finance (the "DLGF") in the manner prescribed by the DLGF. The DLGF shall make the certified statement available on the DLGF's gateway website.

By statute, the budget, tax rate and levy of a local political subdivision (except for any school corporation which elects to have a budget year from July 1 of a year through June 30 of the following year) must be established no later than November 1. The budget, tax levy and tax rate are subject to review, revision, reduction or increase by the DLGF. The DLGF must complete its actions on or before February 15 of the immediately succeeding calendar year.

On or before March 15, each county auditor prepares and delivers to the Auditor of State and the county treasurer the final abstract of property taxes within that county. The county treasurer mails tax statements the following April (but mailing may be delayed due to reassessment or other factors). Unless the mailing of tax bills is delayed, property taxes are due and payable to the county treasurer in two installments on May 10 and November 10. If an installment

of taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due. However, if the installment is completely paid within 30 days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is reduced to five percent of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Real property becomes subject to tax sale procedures on June 30 if a delinquency of more than \$25 then exists with respect to an installment due on or before May 10 of the prior year. With respect to delinquent personal property taxes, each county treasurer shall serve a demand upon each county resident who is delinquent in the payment of personal property taxes after November 10, but before August 1 of the succeeding year. Each county auditor distributes property taxes collected to the various political subdivisions on or before the June 30 or December 31 after the due date of the tax payment.

Under State law, personal property is assessed at its actual historical cost less depreciation, whereas real property assessed after February 28, 2011, must be assessed in accordance with the 2011 Real Property Assessment Manual (the "Manual") and the Real Property Assessment Guidelines for 2011 (the "Guidelines"), both published by the DLGF, pursuant to 50 Indiana Administrative Code 2.4 (the "Rule"). The purpose of the Rule is to accurately determine "true tax value" as defined in the Manual and the Guidelines, not to mandate that any specific assessment method be followed. The Manual defines "true tax value" for all real property, other than agricultural land, as "the market value in use of a property for its current use, as reflected by the utility received by the owner or a similar user from that property." In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and certain provisions of the Indiana Code. The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease in administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal methodology, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they are capable of producing accurate and uniform values throughout the jurisdiction and across all classes of real property. The Manual specifies the standards for accuracy and validation that the DLGF will use to determine the acceptability of any alternate appraisal method.

According to the Manual, an assessment determined by an assessing official in accordance with the Rule and the Manual and Guidelines shall be presumed to be correct. Any evidence relevant to the true tax value of the real property as of the assessment date may be presented to rebut the presumption of correctness of the assessment. Such evidence may include an appraisal prepared in accordance with generally recognized appraisal standards; however, there is no requirement that an appraisal be presented either to support or to rebut an assessment. Instead, the validity of the assessment shall be evaluated on the basis of all relevant evidence presented. Whether an assessment is correct shall be determined on the basis of whether, in light of the relevant evidence, it reflects the real property's true tax value.

There are certain credits, deductions and exemptions available for various classes of property. For instance, real property may be eligible for certain deductions for mortgages, solar energy heating or cooling systems, wind power devices, hydroelectric power devices and geothermal energy heating or cooling devices and if such property is owned by the aged. Residential real property may be eligible for certain deductions for rehabilitation. Real property, which is the principal residence of the owner thereof, is entitled to certain deductions and may be eligible for additional deductions, and if such owner is blind or disabled, such property may also be eligible for additional deductions. Buildings designed and constructed to systematically use coal combustion products throughout the building may be eligible for certain deductions. Tangible property consisting of coal conversion systems and resource recovery systems may be eligible for certain deductions. Tangible property or real property owned by disabled veterans and their surviving spouses may be eligible for certain deductions. Commercial and industrial real property, new manufacturing equipment and research and development equipment may be entitled to economic revitalization area deductions. Government owned properties and properties owned, used and occupied for charitable, educational or religious purposes may be entitled to exemptions from tax. Property taxation from new tangible business personal property with an acquisition cost of less than \$20,000 may be exempt. "Assessed value" or "assessed valuation" means an amount equal to the true tax value of property, which represents the gross assessed value of such property, less any deductions, credits and exemptions applicable to such property, and is the value used for taxing purposes in the determination of tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State General Assembly, as well as when changes occur in the property due to new construction or demolition of improvements. The current reassessment was effective as of the March 1, 2012 assessment date, and affects taxes

payable beginning in 2013. Before July 1, 2013, and before May 1 of every fourth year thereafter, each county assessor was and is required to prepare and submit to the DLGF a reassessment plan for its county. The DLGF must complete its review and approval of the reassessment plan before March 1, 2015, and January 1 of each subsequent year that follows a year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four different groups of parcels. Each group of parcels must contain approximately 25% of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four-year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than 25% of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one year. However, a plan must cover a four-year period. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county's reassessment plan was required to begin on July 1, 2014, and was required to be completed on or before January 1, 2015.

In addition, the assessed value of real property will be annually adjusted to reflect changes in market value, based, in part, on comparable sales data, in order to account for changes in value that occur between reassessments. This process is generally known as "Trending."

When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner must first request in writing a preliminary conference with the county or township official who sent the owner such written notification. That request must be filed with such official within 45 days after the date of the written notification. That preliminary conference is a prerequisite to a review of the assessment by the county property tax assessment board of appeals. While the appeal is pending: (1) any taxes on real property which become due on the property in question must be paid in an amount based on the immediately preceding year's assessment, or it may be paid based on the amount that is billed; and (2) any taxes on personal property which become due on the property in question must be paid in an amount based on the assessed value reported by the taxpayer on the taxpayer's personal property tax return, or it may be paid based on the amount billed.

Prior to February 15 of each year for taxes to be collected during that year, the DLGF is required to review the proposed budgets, tax rates and tax levies of each political subdivision, including the District, and the proposed appropriations from those levies to pay principal of and interest on each political subdivision's funding, refunding, judgment funding or other outstanding obligations, to pay judgments rendered against the political subdivision and to pay the political subdivision's outstanding lease rental obligations (collectively "bond and lease obligations") to be due and payable in the next calendar year. Prior to the final certification, if it determines that the proposed levies are insufficient to pay the bond and lease obligations, the DLGF may increase the tax rate and tax levy of a political subdivision to pay such bond and lease obligations.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. Indiana Code § 6-1.1-20.6 (the "Statute") authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit"). For property assessed as a homestead (as defined in Indiana Code 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. **Political subdivisions may not increase their**

property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly has, in the Statute, designated Lake County and St. Joseph County as “eligible counties” and has provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for bonds or leases issued or entered into before July 1, 2008 or on bonds issued or leases entered into after June 30, 2008 to refund those bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes (“Debt Service Obligations”), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

The Statute categorizes property taxes levied to pay Debt Service Obligations as “protected taxes,” regardless of whether the property taxes were approved at a referendum, and all other property taxes as “unprotected taxes.” The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The County may allocate the reduction by using a combination of unprotected taxes of the County in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The County cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the County.

For example, in March, 2016, the Indiana General Assembly passed legislation which revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016, assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a County. A lower assessed value of a County may result in higher tax rates in order for a County to receive its approved property tax levy. See “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION” herein.

Estimated Circuit Breaker Tax Credit for the County:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the County for budget years 2015, 2016, and 2017 were \$92,762, \$119,510, and \$138,499 respectively. The Circuit Breaker Tax Credit for budget year 2018 is \$179,294.

These amounts do not include the estimated debt service on the Bonds and lease rentals on the Lease securing the Bonds.

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting increase could be material.

SUMMARY OF TIPTON COUNTY'S LOCAL INCOME TAX REVENUES

The County is authorized by IC 6-3.6 (the "LIT Statute") to impose local income tax, which may include a special purpose rate pursuant to IC 6-3.6-7-21.5. Pursuant to IC 6-3.6-7-21.5, the County imposed a special purpose rate of 0.40% on the adjusted gross income of County taxpayers, from which the Special Purpose Income Tax Revenues are generated. The Special Purpose Income Tax Revenues are a portion of the revenues collected from the total income tax levied under the LIT Statute (the revenues from the total income tax, the "LIT Revenues"). **Only the Special Purpose Income Tax Revenues are pledged to the payment of the Lease Rentals.**

Pursuant to IC 6-3.6-7-21.5, eligible uses for Special Purpose Income Tax Revenues include to finance (A) construction, acquisition, and equipping of the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and (B) improvement, renovation, remodeling, repair, and equipping of the courthouse to address security concerns and mitigate excess moisture in the courthouse. The Special Purpose Income Tax Revenues may also be used to operate and maintain the county jail or courthouse facilities. The Income Tax Revenue rate may be imposed until the later of the date of the financing for constructing, acquisition, improvement, renovation, remodeling, and equipping described above is completed; or the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described above are fully paid; or the date on which the County Council rescinds the ordinance that imposes the Income Tax Revenue rate. The County is the only unit to receive the distribution of Special Purpose Income Tax Revenues.

A local taxpayer under IC 6-3.6-2-13 means any individual who (i) resides in the County on the dates specified in IC 6-3.6-8-3, or (ii) maintains a principal place of business or employment in the County on the date specified in IC 6-3.6-8-3 and who does not on that same date reside in another county in which a local income tax under IC 6-3.6 is in effect. LIT Revenues and Special Purpose Income Tax Revenues are distributed on the first regular business day of each month.

LIT Revenues, including the Special Purpose Income Tax Revenues, are distributed to the county that adopted the applicable tax. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of tax revenue that the State Budget Agency determines has been: (1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and (2) reported on an annual return or amended return processed by the Indiana Department of Revenue in the state fiscal year ending before July 1 of the calendar year in which the determination is made; as adjusted for refunds of tax made in the state fiscal year (the "base distribution amount").

Before June 1 of each calendar year, the State Budget Agency must provide the Department of Local Government Finance (the "DLGF") and the county auditor of each adopting county an estimate of the amount that will be distributed to the county, based on known tax rates. Not later than July 1 of each year, the DLGF is required to determine for each taxing unit and notify the county auditor of the estimated amount of property tax credits, school distributions, public safety revenue, economic development revenue, certified shares, and special purpose revenue (such as the Special Purpose Income Tax Revenues) that will be distributed to the taxing unit during the ensuing calendar year. Not later than thirty (30) days after receiving the DLGF's estimate, the county auditor shall notify each taxing unit of the amounts estimated for the taxing unit.

The Special Purpose Income Tax Revenues are the only LIT Revenues pledged towards the payment of Lease Rentals. The certified distribution of Special Purpose Income Tax Revenues in 2018 is \$1,430,189.

The LIT Revenues received by the County, including the Special Purpose Income Tax Revenues, may be reduced because of a reduction in the amount of LIT Revenues collected or a distribution certified by the State for an amount that is less than the LIT Revenues actually collected.

The Special Purpose Income Tax Revenues available to the County could be reduced because of the factors described above without reducing the Income Tax Revenue rate. The County has made no representation, is not obligated, and currently does not have the ability to take any action to increase the rate at which the Income Tax Revenue rate is imposed in order to provide funds to pay the Lease Rental payments. However, to the extent that the Income Tax Revenue rate is insufficient to pay the Lease Rental payments, the County will levy an ad valorem property tax in an amount sufficient to pay the Lease Rental payments when due.

CONTINUING DISCLOSURE

General

The County will covenant for the benefit of the owners of the Bonds and the Beneficial Owners (as hereinafter defined under this caption only), pursuant to the Continuing Disclosure Agreement to be delivered on the date of issuance of the Bonds (the "Undertaking"), to provide or cause to be provided: (1) each year, certain financial information and operating data relating to the County for its preceding fiscal year (the "Annual Report") by not later than the date one hundred eighty (180) days after the first day of its fiscal year, commencing with the Annual Report for its fiscal year ended December 31, 2018; provided, however, that if the audited financial statements of the County are not available by such date, they will be provided when and if available; and (2) timely notices of the occurrence of certain enumerated events. Currently, the County's fiscal year commences on January 1. "Beneficial Owner" means, under this caption only, any person which has or shares power, directly or indirectly, to make investment decisions concerning the ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).

The Annual Report will be provided by the County to the Municipal Securities Rulemaking Board (the "MSRB"). If the County is unable to provide to the MSRB an Annual Report by the date required, the County shall provide, in a timely manner, to the MSRB, a notice of the failure to file the Annual Report by such date. The notices of the occurrence of certain enumerated events will be provided by the County to the MSRB. Each Annual Report and each of the foregoing notices shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

The information to be contained in the Annual Report, the enumerated events, the occurrence of which will require a notice, and the other terms of the Undertaking are set forth in Appendix F herein.

Compliance with Previous Undertakings

In the previous five years, the County has not failed to comply, in all material respects, with any previous undertakings in a written contract or agreement specified in subsection (b)(5)(i) of Rule 15c2-12.

BOND RATING

S&P Global Ratings ("S&P") has assigned a bond rating of "A+" to the Bonds. Such rating reflects only the view of S&P and any explanation of the significance of such rating may only be obtained from S&P.

The rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by S&P. Any downward revision or withdrawal of the rating may have an adverse effect upon the market price of the Bonds.

The County did not apply to any other rating service for a rating on the Bonds.

UNDERWRITING

The Bonds are being purchased by _____ (the "Underwriter") at a purchase price of \$_____, which is the par amount of the Bonds of \$_____ less the underwriter's discount of \$_____ plus the

original issue premium of \$_____. The Notice of Intent to Sell Bonds provides that all of the Bonds will be purchased by the Underwriter if any of such Bonds are purchased.

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the Bonds into investment trusts), who may reallow concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

MUNICIPAL ADVISOR

H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the “Municipal Advisor”) (“Umbaugh”) has been retained by the County to provide certain financial advisory services including, among other things, preparation of the deemed “nearly final” Preliminary Official Statement and the Final Official Statement (the “Official Statements”). The information contained in the Official Statements has been compiled from records and other materials provided by County officials and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the County and they have no secondary obligations or other responsibility. However, Umbaugh is preparing the Lease Sufficiency Report for the Bonds. The Municipal Advisor’s fees are expected to be paid from proceeds of the Bonds.

Municipal Advisor Registration:

Umbaugh is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, Umbaugh is providing certain specific municipal advisory services to the County, but is neither a placement agent to the County nor a broker/dealer and cannot participate in the underwriting of the Bonds.

The offer and sale of the Bonds shall be made by the County, in the sole discretion of the County, and under its control and supervision. The County agrees that Umbaugh does not undertake to sell or attempt to sell the Bonds, and will take no part in the sale thereof.

Other Financial Industry Activities and Affiliations:

Umbaugh Cash Advisory Services, LLC (“UCAS”) is a wholly-owned subsidiary of Umbaugh. UCAS is registered as an investment adviser with the Securities and Exchange Commission under the federal Investment Advisers Act. UCAS provides non-discretionary investment advice with the purpose of helping clients create and maintain a disciplined approach to investing their funds prudently and effectively. UCAS may provide advisory services to the clients of Umbaugh.

UCAS has no other activities or arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

PROPOSED LEGISLATION

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch, including some proposed changes under consideration at the time of issuance of the Bonds. Bond Counsel’s opinion is based upon the law in existence on the date of issuance of the Bonds. It is possible that legislation enacted after the date of issuance of the Bonds or proposed for consideration will have an adverse effect on the excludability

of all or a part of the interest on the Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Bonds.

Legislation affecting municipal bonds is considered from time to time by the Indiana legislature and Executive Branch. It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds.

The Building Corporation and the County cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds (the “Code”). The opinion of Bond Counsel is based on certain certifications, covenants and representations of the Building Corporation and the County and is conditioned on continuing compliance therewith. In the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from income taxation in the State for all purposes, except the State financial institutions tax. See Appendix E for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the excludability of the interest on the Bonds from gross income for federal income tax purposes. Noncompliance with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issue, regardless of the date on which noncompliance occurs. Should the Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of the Bonds would be materially and adversely affected. (It is not an event of default if interest on the Bonds is not excludable from gross income for federal income tax purposes pursuant to any provision of the Code which is not in effect on the date of issuance of the Bonds.)

The interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. However, interest on the Bonds is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations for taxable years that began prior to January 1, 2018.

The Bonds are not “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Indiana Code 6-5.5 imposes a franchise tax on certain taxpayers (as defined in Indiana Code 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in the State. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code.

Although Bond Counsel will render an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes and exempt from State income tax, the accrual or receipt of interest on the Bonds may otherwise affect an owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the owner’s particular tax status and the owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

The foregoing does not purport to be a comprehensive description of all of the tax consequences of owning the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the Bonds maturing on _____, 20__, through and including _____, 20__ (collectively the “Discount Bonds”), are less than the principal amounts thereof payable at maturity. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public

offering price of each maturity of the Discount Bonds, as set forth on the inside cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the "Issue Price" for such maturity), and the amount payable at its maturity, will be treated as "original issue discount." The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Discount Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates). An owner who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity will treat the accrued amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes.

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

The original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial public offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the determination of state or local income taxes that accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

AMORTIZABLE BOND PREMIUM

The initial public offering prices of the Bonds maturing on _____, 20__, through and including _____, 20__ (collectively, the "Premium Bonds"), are greater than the principal amounts thereof payable at maturity. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial public offering will be required to adjust the owner's basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity). The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities, are found in Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning the treatment of Bond Premium.

LITIGATION AND OTHER MATERIAL DISCLOSURE

To the knowledge of the officers and counsel for the Building Corporation and the County, there is no litigation pending or threatened, against the Building Corporation or the County, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof or the collection of Special Purpose Income Tax Revenues pledged to pay debt service (except as described under “Risks to Bondholders”).

The officers and counsel for the Building Corporation and the County will certify at the time of delivery of the Bonds that there is no litigation pending or in any way threatened questioning the validity of the Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the Bonds, the Trust Indenture or the Project would result in a material adverse impact on the financial condition of the County.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Barnes & Thornburg LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement, and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix E of this Official Statement.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The enforceability of the rights and remedies of the Trustee or the registered owners of the Bonds under the Trust Indenture and the Lease and the availability of remedies to any party seeking to enforce the lien on the Trust Indenture and the Lease are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the enforceability of the rights and remedies under the Trust Indenture and the Lease may be limited.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Those exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the County and the State), in a manner consistent with the public health and welfare. The enforceability of the Trust Indenture and the Lease and the availability of remedies to a party seeking to enforce the lien on the Trust Indenture and the Lease, in a situation where such enforcement or availability may adversely affect the public health and welfare, may be subject to those police powers.

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APPENDIX i

OFFICIAL NOTICE OF INTENT TO SELL BONDS
\$15,285,000 (Preliminary, Subject to Change)
TIPTON COUNTY, INDIANA JAIL BUILDING CORPORATION
LEASE RENTAL REVENUE BONDS, SERIES 2018

NOTICE IS HEREBY GIVEN that upon not less than twenty-four (24) hours notice given by telephone, facsimile, electronically or otherwise on behalf of the Tipton County, Indiana Jail Building Corporation (the "Corporation"), prior to ninety (90) days from the date of the second publication of this notice, separate electronic and sealed bids will be received on behalf of the Corporation in care of the Corporation's Municipal Advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the "Municipal Advisor"), 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240, (317) 465-1500 (telephone), bids@umbaugh.com (e-mail), in the manner as set forth herein for the purchase of the bonds of the Corporation designated as "Tipton County, Indiana Jail Building Corporation Lease Rental Revenue Bonds, Series 2018" (the "Bonds") to be issued by the Corporation pursuant to a Trust Indenture, between the Corporation and a financial institution, as trustee (the "Indenture"), in the aggregate principal amount of Fifteen Million Two Hundred Eighty-Five Thousand Dollars (\$15,285,000) (preliminary, subject to change), bearing interest at a rate or rates not exceeding five percent (5.00%). Upon completion of the bidding procedures described herein, the results of the sealed, non-electronic bids received shall be compared to the electronic bids received by the Corporation.

TYPES OF BIDS ALLOWED. Bids may be submitted via the **PARITY**[®] web site ("**PARITY**[®]"). Bidders may access the sale at the **PARITY**[®] website via the sale link at Internet Address www.newissuehome.i-deal.com between 10:00 a.m. and 11:00 a.m. (Eastern Daylight Time) on the date identified in the notice given by, or on behalf of the Corporation, twenty-four hours prior to the sale of the Bonds. To bid via **PARITY**[®], bidders must have both (1) completed the registration form on **PARITY**[®], if not previously registered, and (2) requested and received admission to the Corporation's sale, as described in the Registration and Admission to Bid and details set forth below. As an alternative to **PARITY**[®], bidders may submit a sealed bid or an emailed bid to the Municipal Advisor at the address described above until 11:00 a.m. (Eastern Daylight Time) on the date identified in the notice given by, or on behalf of the Corporation, twenty-four hours prior to the sale of the Bonds. It is currently anticipated that sealed bids will be requested to be submitted on Tuesday, August 14, 2018.

FORM, MATURITY AND PAYMENT OF BONDS. Interest on the Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year and shall be payable semiannually on January 15 and July 15 in each year, commencing January 15, 2019. The Bonds may be issued as fully registered bonds in book-entry-only form in denominations of \$5,000 each or any integral multiples thereof, not exceeding the aggregate principal amount of such Bonds maturing in any one year, and when issued, will be registered in the name of CEDE & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Purchasers of beneficial interests in the Bonds will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry only. As long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to such registered owner, which will in turn, remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners. Neither the Corporation nor U.S. Bank National Association, as the registrar

and paying agent (the “Registrar” and the “Paying Agent”), for the Bonds shall have any liability for the failure of DTC or any DTC Participant to remit the payment or provide any notice to any Beneficial Owner of Bonds. The Bonds shall be numbered consecutively from 2019R-1 upward, shall bear an original issue date which shall be the date the Bonds are issued and shall mature on each January 15 and July 15, commencing not earlier than July 15, 2020 and ending not later than January 15, 2038, with the maturity schedule to be provided at the time of bidding.

The Corporation reserves the right to adjust principal amounts within maturities to achieve the financial objectives of the Corporation with respect to its anticipated debt service obligations during the term of the Bonds. In addition, the Corporation reserves the right to decrease the entire principal amount of the Bonds issued based on the actual interest rates bid by the successful bidder based on the principal and interest payments to be paid by the Corporation. If the maximum principal amount of the Bonds issued decreases, the Corporation reserves the right to adjust principal amounts within maturities based on the parameters set forth in this paragraph.

All payments of interest on the Bonds will be paid by check or draft mailed one business day prior to each interest payment date, to the registered owners of the Bonds as of the first day (1st) day of the month in which such interest is payable at the address as it appears on the registration books kept by the Registrar and Paying Agent as of the first (1st) day of the month immediately preceding the month of the interest payment date or at such other address as is provided to the Registrar and Paying Agent in writing by such registered owner. Principal on the Bonds will be payable at the designated corporate trust operations office of the Paying Agent. Notwithstanding the foregoing, so long as DTC or its nominee is the registered owner of the Bonds, principal of and interest on the Bonds will be paid directly by the Paying Agent to DTC as provided hereinabove.

The Bonds may be transferred or exchanged at the office of the Registrar, subject to the terms and conditions of the Indenture.

REDEMPTION PROVISIONS. The Bonds maturing on or after July 15, 2028, are redeemable prior to maturity at the option of the Corporation, in whole or in part, in any order of maturity as determined by the Corporation and by lot within maturities, on any date not earlier than January 15, 2028, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

Upon the election of the successful bidder, any of the Bonds may be issued as term bonds subject to mandatory sinking fund redemption on January 15 and July 15 of the year set forth above at 100% of the face value in accordance with the schedule set forth above. If any Bonds are subject to mandatory sinking fund redemption, the Registrar and Paying Agent shall credit against the mandatory sinking fund requirement for any term bonds and corresponding mandatory sinking fund redemption obligation, in the order determined by the Corporation, any term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar and Paying Agent for cancellation or purchased for cancellation by the Registrar and Paying Agent and not theretofore applied as a credit against any redemption obligation. Each term bond so delivered or canceled shall be credited by the Registrar and Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory obligations and the principal amount of that term bond to be redeemed by operation of the mandatory sinking fund

requirement shall be accordingly reduced; provided, however, the Registrar and Paying Agent shall only credit such term bonds to the extent received on or before forty-five days preceding the applicable mandatory redemption date.

Notice of any mandatory sinking fund redemption will be mailed by first class mail by the Registrar and Paying Agent not less than 30 days prior to the date selected for redemption to the registered owners of all Bonds to be redeemed at the address shown on the registration books of the Registrar and Paying Agent; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to the Bonds will not affect the validity of any proceedings for redemption as to any other Bonds for which notice is adequately given. Notice having been mailed, the Bonds designated for redemption will, on the date specified in such notice, become due and payable at the then applicable redemption price. On presentation and surrender of such Bonds in accordance with such notice at the place at which the same are expressed in such notice to be redeemable, such Bonds will be redeemed by the Registrar and Paying Agent for that purpose. From and after the date of redemption so designated, unless default is made in the redemption of the Bonds upon presentation, interest on the Bonds designated for redemption will cease.

INTEREST RATES. Each bid must be for all of the Bonds and must state the rate or rates of interest therefor, not exceeding the maximum per annum interest rate hereinbefore specified. Such interest rate or rates must be in multiples of one-eighth (1/8), one-twentieth (1/20), or one-one hundredth (1/100) of one percent (1.00%). Bids specifying more than one interest rate must also specify the amount and maturities of the Bonds bearing each rate. All Bonds maturing on the same date shall bear the same rate of interest. Although not a term of sale, it is requested that each bid show the total dollar cost to final maturity and the true interest cost on the entire issue.

The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds.

BIDDING DETAILS. Any person interested in submitting a bid for the Bonds may furnish written notice of such intent along with such person’s name, address and telephone number, on or before 11:00 a.m. (Eastern Daylight Time), Friday, August 10, 2018, to the Municipal Advisor at the address and contact information set forth above. The person may also furnish a telex or facsimile number or e-mail address. The Corporation will cause each person so registered to be notified of the date and time bids will be received for the Bonds, not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by such person and also by telex or facsimile and electronically if a telex or facsimile number or e-mail address has been furnished. No conditional bid or bids for less than ninety-nine percent (99%) of the par value of the Bonds, will be considered. The Corporation reserves the right to reject any and all bids and to waive any informality in any bid. If no acceptable bid is received on the date fixed for sale of the Bonds, the sale may be continued from day to day thereafter without further advertisement for a period not to exceed thirty (30) days, but if so continued, no bid will be accepted which offers an interest cost which is equal to or higher than the best bid received at the time fixed for the sale.

If a potential bidder has questions related to the Corporation, the financing or submission of bids, questions should be submitted by email to the addresses above no later than Friday, August 10

2018 by 11:00 a.m. (Indianapolis time). To the best of the Corporation's ability, all questions will be addressed by the Corporation and sent to potential bidders, including any bidders requesting 24 hours' notice of sale, no later than 5:00 p.m. (Indianapolis time) on August 10, 2018. Additionally, upon request, the written responses will be emailed to any other interested bidder. Bidders should review this notice as well as the preliminary official statement and submit any questions in advance of this deadline to submit questions.

A bidder may purchase bond insurance to guarantee the repayment of the debt service of the Bonds from a bond insurance company; provided, however, the payment of any premium for any such bond insurance will be paid by the successful bidder from its discount bid, and will not be paid by the Corporation.

Each of the bids for the Bonds not submitted via **PARITY**[®] (i) shall be sealed in an envelope, or if sent by electronic mail or facsimile, contain a cover page, marked "Tipton County, Indiana Jail Building Corporation Lease Rental Revenue Bonds, Series 2018," (ii) must be on the form approved by the Corporation, without additions, alterations or erasures, which form may be obtained from the Municipal Advisor at the address set forth herein, and (iii) delivered to the Municipal Advisor on behalf of the Corporation at the address or contact information set forth above.

While it is not a requirement for the successful bidder, the Corporation encourages the successful bidder to make a good faith effort to offer the Bonds to be purchased by residents of the Corporation.

INTERNET BIDS. If using **PARITY**[®], bidders must first visit the **PARITY**[®] web site where, if they have never registered with **PARITY**[®], they can register and then request admission to bid on the Bonds. Only NASD registered broker dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Any questions pertaining to the **PARITY**[®] web site may be directed to **PARITY**[®] at (212) 849-5021.

RULES OF ELECTRONIC BIDDING. The "Rules" of **PARITY**[®] can be viewed on their respective websites and are incorporated herein by reference. Bidders must comply with the **PARITY**[®] in addition to requirements of this Official Notice of Intent to Sell Bonds. To the extent there is a conflict between the Rules of **PARITY**[®] and this Official Notice of Intent to Sell Bonds, this Official Notice of Intent to Sell Bonds shall control.

CLOSED AUCTION. Bidders may change and submit bids as many times as they wish during the sale period, but they may not withdraw a submitted bid. The last bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid. During the sale, no bidder will see any other bidder's bid, nor will they see the status of their bid relative to other bids (e.g. whether their bid is a leading bid).

AMENDMENTS. The Corporation reserves the right to amend any information contained in this Official Notice of Intent to Sell Bonds. The Corporation also reserves the right to postpone, from time to time, the date established for the receipt of bids on the Bonds. Any such amendment or postponement will be announced on the Amendments Page accessible through the View Amendments button of **PARITY**[®], or via TM3 and/or Bloomberg wire service, at any time prior to the date and time established for the auction. If any date fixed for the auction is

postponed, any alternative sale date will be announced at least 24 hours prior to such alternative sale date.

BASIS FOR AWARD. The sale of the Bonds will be awarded to the bidder making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the Corporation. The True Interest Cost rate is determined by computing the total interest on all of the Bonds to their maturities based upon the schedule provided minus any premium bid and plus any discount. In the event of a bidder's error in interest cost rate calculations, the interest rates and premium, if any, set forth or incorporated by reference in the Official Bid Form will be considered as the intended bid.

In the event that the Corporation fails to receive a bid on the Bonds from at least three Underwriters (as hereinafter defined), the Corporation shall so advise the successful bidder for the Bonds (such successful bidder, the "Purchaser"). If the Purchaser is an Underwriter intending to resell all or any portion of the Bonds to the Public (as hereinafter defined), the Purchaser must, prior to acceptance of its bid by the Corporation, either (i) agree in writing to neither offer nor sell any of the Bonds to any person at a price that is higher than the initial offering price for each maturity of Bonds during the Holding Period (as hereinafter defined) for any maturity of the Bonds or (ii) request in writing that the Corporation treat the first price at which 10% of a maturity of the Bonds (the 10% test) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. For purposes of this Notice of Intent to Sell Bonds, (a) the term "Public" shall mean any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter, (b) the term "related party" means any two or more persons who have greater than 50 percent common ownership, directly or indirectly, (c) the term "Underwriter" means (i) any person that agrees pursuant to a written contract with the Corporation (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public), (d) the term "Underwriters" means more than one Underwriter, and (e) the term "Holding Period" means the period starting on the date the Corporation awards the Bonds to the Purchaser (the "Sale Date") and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of each maturity of the Bonds to the Public at prices that are no higher than the initial offering price for such maturity of the Bonds. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the Corporation (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Bonds for purposes of assuring the receipt of each such participating underwriter of the Final Official Statement. The Purchaser shall be responsible for providing (i) in writing the initial reoffering prices and other terms, if any, to the Municipal Advisor as and at the time requested and (ii) a certification verifying information as to the bona fide initial offering prices of the Bonds to the Public and sales of the Bonds appropriate for determination of the issue price of, and the yield on, the Bonds under Internal Revenue Code of 1986, as amended, as and at the time requested by the Corporation's bond counsel.

GOOD FAITH DEPOSIT. The successful bidder must provide to the Corporation a wire transfer in Federal Reserve or other immediately available funds made payable to the Corporation in the amount of one percent (1.00%) of the aggregate principal amount of Bonds to be sold to the successful bidder (the amount of such wire transfer being referred to hereinafter as the “Deposit”) by no later than 3:30 p.m. (Eastern Daylight Time) on the business day following the date on which the successful bidder is notified of the award of the sale of the Bonds. If the Deposit is not received by the time set forth above, then the bid of the successful bidder shall be rejected. The Deposit will be applied to the purchase price of the Bonds awarded to the successful bidder.

In the event the bidder to whom the Bonds are awarded shall fail or refuse to comply with the provisions of the bid and this notice, such Deposit shall become the property of the Corporation and shall be taken and considered as liquidated damages of the Corporation on account of such failure or refusal.

The successful bidder will be required to make payment for the Bonds in Federal Reserve or other immediately available funds and accept delivery of the Bonds within five (5) days after being notified that the Bonds are ready for delivery, at a bank designated by the Corporation. Any premium bid must be paid in cash at the time of delivery as a part of the purchase price of the Bonds. The Bonds will be ready for delivery within sixty (60) days after the date on which the award is made, if not deliverable within that period, the successful bidder will be entitled to rescind the sale and the Deposit will be returned. Any notice of rescission must be in writing. At the request of the Corporation, the successful bidder shall furnish to the Corporation, simultaneously with or before delivery of the Bonds, a certificate in form satisfactory to the Corporation regarding the price at which a substantial amount of Bonds of each maturity was reoffered to the public.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its bid. No CUSIP identification number shall be deemed to be a part of any Bond or the contract evidenced thereby and no liability shall hereafter attach to the Corporation or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing or typing of CUSIP numbers on the Bonds shall be paid by the Corporation; provided, however, it shall be responsibility of the successful bidder to timely obtain the numbers and to pay the CUSIP Service Bureau charge for the assignment of the numbers. The successful bidder will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

AUTHORITY AND PURPOSE. The Bonds are being issued under the provisions of the Indiana Code to provide funding for all or any portion of the acquisition, construction, improvement, and/or equipping of all or any portion of an expansion and renovation of the Tipton County, Indiana jail facility, all as more fully described in the Preliminary Official Statement (as hereinafter defined), together with the expenses necessarily incurred in connection therewith, including the expenses incurred in connection with the issuance of the Bonds.

The principal of and interest on the Bonds are payable solely from the Trust Estate (as defined in the Indenture), including lease rental payments (the “Lease Rentals”) to be paid by Tipton

County, Indiana, pursuant to a Lease, dated as of March 5, 2018, between the Corporation and the County, as amended. The Lease Rentals are payable solely from (i) the revenues of the income tax levied and collected by the County pursuant to Indiana Code § 6-3.6-7-21.5 (the “Income Tax Revenues”), and (ii) to the extent that the Income Tax Revenues are insufficient to pay such amounts, from the revenues of an *ad valorem* tax levied by the County on all taxable property in the County pursuant to the IC 36-1-10-17, as more fully described in the Official Statement.

BOND DELIVERY. At the time of delivery of the Bonds, the approving opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel, as to the validity of the Bonds, together with a transcript of Bond proceedings, the printed Bonds and closing certificates in the customary form showing no litigation, will be furnished to the successful bidder at the expense of the Corporation. In addition, unless bond counsel is able, on the date of delivery, to render an opinion to the effect that (1) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes, and (2) the interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”) for all purposes except the State financial institutions tax, the successful bidder shall have the right to rescind the sale, and in such event the good faith deposit will be returned.

PRELIMINARY OFFICIAL STATEMENT. A copy of the Preliminary Official Statement prepared at the direction of the Corporation in connection with the Bonds (the “Preliminary Official Statement”) may be obtained from www.newissuehome.i-deal.com or in limited quantities prior to submission of a bid by request from the Municipal Advisor at the address set forth above. Said Preliminary Official Statement will be in a form deemed final by the Corporation, pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), subject to completion as permitted by the Rule.

The Preliminary Official Statement when further supplemented by an addendum or addenda specifying the interest rates of the Bonds, and any other information referred to in paragraph (b)(1) of the Rule, shall constitute a “Final Official Statement” of the Corporation with respect to the Bonds, as that term is defined in the Rule. By awarding the Bonds to a successful bidder, the Corporation agrees that, no more than seven (7) business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded up to twenty-five (25) copies of the Official Statement at the Corporation’s expense, any additional copies to be at the expense of the underwriting syndicate. The Corporation designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Bid Form or a bid via **PARITY**[®] with respect to the Bonds agrees thereby that if its bid is accepted by the Corporation (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all participating underwriters of the Bonds for purposes of assuring the receipt of each such participating underwriter of the Final Official Statement. The successful bidder shall be responsible for providing (i) in writing the initial reoffering prices and other terms, if any, to the Municipal Advisor as and at the time requested and (ii) a certification verifying information as to the bona fide initial offering prices of the Bonds to the public and sales of the Bonds appropriate for determination of the issue price of, and the yield on the Bonds under Internal Revenue Code of 1986, as amended, as and at the time requested by the Corporation’s bond counsel.

In order to assist bidders in complying with paragraph (b)(5) of the Rule, the County will undertake, pursuant to the Continuing Disclosure Agreement which shall be delivered to the successful bidder at the closing on the Bonds, to provide annual reports, certain financial information, and notices of certain events as required by Section (b)(5) of the Rule. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

If bids are submitted by mail, they should be addressed to the Corporation in care of the Municipal Advisor at the address listed above.

Dated this 20th day of June, 2018.

TIPTON COUNTY, INDIANA JAIL BUILDING CORPORATION

[TO BE PUBLISHED TWICE ON WEDNESDAY, JUNE 20, 2018 AND WEDNESDAY, JUNE 27, 2018, IN *THE TIPTON TRIBUNE* AND *THE COURT AND COMMERCIAL RECORD*.]

APPENDIX A

TABLE OF CONTENTS

	<u>Page(s)</u>
Tipton County, Indiana	
General Physical and Demographic Information	
Location	A-1
General Characteristics	A-1
Governmental Structure	A-1
Planning and Zoning	A-1
Education	A-2
Pension Obligations	A-2
General Economic and Financial Information	
Commerce and Industry	A-3 – A-4
Large Employers	A-5
Employment	A-6
Building Permits.....	A-6
Population	A-7
Age Statistics.....	A-7
Educational Attainment.....	A-7
Miscellaneous Economic Information.....	A-8
Schedule of Indebtedness	A-9
Debt Ratios.....	A-10
Schedule of Historical Net Assessed Valuation	A-11
Detail of Net Assessed Valuation.....	A-12
Comparative Schedule of Certified Tax Rates	A-13
Property Taxes Levied and Collected.....	A-14
Large Taxpayers.....	A-15
Statement of Receipts and Disbursements	A-16 – A-24

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TIPTON COUNTY, INDIANA

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

Tipton County (the “County”) is located in north central Indiana. The County is approximately 40 miles north of Indianapolis, 20 miles north of Westfield, and 20 miles south of Kokomo.

GENERAL CHARACTERISTICS

The County was organized in 1844 and named after General John Tipton. The original county seat was Canton, which was renamed the City of Tipton in 1848.

The history of hybrid corn seed companies and agricultural related businesses started in the County as early as 1925. For years, the seed industry has recognized the County as one of the top locations in the United States for the production of agricultural seeds. Over 80% of the land within the County is used for agriculture.

The City of Tipton serves as the center for commerce, industry, and recreation for County residents and includes a 30-acre park, an 18-hole municipal golf course, a movie theater, a public library, festivals, and a community theater. Tipton is located along the Nickel Plate Art Trail, which supports, promotes, and provides arts experiences in several Indiana communities located along the 30-mile historic Nickel Plate Railroad.

The Tipton County Historical Society sponsors the Tipton County Heritage Center and Museum which displays local artifacts that depict the development of the County as well as houses a history library. The C.W. Mount Community Center is a 45,000 square-foot facility, available to area residents that contains a fitness center, the Boys and Girls Club, a gymnasium, and banquet halls. The County is also home of the Tipton County Pork Festival that has been held annually in September since 1969. The festival draws around 100,000 people to the area each year and includes a parade, car show, musical entertainment, and pork chops and barbeque.

GOVERNMENTAL STRUCTURE

The County is governed by three County Commissioners and a seven-member County Council. The Commissioners are elected from separate districts by the voters of the County and are responsible for the administration of county ordinances. The Council Members are elected to four-year terms and serve as the fiscal body for the County. Additional County boards, commissions, and departments include the following:

ADA	Coroner	Recorder
Alcoholic Beverage Commission	Economic Development Commission	Redevelopment Commission
Ambulance Oversight Board	Emergency Management	Sheriff
Assessor	Health Department	Solid Waste
Auditor	Highway Department	Surveyor
CASA	Information Technology	Treasurer
Circuit Court	Library Board	Veterans Affairs
Clerk	Planning Commission	Voting & Elections
Communications	Probation	
Community Corrections	Prosecutor	

The County employs a total of approximately 143 full and part-time employees with no union representation.

PLANNING AND ZONING

The County has a nine-member Plan Commission to provide orderly growth for residential, commercial and industrial areas within the unincorporated areas of the County. The County also has a five-member Board of Zoning Appeals.

EDUCATION

Tipton Community School Corporation and Tri-Central Community Schools provide public education for school-aged children of the County. Each of the school corporations offers a comprehensive academic curriculum and a variety of extra-curricular activities. Enrollment and employment information are reported by school administrators as follows:

	<u>2017/2018 Enrollment</u>	<u>Certified Employment</u>	<u>Non-Certified Employment</u>
Tipton Community School Corporation	1,552	118	122
Tri-Central Community Schools	753	58	62

PENSION OBLIGATIONS

County Police Retirement Plan

Plan Description

The County Police Retirement Plan is a single-employer defined benefit pension plan. With the approval of the County’s fiscal body, the plan is administered by the sheriff’s department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides retirement, death, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Retirement Plan are established by state statute.

County contributions for the year 2017 were \$178,239.

County Police Benefit Plan

Plan Description

The County Police Benefit Plan is a single-employer defined benefit pension plan. With the approval of the County’s fiscal body, the plan is administered by the sheriff’s department and an appointed trustee as authorized by state statute (IC 36-8-10-12) for full-time police officers. The plan provides dependent pensions, life insurance, and disability benefits to plan members and beneficiaries. Funds designated for payments related to this plan are accounted for in a pension trust fund. The activity of this trust fund has not been reflected in the financial statement. The trustee issues a publicly available financial report that includes financial statements and required supplementary information of the plan. The report may be obtained by contacting the county sheriff.

Funding Policy

The contribution requirements of plan members for the County Police Benefit Plan are established by state statute.

County contributions for the year 2017 were \$20,691.

Other Postemployment Benefits

Upon termination, retirement or death, employees are paid for vacation days and accumulated sick days. Vacation days do not carry over from year to year. Sick days, up to 10 sick days per year, are accumulated at one sick day per month worked. Employees may accumulate up to 30 sick days. Additionally, retirees and their spouses and/or dependents have the option to stay on the County’s health insurance plan at the retirees’ full expense.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

The City of Tipton serves as the retail and industrial center for the County. The area has a diverse industrial base which includes metal stampings, agri-seed production and research, frozen food manufacturing, puzzle and board games manufacturing, and automobile parts manufacturing.

U.S. 31 and State Road 28 both pass through the County. U.S. 31 runs from South Bend to Indianapolis and recent bypass improvements have reduced commuting time between Tipton and Indianapolis. A new interchange at State Road 28 and U.S. 31, opened in November 2016, created roundabouts to regulate the ramp traffic onto U.S. 31, with the roundabouts designed to accommodate agriculture equipment, large trucks, and future expansion. A Love's Travel Shop and a Hardee's plan to open operations this year at the interchange. In addition, tax increment financing areas have been established in the area of the interchange in anticipation of future development.

Part of the new interchange design included direct access to the Tipton Transmission Plant. The Tipton Transmission Plant is owned by Fiat Chrysler Automobiles (FCA) and was dedicated on May 13, 2014. The company had announced in 2013 it would be acquiring a 782,000 square-foot facility in Tipton and investing \$162 million to create an additional site for assembly. It was expected that at capacity the plant would employ 850. According to the company website, the Tipton facility has 937 employees. The company has additional facilities in the area including three in nearby Kokomo that provide support for production at the Tipton plant. When the Tipton plant was dedicated in 2014, the company had invested more than \$1.6 billion and created 2,600 jobs in the region since 2009. In December 2016, the company temporarily laid-off employees at both the Tipton and Kokomo plants to align production with global demand and the company's industrialization plan, according the Indiana Economic Digest. Per the Tipton County Economic Development Organization (the "TCEDO"), according to the company, the lay-offs lasted two weeks and all employees came back to work on January 2, 2017. The company did not anticipate any long-term lay-offs. According to Inside Indiana Business, in February 2017 the company invested \$2.1 million into training programs in Indiana. The company's World Class Manufacturing Academy is located at the Tipton facility and features hands-on training in partnership with Indiana University, Purdue University, and Ivy Tech Community College.

Mid-State Engineering, a custom engineering solutions company, was founded in Tipton in 2008. The company is investing \$500,000 into the expansion of a robotics program and has recently secured contracts with Fiat Chrysler Automobiles.

The County is home to the corporate offices of Park 100 Foods, a custom manufacturer that is culinary based and culinary driven. Since 1976, the company has led the industry in the manufacturing of custom food solutions including frozen soups, sauces, chili, side dishes, gravies, fruit toppings, dips, entrees, custards, and pie fillings. The company's Tipton complex contains the Product Development Center and a USDA/HACCP/SQF kettle operation. The Tipton facility now employs 150 people and specializes in producing long continuous production runs.

Recently, there have been several seed operation expansions within the County including Hartley Grain, Beck's Seed, DuPont Pioneer, and Total Seed Production. DuPont Pioneer, formerly Pioneer Hi-Bred International, started operations in the County in 1938 and currently has a corn production plant and a research facility there. In March 2013, the company announced plans for a \$13.7 million expansion to add more than 20,800 square feet to the Tipton facility. In May 2016, Tipton-based Total Seed Production Inc., announced plans to expand its seed corn and soybean seed production facility due to demand increase. The expansion will accommodate soybean production and services and includes 28,500 square feet of warehouse space and a 6,400 square-foot facility for the company's crop spraying operation.

In April 2017, IU Health Tipton Hospital broke ground on its new Medical Office Building that is expected to be completed in 2018. The facility will be connected to the hospital and contain sports medicine, orthodontics, rehabilitation services, and primary care and specialty care offices. Additionally, Encompass Credit Union is planning a new headquarters in Tipton. According to the Indiana Economic Digest, these two projects combined represent an investment of approximately \$6 million.

Indiana Municipal Power Agency (IMPA) plans to construct a 30-acre solar park in the County. The solar park will include 19,152 panels, creating a local source of renewable power for the City of Tipton's wholesale electricity provider. The project is expected to create 25 temporary, local jobs and be operational in 2019.

In March 2018, a local development group received a tax credit for an \$8 million senior apartment building from the Indiana Housing & Community Development Authority. The three-story building is expected to be complete in 2019.

In addition to the business growth and expansions, the City of Tipton recently completed work on a beautification project. The Alley project opened in June 2018 and was funded with grant monies and donations. The project repurposed an alley downtown into a public gathering space that will host monthly meals, music, and entertainment. Along with the beautification project, the City created the 2018 City of Tipton Sidewalk Program to improve community connectivity.

LARGE EMPLOYERS

Below is a list of the County's largest employers. The number of employees shown are as reported by company personnel unless otherwise noted. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.

<u>Name</u>	<u>Year Established</u>	<u>Type of Business</u>	<u>Reported Employment</u>
Fiat Chrysler Automobiles	2014	Mfg. transmission	937 (1)
IU Health Tipton Hospital	1950	Healthcare	250
Tipton Community School Corporation		Public education	240 (2)
Miller's Merry Manor		Skilled nursing care	206
Park 100 Foods	1975	Mfg. & package food	150 (1)
Tipton County	1839	County government	143
Steel Parts Manufacturing, Inc.	2006	Metal stampings & assemblies for auto industry	138
DuPont Pioneer	1938	Seed production, research & sales	136 (3)
Tri-Central Community Schools		Public education	120 (4)
Package Right Corporation	1991	Mfg. puzzles & board games	115

(1) Per company website.

(2) Per the School Corporation, includes 118 certified and 122 non-certified staff.

(3) Reported as of February 2017. Includes 40 temporary employees.

(4) Per the School Corporation, includes 58 certified and 62 non-certified staff.

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>		<u>Tipton County Labor Force</u>
	<u>Tipton County</u>	<u>Indiana</u>	
2013	6.7%	7.7%	7,958
2014	5.2%	6.0%	8,160
2015	4.0%	4.8%	8,382
2016	3.8%	4.4%	8,524
2017	3.1%	3.5%	8,530
2018, April	2.6%	2.9%	8,574

Source: Indiana Business Research Center. Data collected as of May 23, 2018.

BUILDING PERMITS

Provided below is a summary of the number of building permits and estimated construction costs for the County.

<u>Year</u>	<u>Residential</u>		<u>Commercial/Industrial</u>	
	<u>Total Permits</u>	<u>Estimated Costs</u>	<u>Total Permits</u>	<u>Estimated Costs</u>
2013	70	\$3,944,964	9	\$1,250,000
2014	80	8,085,032	4	1,700,000
2015	62	6,078,760	4	317,400
2016	54	4,503,296	5	2,607,000
2017	72	6,597,355	4	6,863,575

Source: Tipton City/Tipton County Plan Commission

POPULATION

<u>Year</u>	<u>Tipton County</u>	
	<u>Population</u>	<u>Percent of Change</u>
1970	16,650	5.01%
1980	16,819	1.02%
1990	16,119	-4.16%
2000	16,577	2.84%
2010	15,936	-3.87%
2017, Est.	15,128	-5.07%

Source: U.S. Census Bureau

AGE STATISTICS

	<u>Tipton County</u>
Under 25 Years	4,835
25 to 44 Years	3,657
45 to 64 Years	4,706
65 Years and Over	2,738
Totals	<u>15,936</u>

Source: U.S. Census Bureau's 2010 Census

EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Persons 25 and Over Tipton County</u>
Less than 9th grade	4.0%
9th to 12th grade, no diploma	7.8%
High school graduate	39.4%
Some college, no degree	19.6%
Associate's degree	8.2%
Bachelor's degree	13.4%
Graduate or professional degree	7.7%

Source: U.S. Census Bureau's 2012-2016 American Community Survey 5-Year Estimates

MISCELLANEOUS ECONOMIC INFORMATION

	<u>Tipton County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$27,556	\$26,117
Median household income, past 12 months*	\$54,023	\$50,433
Average weekly earnings in manufacturing (3rd qtr. of 2017)	\$918	\$1,109
Land area in square miles - 2010	260.54	35,826.11
Population per land square mile - 2010	61.2	181.0
Retail sales in 2012:		
Total retail sales	\$180,565,000	\$85,857,962,000
Sales per capita**	\$11,331	\$13,242
Sales per establishment	\$3,167,807	\$3,974,722

*In 2016 inflation-adjusted dollars – 5-year estimates

**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of March 8, 2017.

<u>Employment and Earnings - Tipton County 2016</u>	<u>Earnings</u> (In 1,000s)	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Manufacturing	\$78,454	29.04%	1,191	18.31%
Other*	43,472	16.09%	1,313	20.18%
Government	37,572	13.91%	837	12.87%
Wholesale and retail trade	27,934	10.34%	785	12.07%
Construction	27,575	10.20%	530	8.15%
Services	25,249	9.35%	735	11.30%
Finance, insurance and real estate	12,659	4.69%	457	7.02%
Farming	11,206	4.15%	456	7.01%
Transportation and warehousing	4,866	1.80%	151	2.32%
Information	1,172	0.43%	31	0.48%
Mining	N/A	N/A	19	0.29%
Totals	\$270,159	100.00%	6,505	100.00%

*In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for the forestry, fishing, related activities, utilities, and certain areas of the services sectors. Additionally, specific earnings figures are not available for the mining sector. The data for the forestry, fishing, related activities and services sectors is incorporated in the other category.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of March 8, 2018.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Tipton County Total</u>
	2011	\$351,565,226
	2012	382,695,032
	2013	385,971,775
	2014	384,774,965
	2015	385,990,233

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the County and the taxing units within and overlapping its jurisdiction as of May 23, 2018, including issuance of the Bonds, as reported by the respective taxing units.

<u>Direct Debt</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Tax Supported Debt			
Lease Rental Revenue Bonds, Series 2018 Tipton County Redevelopment District	\$15,285,000 *	01/15/38	\$15,285,000 *
Tax Increment Revenue Refunding Bonds, Series 2014	2,205,000	02/01/20	825,000
Economic Development Revenue Bonds, Series 2010	13,000,000	03/01/31	10,749,359
Economic Development Income Tax Revenue Bonds, Series 2008	1,135,000	12/15/27	715,000
Courthouse Renovation-Energy Savings Project	1,480,102	01/15/19	<u>176,503</u>
 Total Direct Debt			 <u><u>\$27,750,862</u></u>

Note: The Highway Department has two vehicle leases outstanding in the amount of \$221,329 payable from the Motor Vehicle Highway Fund and Local Road and Street Fund. Also, the Sheriff Department has five vehicle leases outstanding in the amount of \$61,062 payable from the General Fund. In addition, dependent on future development, the County is considering issuing debt for a proposed roundabout project. The proposed bonds would be payable from TIF revenues.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to County (1)</u>	<u>Amount Allocable to County</u>
Tax Supported Debt			
City of Elwood	\$7,420,000	0.39%	\$28,938
City of Tipton	1,889,508	100.00%	1,889,508
Town of Sharpsville	9,511	100.00%	9,511
Town of Windfall	215,400	100.00%	215,400
Wildcat Township	28,000	100.00%	28,000
Tipton Community School Corporation	21,975,000	100.00%	21,975,000
Tri-Central Community Schools	9,111,338	100.00%	<u>9,111,338</u>
 Tax Supported Debt			 <u><u>33,257,695</u></u>
Self-Supporting Revenue Debt			
City of Elwood	8,270,000	0.39%	32,253
City of Tipton	10,913,017	100.00%	10,913,017
Town of Sharpsville	331,000	100.00%	331,000
Town of Windfall	3,298,444	100.00%	<u>3,298,444</u>
 Self-Supporting Revenue Debt			 <u><u>14,574,714</u></u>
 Total Overlapping Debt			 <u><u>\$47,832,409</u></u>

*Preliminary, subject to change.

(1) Based upon the 2017 payable 2018 net assessed valuation of the respective taxing units.

The schedule presented above is based on information furnished by the obligors or other sources and is deemed reliable. The County makes no representation or warranty as to its accuracy or completeness.

DEBT RATIOS

The following presents the ratios relative to the tax supported indebtedness of the taxing units within and overlapping the County as of May 23, 2018, including issuance of the Bonds.

	Direct Tax Supported Debt*	Allocable Portion of All Other Overlapping Tax Supported Debt	Total Direct and Overlapping Tax Supported Debt*
	<u>\$27,750,862</u>	<u>\$33,257,695</u>	<u>\$61,008,557</u>
Per capita (1)	\$1,834.40	\$2,198.42	\$4,032.82
Percent of net assessed valuation (2)	2.94%	3.53%	6.47%
Percent of gross assessed valuation (3)	1.86%	2.23%	4.08%
Debt per capita to per capita personal income (4)	6.66%	7.98%	14.64%

*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated 2016 population of the County is 15,128.
- (2) The net assessed valuation of the County for taxes payable in 2018 is \$943,089,176 according to the Tipton County Auditor's office.
- (3) The gross assessed valuation of the County for taxes payable in 2018 is \$1,494,278,960 according to the Tipton County Auditor's office.
- (4) The per capita personal income of County is \$27,556.

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Tipton County Auditor's Office)

<u>Year</u> <u>Payable</u>	<u>Real Estate</u>	<u>Utilities</u>	<u>Personal</u> <u>Property</u>	<u>Total</u> <u>Taxable Value</u>
2014	\$742,852,910	\$30,392,890	\$94,296,410	\$867,542,210
2015	792,058,903	47,751,915	100,666,055	940,476,873
2016	795,082,433	49,347,050	105,205,550	949,635,033
2017	785,231,606	53,653,490	105,525,650	944,410,746
2018	775,074,066	71,936,730 (1)	96,078,380	943,089,176

(1) The growth of net assessed value for utilities is due to the phase-in of assessed value for the Wildcat Wind Farm from the roll-off of a ten-year property tax abatement.

NOTE: Net assessed valuations represent the assessed value less certain deductions for mortgages, veterans, the aged and the blind, as well as tax-exempt property.

Real property is valued for assessment purposes at its true tax value as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4, and the 2011 Real Property Assessment Guidelines ("Guidelines"), as adopted by the Department of Local Government Finance ("DLGF"). In the case of agricultural land, true tax value is the value determined in accordance with the Guidelines adopted by the DLGF and IC 6-1.1-4-13. In the case of all other real property, true tax value is defined as "the market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property."

P.L. 180-2016 revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016 assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a County. Lower assessed values of a County may result in higher tax rates in order for a County to receive its approved property tax levy.

Real property assessments are annually adjusted to market value based on sales data. The process of adjusting real property assessments to reflect market values has been termed "trending" by the DLGF.

The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce accurate and uniform values throughout the jurisdiction and across all classes of property. The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method.

DETAIL OF NET ASSESSED VALUATION
 Assessed 2017 for Taxes Payable in 2018
 (As Provided by the Tipton County Auditor's Office)

	<u>Total</u>
Gross Value of Land	\$472,513,700
Gross Value of Improvements	<u>736,196,500</u>
Total Gross Value of Real Estate	1,208,710,200
Less: Mortgage Exemptions, Veterans, Blind	
Age 65 & Other Exemptions	(360,508,347)
Tax Exempt Property	(37,426,118)
TIF	<u>(35,701,669)</u>
Net Assessed Value of Real Estate	<u>775,074,066</u>
Business Personal Property	183,160,060
Less: Deductions	<u>(87,081,680)</u>
Net Assessed Value of Personal Property	<u>96,078,380</u>
Utility Property	102,408,700
Less: Deductions	<u>(30,471,970)</u>
Net Assessed Value of Utility Property	<u>71,936,730</u>
Total Net Assessed Value	<u><u>\$943,089,176</u></u>

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	<u>Year Taxes Payable</u>				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Detail of Certified Tax Rate:					
General	\$0.3320	\$0.3178	\$0.3331	\$0.3456	\$0.3766
2015 Reassessment	0.0100	0.0090	0.0095	0.0112	0.0132
Cumulative Bridge	0.0319	0.0310	0.0310	0.0310	0.0310
Health	0.0216	0.0136	0.0159	0.0182	0.0021
Cumulative Capital Development	<u>0.0160</u>	<u>0.0153</u>	<u>0.0153</u>	<u>0.0153</u>	<u>0.0153</u>
Totals	<u>\$0.4115</u>	<u>\$0.3867</u>	<u>\$0.4048</u>	<u>\$0.4213</u>	<u>\$0.4382</u>
Total District Certified Tax Rate (1)					
Cicero Township	\$1.1521	\$1.3866	\$1.4052	\$1.4535	\$1.6483
Tipton City	\$2.9348	\$3.2065	\$3.3110	\$3.4486	\$3.7374
Jefferson Township	\$1.0999	\$1.3363	\$1.3485	\$1.3966	\$1.5593
Kempton Town	\$2.4273	\$2.5940	\$2.6863	\$2.7856	\$2.9870
Liberty Township	\$1.2033	\$1.4609	\$1.6097	\$1.4824	\$1.5414
Sharpsville Town	\$2.4329	\$2.7204	\$2.9116	\$2.7871	\$2.9291
Madison Township	\$1.1526	\$1.3805	\$1.3951	\$1.3808	\$1.6380
Elwood City	\$3.1590	\$3.5811	\$3.6480	\$4.0886	\$4.4747
Prairie Township	\$1.2200	\$1.4426	\$1.5907	\$1.4623	\$1.5190
Wildcat Township	\$1.1556	\$1.5481	\$1.7117	\$1.5887	\$1.6308
Windfall Town	\$2.3109	\$2.6879	\$3.0678	\$2.9322	\$3.0645

(1) Includes certified tax rates of overlapping taxing units.

Source: DLGF Certified Budget Orders for the County.

PROPERTY TAXES LEVIED AND COLLECTED

<u>Collection Year</u>	<u>Certified Taxes Levied</u>	<u>Circuit Breaker Tax Credit</u> (1)	<u>Certified Taxes Levied Net of Circuit Breaker Tax Credit</u>	<u>Taxes Collected</u>	<u>Collected as Percent of Gross Levy</u>	<u>Collected as Percent of Net Levy</u>
2013	\$3,330,965	(\$100,501)	\$3,230,464	\$3,274,788	98.31%	101.37%
2014	3,509,384	(58,284)	3,451,100	3,525,434	100.46%	102.15%
2015	3,573,905	(92,762)	3,481,143	3,554,569	99.46%	102.11%
2016	3,784,266	(119,510)	3,664,756	3,713,708	98.14%	101.34%
2017	3,921,976	(138,499)	3,783,477	3,844,544	98.03%	101.61%

Source: The Tipton County Auditor's Office and the DLGF Certified Budget Orders for the County.

(1) Circuit Breaker Tax Credits allocable to the County per the DLGF.

Indiana Code 6-1.1-20.6 (the "Statute") provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit").

Property taxes for residential homesteads are limited to 1.0% of the gross assessed value of the homestead; property taxes for agricultural, other residential property and long term care facilities are limited to 2.0% of their gross assessed value; and property taxes for all other real and personal property are limited to 3.0% of gross assessed value. Additional property tax limits have been made available to certain senior citizens. School corporations are authorized to impose a referendum tax levy to replace property tax revenue that the school corporation will not receive due to the Circuit Breaker Tax Credit. Other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The political subdivision may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

LARGE TAXPAYERS

The following is a list of the ten largest taxpayers located within the County.

<u>Name</u>	<u>Type of Business</u>	<u>2017/2018 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
Wildcat Wind Farm I LLC (2)	Wind farm	\$26,488,530	2.81%
Campbell Family Limited Partnership/ Total Seed Production, Inc.	Rental properties/agri-seed production	20,435,320	2.17%
Pioneer Hi Bred Int'l - A DuPont Company	Agri-seed production/sales/research	17,289,380	1.83%
A. G. Tebbe Farms, Inc.	Agriculture	12,072,765	1.28%
Park 100 Foods, Inc.	Mfg. soups & sauces	10,117,160	1.07%
Comcast of Indiana	Cable, phone, internet	8,569,670	0.91%
LRB2 Baird Farms LLC/Allen Baird	Agriculture	8,331,815	0.88%
Norfolk Southern Corporation	Railway	7,807,330	0.83%
Beck's Superior Hybrids, Inc.	Agriculture and seed company	6,571,360	0.70%
Integrity EDM	Electric discharge machine supplier	<u>6,432,350</u>	<u>0.68%</u>
Totals		<u><u>\$124,115,680</u></u>	<u><u>13.16%</u></u>

(1) The total net assessed valuation of the County is \$943,089,176 for taxes payable in 2018, according to the Tipton County Auditor's office.

(2) Net assessed value will increase due to the phase-in of assessed value from the roll-off of a property tax abatement which is currently in its fifth year of a 10-year term.

Note: Chrysler Group LLC is located in a tax increment allocation area ("TIF"). The total 2017 pay 2018 net assessed valuation of Chrysler Group LLC is \$86,025,130, however \$85,694,837 of the net assessed valuation is captured as TIF incremental assessed value.

Source: County Auditor's office and the DLGF. Individual parcel data is submitted by the County Auditor to the DLGF once a year for preparation of the county abstract.

Note: The following financial statements on pages A-16 - A-24 are excerpts from the County's 2015, 2016, and 2017 audit report of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

TIPTON COUNTY, INDIANA

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2015

<u>Fund</u>	<u>Beginning Balance 1/1/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance 12/31/2015</u>
General	\$1,213,710	\$4,150,908	\$4,274,936	\$1,089,682
After Settlement Collections	377,019	356,501	377,019	356,501
County Sheriff	25,790	101,711	66,970	60,531
Clerk's Trust	90,804	2,149,089	2,040,903	198,990
Accident Report	(1,559)	2,869	3,409	(2,099)
CAGIT	467,878	1,224,060	1,210,756	481,182
Certified Shares CAGIT	28	2,744,009	2,744,009	28
Economic Develop Income Tax	841,804	802,246	937,790	706,260
Child Protection Team	690	73		763
City/Town Court Cost	11,136	1,688		12,824
Clerk's Records	18,250	2,949		21,199
Community Correct-Prj Income	77,425	21,395	29,804	69,016
Community Corrections-Transit	787		405	382
Congressional School Interest	9,122			9,122
Congressional School Prin	27,854			27,854
Sales Disclosure - County	22,810	2,140		24,950
Cumulative Bridge	1,038,315	354,539	347,666	1,045,188
Cumulative Capital Development	130,875	154,223	181,091	104,007
Drug Free Community	9,395	10,364		19,759
Electronic MAP	631			631
Emergency Planning Comm	8,282	3,338	1,018	10,602
Extradition	3,463			3,463
Firearms Training	14,158	8,971	16,456	6,673
General Drain Improvement	254,221	241,417	363,404	132,234
Health	125,917	168,022	208,602	85,337
County Id Security Protection	(13)	1,359	700	646
Excess Levy	87			87
Local Road & Street	185,765	159,476	156,494	188,747
County Corrections	64,882	27,359	51,830	40,411
Highway	721,911	2,399,833	2,391,701	730,043
Transfer Fee & Auditor Surplus	47,934	3,800	5,020	46,714
Rainy Day	389,266		234,006	155,260
Property Reassessment	31,354		31,354	0
Recorders Perpetuation	64,410	18,845	2,185	81,070
Sex & Violent Offender Admin	950	643	119	1,474
Public Defender Services Fund	4,615	300		4,915
Surplus Tax	(7,621)	66,284	20,608	38,055
Surveyor Corner Perpetuation	5,757	3,470	2,081	7,146
Tax Sale Fees/Costs	1,964		11,920	(9,956)
Subtotals	\$6,280,066	\$15,181,881	\$15,712,256	\$5,749,691

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2015

	Beginning Balance <u>1/1/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2015</u>
Subtotals carried forward	\$6,280,066	\$15,181,881	\$15,712,256	\$5,749,691
Tax Sale Redemption	6,504	47,617	31,631	22,490
Tax Sale Surplus	57,818	132,544	51,502	138,860
Un-safe Building Fund	2,052	4,900		6,952
Guardian Ad Litem	8,966	7,172	9,848	6,290
Co. Elected Officials Training	5,086	1,358		6,444
Statewide 911	56,871	288,948	299,899	45,920
Adult Probation Service	137,177	38,890	25,471	150,596
Juvenile Probation	2,101	3,750		5,851
County User Fees	162,200	14,851	11,860	165,191
Drain Maintenance	1,561,039	1,050,417	874,367	1,737,089
Sheriff's Sale Fees/Costs	30,496	4,939	3,136	32,299
Drug Dog	3,107			3,107
Back to School	1,264	3,775	3,743	1,296
2008 TIF Sinking Fund	(700)	442,073	442,571	(1,198)
Debt Service	1,266			1,266
2008 ED REV Proj Old Const 377	4,000			4,000
New Payroll Clearing	(38,598)	1,145,737	1,138,328	(31,189)
Sheriff's Pension Trust Fund	27,048	7,189		34,237
Tax Distribution	0	19,445,183	19,443,448	1,735
County Wheel Surtax Fund	7,249	109,766	112,070	4,945
Tipton County Surtax Fund	80,615	391,087	411,314	60,388
Commercial Vehicle CVET	0	113,731	113,731	0
Financial Institution Tax	0	150,732	150,732	0
CEDIT Homestead	(1,999)	293,419	291,187	233
Homestead Credit Rebate	5,160			5,160
LOIT Homestead Credit	393,238	914,670	1,306,124	1,784
State Fines & Forfeitures	805	3,038	2,980	863
Infraction Judgements	14,955	42,987	50,163	7,779
Overweight Vehicle	3,407	156	3,563	0
Special Death Benefits	930	1,715	2,315	330
Sales Disclosure - State	1,335	2,190	3,120	405
Coroner Continuing Educ	1,038	1,248	2,070	216
Mortgage Fee Fund	975	1,425	2,183	217
Sex & Violent Offender State	61	72	117	16
Child Restraint Violations	2,499	3,712	5,661	550
Inheritance Tax	28	138	166	0
Education Plate Fee	38	188	282	(56)
Riverboat Wagering Tax	0	94,404	94,404	0
CEDIT Distribution	(423)	916,936	916,936	(423)
ARRA Prosecutor	1,339			1,339
ARRA Clerk	2,950			2,950
County IV-D Incentive	22,702	5,659	755	27,606
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Subtotals	\$8,844,665	\$40,868,497	\$41,517,933	\$8,195,229

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2015

	Beginning Balance <u>1/1/2015</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2015</u>
Subtotals carried forward	\$8,844,665	\$40,868,497	\$41,517,933	\$8,195,229
Prosecutor Incentive IV-D	51,921	8,514	2,213	58,222
Clerk Incentive IV-D	30,160	5,659		35,819
SHSP 97.073 Grant	0		17,000	(17,000)
Reassessment	28,027	178,141	200,523	5,645
Dog Control	150			150
Property Tax Replacement Credit	38,590	914,670	914,670	38,590
2008 EDIT Revenue Bond Sinking	0	297,112	297,112	0
Drug Awareness	174			174
Health Maintenance	31,387	40,695	38,602	33,480
SubDiv Control Ord	2,750			2,750
Indigent Substance Abuse	1,425			1,425
Sheriff Flower	4			4
Trust Grant	7,577	15,112	15,034	7,655
Combat Range	39			39
Big Bond Trust	2,407			2,407
TIF Redevelopment Commission	418,905	808,299	447,644	779,560
TC Wind Farm Econ Dev Fund	1,149,999		704,842	445,157
TC Wind Farm Expense Fund	3,288			3,288
Adult Offender Interstate Comp	125			125
Tax Certificate Sale	621	1,450		2,071
State Drunk Driving	350			350
Surveyor Inspection Fee Fund	6,802	1,275	7,356	721
Law Enforcement Seizure Fund	325	70		395
Road Maintenance Fund	25,491	8,497		33,988
Operation Pullover 2005-2011	(2,143)	4,700	4,863	(2,306)
EMPG 97.042 Grant	0	4,805	4,805	0
HAVA	5,000			5,000
Rural Demonstration Project	(14)			(14)
Tobacco Prevention Grant Fund	2,568	50	1,568	1,050
Emergency Preparedness:TCHD	32,915	13,773	13,773	32,915
Community Corrections-Grant	28,003	155,717	133,044	50,676
Ruth Jordan	880		100	780
Comm. Dev. Blk Grant-Triple S	0	66,528	66,528	0
Totals	<u>\$10,712,391</u>	<u>\$43,393,564</u>	<u>\$44,387,610</u>	<u>\$9,718,345</u>

TIPTON COUNTY, INDIANA

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2016

<u>Fund</u>	<u>Beginning Balance 1/1/2016</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance 12/31/2016</u>
General	\$1,089,682	\$4,523,477	\$4,378,033	\$1,235,126
After Settlement Collections	356,501	494,181	356,501	494,181
County Sheriff	60,531	58,094	53,935	64,690
Clerk's Trust	198,990	2,020,561	2,130,569	88,982
Accident Report	(2,099)	2,754		655
CAGIT	481,182	1,214,361	1,356,113	339,430
Certified Shares CAGIT	28	2,761,295	2,761,296	27
Economic Develop Income Tax	706,260	804,337	1,137,293	373,304
Child Protection Team	763	10		773
City/Town Court Cost	12,824	1,771		14,595
Clerk's Records	21,199	4,285		25,484
Community Correct-Prj Income	69,016	50,439	39,716	79,739
Community Corrections-Transit	382	3,725	3,560	547
Congressional School Interest	9,122			9,122
Congressional School Prin	27,854			27,854
Sales Disclosure - County	24,950	2,060	245	26,765
Cumulative Bridge	1,045,188	328,562	253,077	1,120,673
Cumulative Capital Development	104,007	152,481	204,962	51,526
Drug Free Community	19,759	7,919	2,145	25,533
Electronic MAP	631			631
Emergency Planning Comm	10,602	3,434	1,600	12,436
E-911	0	1,083		1,083
Extradition	3,463			3,463
Firearms Training	6,673	16,610	2,507	20,776
General Drain Improvement	132,234	227,685	146,940	212,979
Health	85,337	208,850	157,573	136,614
County Id Security Protection	646	1,507	1,678	475
Excess Levy	87			87
Local Road & Street	188,747	157,270	171,897	174,120
LOIT Public Safety- Co. Share	0	479,484	402,739	76,745
County Corrections	40,411	12,359	24,986	27,784
Highway	730,043	2,387,358	2,361,958	755,443
Transfer Fee & Auditor Surplus	46,714	3,769	5	50,478
Rainy Day	155,260	153,879	39,937	269,202
Recorders Perpetuation	81,070	20,569	79,794	21,845
Sex & Violent Offender Admin	1,474	891	1,041	1,324
Public Defender Services Fund	4,915	199		5,114
Surplus Tax	38,055	27,502	15,594	49,963
Surveyor Corner Perpetuation	7,146	3,825	1,802	9,169
Tax Sale Fees/Costs	(9,956)		5,922	(15,878)
Tax Sale Redemption	22,490	40,590	127,947	(64,867)
Tax Sale Surplus	138,860	129,009	5,518	262,351
Un-safe Building Fund	6,952	4,100		11,052
Guardian Ad Litem	6,290	9,577	5,609	10,258
Co. Elected Officials Training	6,444	1,507		7,951
Subtotals	\$5,930,727	\$16,321,369	\$16,232,492	\$6,019,604

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2016

	Beginning Balance <u>1/1/2016</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2016</u>
Subtotals carried forward	\$5,930,727	\$16,321,369	\$16,232,492	\$6,019,604
Statewide 911	45,920	273,568	239,169	80,319
Adult Probation Service	150,596	40,141	25,483	165,254
Juvenile Probation	5,851	1,364	1,339	5,876
County User Fees	165,191	26,582	19,753	172,020
Drain Maintenance	1,737,089	1,165,401	672,068	2,230,422
Sheriff's Sale Fees/Costs	32,299	5,983		38,282
Drug Dog	3,107		1,920	1,187
Back to School	1,296	5,995	6,478	813
2008 TIF Sinking Fund	(1,198)	450,828	451,328	(1,698)
Debt Service	1,266			1,266
2008 ED REV Proj Old Const 377	4,000			4,000
New Payroll Clearing	(31,189)	1,114,528	1,114,451	(31,112)
Sheriff's Pension Trust Fund	34,237	8,850		43,087
Tax Distribution	1,735	20,749,339	20,749,339	1,735
LOIT Public Safety	0	334,496	334,496	0
County Wheel Surtax Fund	4,945	112,607	112,449	5,103
Tipton County Surtax Fund	60,388	409,424	409,424	60,388
Commercial Vehicle CVET	0	101,538	101,538	0
Financial Institution Tax	0	162,498	162,498	0
CEDIT Homestead	233			233
Homestead Credit Rebate	5,160			5,160
LOIT Homestead Credit	1,784	735,915	718,391	19,308
State Fines & Forfeitures	863	3,928	4,302	489
Infraction Judgements	7,779	66,968	60,403	14,344
Overweight Vehicle	0	1,290	1,290	0
Special Death Benefits	330	1,420	1,740	10
Sales Disclosure - State	405	2,060	2,120	345
Coroner Continuing Educ	216	1,754	1,730	240
Mortgage Fee Fund	217	1,668	1,460	425
Sex & Violent Offender State	16	99	115	0
Child Restraint Violations	550	3,939	4,364	125
Forest Restoration	0	166	166	0
Education Plate Fee	(56)	150		94
Riverboat Wagering Tax	0	94,400	94,400	0
CEDIT Distribution	(423)	921,020	920,597	0
ARRA Prosecutor	1,339			1,339
ARRA Clerk	2,950			2,950
County IV-D Incentive	27,606	5,345	1,950	31,001
Prosecutor Incentive IV-D	58,222	8,040	1,598	64,664
Clerk Incentive IV-D	35,819	5,345		41,164
SHSP 97.073 Grant	(17,000)	26,724	11,724	(2,000)
Reassessment	5,645	94,678	131,873	(31,550)
LOIT Special Distrib SEA 67	0	461,636		461,636
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Subtotals	\$8,277,915	\$43,721,056	\$42,592,448	\$9,406,523

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2016

	Beginning Balance <u>1/1/2016</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2016</u>
Subtotals carried forward	\$8,277,915	\$43,721,056	\$42,592,448	\$9,406,523
Dog Control	150			150
Property Tax Replacement Credit	38,590	940,741	919,893	59,438
2008 EDIT Revenue Bond Sinking	0	89,863	89,863	0
Drug Awareness	174			174
Health Maintenance	33,480	50,958	20,220	64,218
SubDiv Control Ord	2,750			2,750
Indigent Substance Abuse	1,425			1,425
Sheriff Flower	4			4
Trust Grant	7,655	23,917	16,990	14,582
Combat Range	39			39
Big Bond Trust	2,407			2,407
TIF Redevelopment Commission	779,560	1,489,717	699,840	1,569,437
TC Wind Farm Econ Dev Fund	445,157		262,978	182,179
TC Wind Farm Expense Fund	3,288			3,288
Adult Offender Interstate Comp	125			125
Tax Certificate Sale	2,071			2,071
State Drunk Driving	350			350
Surveyor Inspection Fee Fund	721			721
Law Enforcement Seizure Fund	395			395
Road Maintenance Fund	33,988	8,497		42,485
LOIT 2016 Special Distribution	0	1,397,335	1,397,335	0
Operation Pullover 2005-2011	(2,306)	5,000	4,929	(2,235)
Justice Reinvestment	0	4,393	4,393	0
HAVA	5,000			5,000
Rural Demonstration Project	(14)			(14)
Tobacco Prevention Grant Fund	1,050		830	220
Emergency Preparedness:TCHD	32,915	39,986	37,954	34,947
Community Corrections-Grant	50,676	190,939	159,758	81,857
Ruth Jordan	780		100	680
Comm. Dev. Blk Grant-Triple S	0	5,000	5,000	0
Judicial Center	0	20,000		20,000
CAGIT Sp. Leg.-Justice Center	0	1,471,829	605,533	866,296
	<u>\$9,718,345</u>	<u>\$49,459,231</u>	<u>\$46,818,064</u>	<u>\$12,359,512</u>
Totals	<u>\$9,718,345</u>	<u>\$49,459,231</u>	<u>\$46,818,064</u>	<u>\$12,359,512</u>

TIPTON COUNTY, INDIANA

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2017

<u>Fund</u>	<u>Beginning Balance 1/1/2017</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance 12/31/2017</u>
General	\$1,235,126	\$7,036,756	\$5,825,686	\$2,446,196
After Settlement Collections	494,181	560,476	494,181	560,476
County Sheriff	64,690	69,843	85,421	49,112
Clerk's Trust	88,982	1,557,190	1,412,378	233,794
Accident Report	655	2,905	566	2,994
CAGIT	339,430	325,718	665,148	0
Certified Shares CAGIT	27			27
Economic Develop Income Tax	373,304	837,795	330,850	880,249
LIT Special Purpose	0	1,465,476	1,465,476	0
Child Protection Team	773			773
City/Town Court Cost	14,595	1,875		16,470
Clerk's Records	25,484	4,994	4,555	25,923
Community Correct-Prj Income	79,739	37,242	56,405	60,576
Community Corrections-Transit	547	1,500		2,047
Congressional School Interest	9,122			9,122
Congressional School Prin	27,854			27,854
Sales Disclosure - County	26,765	2,110		28,875
Cumulative Bridge	1,120,673	360,627	582,376	898,924
Cumulative Capital Development	51,526	153,606	181,091	24,041
Drug Free Community	25,533	9,069		34,602
Electronic MAP	631			631
Emergency Planning Comm	12,436	3,595	1,828	14,203
E-911	1,083			1,083
Extradition	3,463			3,463
Firearms Training	20,776	7,120	11,392	16,504
General Drain Improvement	212,979	532,826	(100,371)	846,176
Health	136,614	226,278	151,643	211,249
County Id Security Protection	475	1,874		2,349
Excess Levy	87			87
Local Road & Street	174,120	198,907	140,991	232,036
LOIT Public Safety- Co. Share	76,745	712,325	772,447	16,623
County Corrections	27,784	11,360	9,640	29,504
Highway	755,443	2,616,882	2,110,862	1,261,463
Transfer Fee & Auditor Surplus	50,478	3,870		54,348
Rainy Day	269,202		178,239	90,963
Recorders Perpetuation	21,845	24,293	21,714	24,424
Sex & Violent Offender Admin	1,324	1,013	77	2,260
Public Defender Services Fund	5,114	596		5,710
Surplus Tax	49,963	79,487	27,165	102,285
Surveyor Corner Perpetuation	9,169	7,755	1,720	15,204
Tax Sale Fees/Costs	(15,878)	27,035	6,607	4,550
Tax Sale Redemption	(64,867)	113,058	15,559	32,632
Tax Sale Surplus	262,351	41,788	240,302	63,837
Un-safe Building Fund	11,052	5,125		16,177
Guardian Ad Litem	10,258	19,554	10,167	19,645
Co. Elected officials training	7,951	1,874	1,506	8,319
Statewide 911	80,319	273,164	226,206	127,277
Subtotals	\$6,099,923	\$17,336,961	\$14,931,827	\$8,505,057

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2017

	Beginning Balance <u>1/1/2017</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2017</u>
Subtotals carried forward	\$6,099,923	\$17,336,961	\$14,931,827	\$8,505,057
Adult Probation Service	165,254	50,355	39,888	175,721
Juvenile Probation	5,876	467	1,290	5,053
County User Fees	172,020	17,116	16,819	172,317
Drain Reconstruction	0	11,572	330,899	(319,327)
Drain Maintenance	2,230,422	1,391,813	1,100,990	2,521,245
Sheriff's Sale Fees/Costs	38,282	3,722	789	41,215
Drug Dog	1,187			1,187
Back to School	813	4,770	2,380	3,203
2008 TIF Sinking Fund	(1,698)	1,522,536	1,520,838	0
Debt Service	1,266			1,266
2008 ED REV Proj Old Const 377	4,000			4,000
New Payroll Clearing	(31,112)	1,199,660	1,216,088	(47,540)
Sheriff's Pension Trust Fund	43,087	5,952		49,039
Tax Distribution	1,735	20,881,089	20,881,089	1,735
County Wheel Surtax Fund	5,103	116,648	119,835	1,916
Tipton County Surtax Fund	60,388	422,494	419,217	63,665
Commercial Vehicle CVET	0	98,232	98,232	0
Financial Institution Tax	0	146,216	146,216	0
CEDIT Homestead	233	604	837	0
Homestead Credit Rebate	5,160			5,160
LOIT Homestead Credit	19,308		6,378	12,930
Local Income Tax - Property Ta	0	732,738	716,852	15,886
State Fines & Forfeitures	489	4,228	3,857	860
Infraction Judgements	14,344	42,611	53,952	3,003
Special Death Benefits	10	145	130	25
Sales Disclosure - State	345	2,110	2,195	260
Coroner Continuing Educ	240	1,210	1,380	70
Mortgage Fee Fund	425	1,470	1,765	130
Sex & Violent Offender State	0	113	103	10
Child Restraint Violations	125	2,694	2,586	233
Forest Restoration	0	68	68	0
Education Plate Fee	94	150		244
Riverboat Wagering Tax	0	94,404	94,404	0
LIT Certified Shares	0	5,480,882	5,480,882	0
LIT Public Safety	0	476,280	476,280	0
LIT Economic Development	0	1,372,079	1,372,079	0
ARRA Prosecutor	1,339		1,339	0
ARRA Clerk	2,950			2,950
County IV-D Incentive	31,001	5,700		36,701
Prosecutor Incentive IV-D	64,664	8,581	1,036	72,209
Clerk Incentive IV-D	41,164	5,700		46,864
Reassessment	(31,550)	115,011	83,404	57
LOIT Special Distrib SEA 67	461,636		20,331	441,305
Dog Control	150			150
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Subtotals	\$9,408,673	\$51,556,381	\$49,146,255	\$11,818,799

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TIPTON COUNTY, INDIANA

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For The Year Ended December 31, 2017

	Beginning Balance <u>1/1/2017</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Balance <u>12/31/2017</u>
Subtotals carried forward	\$9,408,673	\$51,556,381	\$49,146,255	\$11,818,799
Property Tax Replacement Credit	59,438			59,438
2008 EDIT Revenue Bond Sinking	0	92,722	92,722	0
Drug Awareness	174			174
Health Maintenance	64,218	16,569	29,103	51,684
SubDiv Control Ord	2,750			2,750
Indigent Substance Abuse	1,425			1,425
Sheriff Flower	4			4
Trust Grant	14,582	7,556	10,227	11,911
Combat Range	39			39
Big Bond Trust	2,407			2,407
TIF Redevelopment Commission	1,569,437	1,142,229	1,712,740	998,926
TC Wind Farm Econ Dev Fund	182,179			182,179
TC Wind Farm Expense fund	3,288			3,288
Adult Offender Interstate Comp	125	125		250
Tax Certificate Sale	2,071			2,071
State Drunk Driving	350			350
Surveyor Inspection Fee Fund	721	460		1,181
Law Enforcement Seizure Fund	395	3,329	2,322	1,402
Road Maintenance Fund	42,485	8,497		50,982
BPP Late Assessment Penalty	0	1,100		1,100
SHSP 97.073 Grant	(2,000)	11,735	9,735	0
Operation Pullover 2005-2011	(2,235)	7,931	5,696	0
HAVA	5,000			5,000
Rural Demonstration Project	(14)	14		0
Tobacco Prevention Grant Fund	220		220	0
Emergency Preparedness:TCHD	34,947	6,911	4,800	37,058
Community Corrections-Grant	81,857	328,541	317,395	93,003
Ruth Jordan	680			680
Judicial Center	20,000	27,000	10,738	36,262
INDOT Com. Crossing Grant 525N	0	375,000	54,660	320,340
CAGIT Sp. Leg.-Justice Center	866,296	1,505,208	831,135	1,540,369
Totals	<u>\$12,359,512</u>	<u>\$55,091,308</u>	<u>\$52,227,748</u>	<u>\$15,223,072</u>

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APPENDIX B

UMBAUGH

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August 6, 2018

Tipton County Board of Commissioners
Tipton County Council
101 E. Jefferson St.
Tipton, Indiana 46072

Re: Tipton County, Indiana Jail Building Corporation
\$15,285,000* Lease Rental Revenue Bonds, Series 2018

Members of the Council and Board of Commissioners:

In connection with the issuance of \$15,285,000* principal amount of Lease Rental Revenue Bonds, Series 2018, we have, at your request, prepared this Special Purpose Report (the "Report") and the following schedules for inclusion in the Preliminary Official Statement dated August 6, 2018.

Page(s)

B-2 - B-7	General Comments
B-8	Estimated Project Costs and Funding
B-9	Preliminary Amortization of \$15,285,000* Principal Amount of Lease Rental Revenue Bonds, Series 2018
B-10	Comparison of Estimated Special Purpose Income Tax Revenues and Estimated Lease Rentals
B-11	Historical Special Purpose Income Tax Revenues

*Preliminary, subject to change.

In the preparation of these schedules, assumptions were made as noted regarding certain future events. As is the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.



TIPTON COUNTY, INDIANA

GENERAL COMMENTS

The Tipton County, Indiana Jail Building Corporation (the “Building Corporation”) is issuing \$15,285,000* of Lease Rental Revenue Bonds, Series 2018 (Jail Project) (the “Bonds”) for the purpose of paying the cost of all or any portion of the acquisition, construction, improvement, and/or equipping of all or any portion of a new county jail facility on property located immediately to the west of the Indiana State Highway Garage in Tipton, Indiana, with frontage on the north side of State Road 28 and on the south side of West Jefferson Street (West CR 150 South), all to be used for the purposes of providing incarceration, community corrections or other law enforcement or criminal justice services by the County (collectively, the “Project”), paying capitalized interest, and paying issuance expenses.

The Bonds are secured by and payable from fixed, semiannual lease rental payments (the “Lease Rentals”) to be paid by Tipton County, Indiana (the “County”) directly to U.S. Bank National Association, in Indianapolis, Indiana (the “Trustee”) under a Trust Indenture between the Building Corporation and the Trustee dated as of July 1, 2018 (the “Trust Indenture”) and a Lease between the County and the Building Corporation dated March 5, 2018, as amended (the “Lease”) and in accordance with Indiana Code Title 36, Article 1, Chapter 10. Such Lease Rentals are payable from the revenues of the income tax levied and collected by the County pursuant to Indiana Code Title 6, Article 3.6, Chapter 7, Section 21.5 (the “Special Purpose Income Tax Revenues”). To the extent that the Special Purpose Income Tax Revenues are insufficient to pay such amounts, the Lease Rentals are payable from an ad valorem tax levied on all taxable property in the County (the “Property Tax Revenues”), **as more fully described in this Preliminary Official Statement dated August 6, 2018.** The Bonds shall not constitute an indebtedness of the County within the meaning of the provisions and limitations of the constitution of the State of Indiana.

The purpose of this Accounting Report (the “Report”) is to provide an estimate of the Special Purpose Income Tax Revenues that would be available to make payments due on the Bonds. This Report contains forward-looking information. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual Special Purpose Income Tax Revenues to differ from the estimates. See “Risks to Bondholders” herein.

Summary of Tipton County’s Local Income Tax Revenues

The County is authorized by IC 6-3.6 (the “LIT Statute”) to impose local income tax, which may include a special purpose rate pursuant to IC 6-3.6-7-21.5. Pursuant to IC 6-3.6-7-21.5, the County imposed a special purpose rate of 0.40% on the adjusted gross income of County taxpayers, from which the Special Purpose Income Tax Revenues are generated. The Special Purpose Income Tax Revenues are a portion of the revenues collected from the total income tax levied under the LIT Statute (the revenues from the total income tax, the “LIT Revenues”). **Only the Special Purpose Income Tax Revenues are pledged to the payment of the Lease Rentals.**

Pursuant to IC 6-3.6-7-21.5, eligible uses for Special Purpose Income Tax Revenues include to finance (A) construction, acquisition, and equipping of the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and (B) improvement, renovation, remodeling, repair, and equipping of the courthouse to address security concerns and mitigate excess moisture in the courthouse. The Special Purpose Income Tax Revenues may also be used to operate and maintain the county jail or courthouse facilities. The Special Purpose Income Tax Revenue rate may be imposed until the later of the date of the financing for constructing, acquisition, improvement, renovation, remodeling, and equipping described above is completed; or the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and

*Preliminary, subject to change.

(Continued on next page)

GENERAL COMMENTSSummary of Tipton County's Local Income Tax Revenues (Cont'd)

equipping described above are fully paid; or the date on which the County Council rescinds the ordinance that imposes the Special Purpose Income Tax Revenue rate. The County is the only unit to receive the distribution of Special Purpose Income Tax Revenues.

A local taxpayer under IC 6-3.6-2-13 means any individual who (i) resides in the County on the dates specified in IC 6-3.6-8-3, or (ii) maintains a principal place of business or employment in the County on the date specified in IC 6-3.6-8-3 and who does not on that same date reside in another county in which a local income tax under IC 6-3.6 is in effect. LIT Revenues and Special Purpose Income Tax Revenues are distributed on the first regular business day of each month.

LIT Revenues, including the Special Purpose Income Tax Revenues, are distributed to the county that adopted the applicable tax. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of tax revenue that the State Budget Agency determines has been: (1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and (2) reported on an annual return or amended return processed by the Indiana Department of Revenue in the state fiscal year ending before July 1 of the calendar year in which the determination is made; as adjusted for refunds of tax made in the state fiscal year (the "base distribution amount").

Before June 1 of each calendar year, the State Budget Agency must provide the Department of Local Government Finance (the "DLGF") and the county auditor of each adopting county an estimate of the amount that will be distributed to the county, based on known tax rates. Not later than July 1 of each year, the DLGF is required to determine for each taxing unit and notify the county auditor of the estimated amount of property tax credits, school distributions, public safety revenue, economic development revenue, certified shares, and special purpose revenue (such as the Special Purpose Income Tax Revenues) that will be distributed to the taxing unit during the ensuing calendar year. Not later than thirty (30) days after receiving the DLGF's estimate, the county auditor shall notify each taxing unit of the amounts estimated for the taxing unit.

The Special Purpose Income Tax Revenues are the only LIT Revenues pledged towards the payment of Lease Rentals. The certified distribution of Special Purpose Income Tax Revenues in 2018 is \$1,430,189.

The LIT Revenues received by the County, including the Special Purpose Income Tax Revenues, may be reduced because of a reduction in the amount of LIT Revenues collected or a distribution certified by the State for an amount that is less than the LIT Revenues actually collected.

The Special Purpose Income Tax Revenues available to the County could be reduced because of the factors described above without reducing the Special Purpose Income Tax Revenue rate. The County has made no representation, is not obligated, and currently does not have the ability to take any action to increase the rate at which the Special Purpose Income Tax Revenue rate is imposed in order to provide funds to pay the Lease Rental payments. However, to the extent that the Special Purpose Income Tax Revenue rate is insufficient to pay the Lease Rental payments, the County will levy an ad valorem property tax in an amount sufficient to pay the Lease Rental payments when due.

(Continued on next page)

GENERAL COMMENTSRisks to Bondholders*Risks Associated with Lease Rental payments:*

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from Lease Rentals:

- (1) The principal of and interest on the Bonds are payable only from Lease Rentals received by the Trustee on behalf of the Building Corporation from the County pursuant to the Lease. The Building Corporation has no taxing power. The Building Corporation has no source of funds from which to pay debt service on the Bonds except monies collected from Lease Rentals and funds held under the Trust Indenture. If there is capitalized interest: The Trustee will have funds from capitalized interest and earnings thereon, to pay interest due through and including January 15, 2020.
 - a. According to the Lease, the Lease Rentals will commence on the later of the date of completion of the Leased Premises or July 1, 2020. Bond proceeds will be held by the Trustee in the Bond Interest Account to pay capitalized interest on the Bonds through and including January 15, 2020. In the event the Leased Premises are not completed by July 1, 2020, the Building Corporation may not be able to pay the full amount of the Lease Rentals. The Building Corporation expects to complete the Leased Premises by September 2019.
 - b. The County is legally permitted to pay Lease Rentals only for portions of the Leased Premises which are complete and ready for use and occupancy. If, for any reason, the Leased Premises are damaged or destroyed and unavailable for use, the County would no longer be able to pay Lease Rentals. **However, the County is required by the Lease to maintain rental value insurance in an amount equal to full rental value for a period up to two (2) years.** In addition, the proceeds of any property and/or casualty insurance claim for the Leased Premises would be used either to reconstruct the Leased Premises or to retire obligations issued to finance the Leased Premises.

Risks Associated with Local Income Tax (LIT) Revenues:

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from LIT Revenues:

- (2) There are certain risks associated with LIT Revenues, and this accounting report contains information regarding the historical certified distributions of Special Purpose Income Tax Revenues received by the County. The County's LIT Revenues in the future may differ materially from the County's historical receipts. Factors impacting LIT Revenues, include but are not limited to the following:
 - a. Adverse economic conditions in the County, the State of Indiana or the United States could result in a reduction in the adjusted gross income of qualifying taxpayers in the County and, therefore, a reduction in County's collection of LIT Revenues.
 - b. Local area or statewide delinquencies in state income tax collection could result in reduced County's collection of LIT Revenues, including Special Purpose Income Tax Revenues.

(Continued on next page)

GENERAL COMMENTSRisks to Bondholders (Cont'd)

- c. Under IC 6-3.6-7-21.5, the County Council could not impose a special purpose rate that exceeds 0.40%, and the Special Purpose Income Tax Revenue rate may not be greater than the rate necessary to pay for the authorized purposes. The County has imposed a Special Purpose Income Tax Revenue rate at the maximum rate of 0.40%. The County has made no representation and are not authorized by current law to take any action to increase the rate at which the Special Purpose Income Tax Revenue rate is imposed to pay Lease Rentals.
- d. The legislature, or an administrative agency with jurisdiction in the matter, could enact new laws or regulations or interpret, amend, alter, change or modify, or a court of competent jurisdiction could interpret, the laws or regulations governing the collection, distribution, definition or accumulation of LIT Revenues in a fashion that would adversely affect the owners of the Bonds.
- e. LIT Revenues can vary considerably from year to year depending on the relative amounts of the property tax levies of the County and the other cities and the towns located in the County and the amount of LIT Revenues collected from taxpayers.

Before June 1 of each calendar year, the State Budget Agency must provide the DLGF and the county auditor with an estimate of the amount of Special Purpose Income Tax Revenues that will be distributed to the County. This gives the County time to include in its budget a property tax levy in an amount sufficient to meet the debt service due in the subsequent bond year for which the budget is being prepared to the extent the certified Special Purpose Income Tax Revenues are determined to be insufficient.

The certified income tax distribution is based on actual income tax returns filed and processed from July 1 of the prior year through June 30 of the current year, adjusted for any refunds.

The amount of local income tax to be certified may also be adjusted to offset any overpayments of local income tax made to a county in a prior calendar year, for clerical or mathematical errors or for tax rate changes. This certified amount is distributed to the County in equal, monthly payments in the subsequent calendar year. The County expects that the amount of local income tax to be distributed in the subsequent year by the State to the County will not be less than the amount certified on the previous August 2.

The local income tax distribution is paid from actual revenues collected in the year following the certification. If the actual revenue collected is less than the certified distribution amount, this could cause a reduction in certified local income tax distributions in future years.

The County's 2018 certified distribution of Special Purpose Income Tax Revenues resulting from the Special Purpose Income Tax Revenue rate are \$1,430,189.

Risks Associated with Property Tax Revenues:

Prospective investors in the Bonds should be aware that there are risk factors associated with Bonds which are payable from Property Tax Revenues:

(Continued on next page)

GENERAL COMMENTSRisks to Bondholders (Cont'd)

- a. *Tax Collection.* In the event of delinquent tax payments or delayed billing, collection or distribution by the County of ad valorem property taxes, including the Property Tax Revenues levied on the County, sufficient funds may not be available to pay the lease rental when due. This risk is inherent in all property tax-supported obligations.
- b. *Circuit Breaker Tax Credit.* If applicable, the Circuit Breaker Tax Credit results in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

IC 6-1.1-20.6-10 requires political subdivisions to fully fund any levies for the payment of outstanding debt service or lease rental obligations regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. IC 6-1.1-20.6-9.8 further provides that property taxes imposed by a political subdivision to pay for debt service obligations of such political subdivision (including lease rental payments on leases) are “protected taxes.” If property tax collections are insufficient to fully fund debt service or lease rental levies due to the Circuit Breaker Tax Credit, political subdivisions must use non-property tax revenues or revenues from property tax levies for other funds (including operating) to offset revenue loss to the debt service fund. See “Procedures for Property Assessment, Tax Levy and Collection” and “Circuit Breaker Tax Credit” as more fully described in the Preliminary Official Statement dated August 6, 2018. IC 6-1.1-20.6-10 also provides that if property tax revenues are not sufficient to pay debt service on bonds or leases payable from property taxes, the State must intercept local income tax distributions and available distributions of State monies for the benefit of bondholders.

This application of property tax revenues may impact the ability of political subdivisions to provide existing levels of service and, in extreme cases, the ability to make debt service or lease rental payments on bonds secured by intercepted funds. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes.

- c. *Reassessment and Trending.* All Indiana counties are required to reassess 25% of all parcels of real property annually or in accordance with its reassessment plan. All real property must be reassessed under the plan once every four years. Trending is scheduled to occur on an annual basis. Delays in the reassessment and trending process or appeals of reassessments could adversely affect the collection of property taxes.
- (3) *Adverse Legislative Action:* It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds. Refer to the “Legislative Proposals” section as more fully described in the Preliminary Official Statement dated August 6, 2018.

(Continued on next page)

GENERAL COMMENTSEstimated Project Costs and Funding - Page B-8

This schedule presents the costs of the Project, which include capitalized interest, allowance for the underwriter's discount and paying costs of issuance and contingencies. The funding will consist of the proceeds from the Bonds and funds on hand. The County will apply \$2,150,000* of Special Purpose Income Tax Revenues on hand to fund the Project.

Preliminary Amortization of \$15,285,000* Principal Amount of Tax Lease Rental Revenue Bonds, Series 2018 - Page B-9

The preliminary amortization of \$15,285,000* of Lease Rental Revenue Bonds, Series 2018 is presented in this schedule. The Bonds are dated the date of delivery, anticipated to be August 29, 2018, and mature over a period of approximately nineteen years and four months.

Principal and interest will be payable semiannually on each January 15 and July 15, with interest commencing January 15, 2019 and principal commencing on July 15, 2020. The final Bonds are due January 15, 2038. The amortization schedule for the Bonds is based on estimated interest rates. Actual interest rates will be determined through a competitive sale.

Comparison of Estimated Special Purpose Income Tax Revenues and Estimated Lease Rentals - Page B-10

This schedule shows the comparison of the estimated annual Special Purpose Income Tax Revenues with the estimated annual Lease Rentals on the Bonds. The estimated annual Special Purpose Income Tax Revenues are anticipated to provide coverage on the Bonds of approximately 125%.

Historical Special Purpose Income Tax Revenues - Page B-11

This schedule shows the County's historical Special Purpose Income Tax Revenues for years 2016 through 2018.

*Preliminary, subject to change.

TIPTON COUNTY, INDIANA

ESTIMATED PROJECT COSTS AND FUNDING

Estimated Project Costs*:

Net proceeds available for project	\$16,380,000
Capitalized interest through January 15, 2020	660,024
Allowance for underwriter's discount (1.00%)	152,850
Allowance for Bond issuance costs and contingencies	<u>242,126</u>
Total Estimated Project Costs	<u><u>\$17,435,000</u></u>

Estimated Project Funding*:

Lease Rental Revenue Bonds, Series 2018	\$15,285,000
Special Purpose Income Tax Revenues collected prior to January 2020	<u>2,150,000</u>
Total Estimated Project Funding	<u><u>\$17,435,000</u></u>

*Preliminary, subject to change.

(Subject to the comments in the attached Report
dated August 6, 2018)

TIPTON COUNTY, INDIANA

**PRELIMINARY AMORTIZATION OF \$15,285,000* PRINCIPAL AMOUNT OF
LEASE RENTAL REVENUE BONDS, SERIES 2018**

Assumes Bonds dated August 29, 2018

<u>Payment Date</u>	<u>Principal Outstanding*</u>	<u>Principal*</u>	<u>Assumed Interest Rate</u>	<u>Estimated Interest</u>	<u>Estimated Total Debt Service</u>	<u>Estimated Capitalized Interest</u>	<u>Estimated Net Debt Service</u>	<u>Estimated Fiscal Year Debt Service</u>	<u>Estimated Annual Lease Rentals</u>
01/15/19	\$15,285,000			\$180,974	\$180,974	(\$180,974)	\$0	\$0	\$0
07/15/19	15,285,000			239,525	239,525	(239,525)	0		
01/15/20	15,285,000			239,525	239,525	(239,525)	0	0	0
07/15/20	15,285,000	\$330,000	2.10%	239,525	569,525		569,525		
01/15/21	14,955,000	335,000	2.10%	236,060	571,060		571,060	1,140,585	1,146,000
07/15/21	14,620,000	340,000	2.20%	232,543	572,543		572,543		
01/15/22	14,280,000	340,000	2.20%	228,803	568,803		568,803	1,141,345	1,147,000
07/15/22	13,940,000	345,000	2.30%	225,063	570,063		570,063		
01/15/23	13,595,000	350,000	2.30%	221,095	571,095		571,095	1,141,158	1,147,000
07/15/23	13,245,000	355,000	2.40%	217,070	572,070		572,070		
01/15/24	12,890,000	360,000	2.40%	212,810	572,810		572,810	1,144,880	1,150,000
07/15/24	12,530,000	365,000	2.50%	208,490	573,490		573,490		
01/15/25	12,165,000	365,000	2.50%	203,928	568,928		568,928	1,142,418	1,148,000
07/15/25	11,800,000	375,000	2.65%	199,365	574,365		574,365		
01/15/26	11,425,000	375,000	2.65%	194,396	569,396		569,396	1,143,761	1,149,000
07/15/26	11,050,000	380,000	2.80%	189,428	569,428		569,428		
01/15/27	10,670,000	390,000	2.80%	184,108	574,108		574,108	1,143,535	1,149,000
07/15/27	10,280,000	395,000	2.90%	178,648	573,648		573,648		
01/15/28	9,885,000	400,000	2.90%	172,920	572,920		572,920	1,146,568	1,152,000
07/15/28	9,485,000	405,000	3.00%	167,120	572,120		572,120		
01/15/29	9,080,000	410,000	3.00%	161,045	571,045		571,045	1,143,165	1,149,000
07/15/29	8,670,000	415,000	3.15%	154,895	569,895		569,895		
01/15/30	8,255,000	425,000	3.15%	148,359	573,359		573,359	1,143,254	1,149,000
07/15/30	7,830,000	430,000	3.25%	141,665	571,665		571,665		
01/15/31	7,400,000	435,000	3.25%	134,678	569,678		569,678	1,141,343	1,147,000
07/15/31	6,965,000	445,000	3.35%	127,609	572,609		572,609		
01/15/32	6,520,000	450,000	3.35%	120,155	570,155		570,155	1,142,764	1,148,000
07/15/32	6,070,000	460,000	3.45%	112,618	572,618		572,618		
01/15/33	5,610,000	465,000	3.45%	104,683	569,683		569,683	1,142,300	1,148,000
07/15/33	5,145,000	475,000	3.55%	96,661	571,661		571,661		
01/15/34	4,670,000	480,000	3.55%	88,230	568,230		568,230	1,139,891	1,145,000
07/15/34	4,190,000	490,000	3.65%	79,710	569,710		569,710		
01/15/35	3,700,000	500,000	3.65%	70,768	570,768		570,768	1,140,478	1,146,000
07/15/35	3,200,000	510,000	3.75%	61,643	571,643		571,643		
01/15/36	2,690,000	515,000	3.75%	52,080	567,080		567,080	1,138,723	1,144,000
07/15/36	2,175,000	525,000	3.85%	42,424	567,424		567,424		
01/15/37	1,650,000	540,000	3.85%	32,318	572,318		572,318	1,139,741	1,145,000
07/15/37	1,110,000	550,000	3.95%	21,923	571,923		571,923		
01/15/38	560,000	560,000	3.95%	11,060	571,060		571,060	1,142,983	1,148,000
Totals		<u>\$15,285,000</u>		<u>\$5,933,913</u>	<u>\$21,218,913</u>	<u>(\$660,024)</u>	<u>\$20,558,889</u>	<u>\$20,558,889</u>	<u>\$20,657,000</u>

*Preliminary, subject to change. The Building Corporation reserves the right to adjust principal maturities to accomplish approximately level annual debt service based upon the interest rates of the successful bidder.

(Subject to the comments in the attached Report dated August 6, 2018)

TIPTON COUNTY, INDIANA

**COMPARISON OF ESTIMATED ANNUAL SPECIAL PURPOSE INCOME TAX REVENUES
AND ESTIMATED LEASE RENTALS**

Taxes Payable Year	Estimated Annual Special Purpose Income Tax Revenues	Estimated Lease Rentals	Estimated Special Purpose Income Tax Revenues Remaining	Estimated Special Purpose Income Tax Revenue Coverage
	(1)	(3)		
2018	\$1,430,189 (2)	\$0	\$1,430,189	N/A
2019	1,441,945	0	1,441,945	N/A
2020	1,441,945	(1,146,000)	295,945	126%
2021	1,441,945	(1,147,000)	294,945	126%
2022	1,441,945	(1,147,000)	294,945	126%
2023	1,441,945	(1,150,000)	291,945	125%
2024	1,441,945	(1,148,000)	293,945	126%
2025	1,441,945	(1,149,000)	292,945	125%
2026	1,441,945	(1,149,000)	292,945	125%
2027	1,441,945	(1,152,000)	289,945	125%
2028	1,441,945	(1,149,000)	292,945	125%
2029	1,441,945	(1,149,000)	292,945	125%
2030	1,441,945	(1,147,000)	294,945	126%
2031	1,441,945	(1,148,000)	293,945	126%
2032	1,441,945	(1,148,000)	293,945	126%
2033	1,441,945	(1,145,000)	296,945	126%
2034	1,441,945	(1,146,000)	295,945	126%
2035	1,441,945	(1,144,000)	297,945	126%
2036	1,441,945	(1,145,000)	296,945	126%
2037	1,441,945	(1,148,000)	293,945	126%
Totals	<u>\$28,827,144</u>	<u>(\$20,657,000)</u>	<u>\$8,170,144</u>	

- (1) Represents the 2019 estimated amount, per the Indiana State Budget Agency, with no growth assumed thereafter.
 (2) Represents the 2018 certified amount, per the Indiana State Budget Agency.
 (3) See page B-9.

(Subject to the comments in the attached Report
dated August 6, 2018)

TIPTON COUNTY, INDIANA

HISTORICAL SPECIAL PURPOSE INCOME TAX REVENUES

Taxes Payable Year	Special Purpose Income Tax Revenues
2016	(1) \$1,471,828
2017	1,465,476
2018	1,430,189
2019	1,441,945 (2)

- (1) Per the Indiana State Budget Agency.
(2) Estimated amount, per the Indiana State Budget Agency, with no growth assumed thereafter.

(Subject to the comments in the attached Report
dated August 6, 2018)

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE LEASE

THE FOLLOWING IS A BRIEF SUMMARY OF CERTAIN PROVISIONS CONTAINED IN THE LEASE, DATED MARCH 6, 2018, BETWEEN THE COUNTY AND THE BUILDING CORPORATION (THE "LEASE"). THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE LEASE. CAPITALIZED TERMS NOT DEFINED IN THIS SUMMARY WILL HAVE THE MEANINGS SET FORTH ELSEWHERE IN THIS OFFICIAL STATEMENT.

General, Term and Rent

Under the Lease, the Building Corporation leases to the County, certain real estate in Tipton County, Indiana, including the new county jail facility to be constructed thereon by the Building Corporation (collectively, the "Premises"). Except upon the occurrence and continuation of an event of default under the Lease, the term of the Lease will end on January 15, 2038.

Under the Lease, the County agrees to pay the Building Corporation lease rental at the rate per year during the term of the Lease in amounts sufficient to pay the principal of, and interest on the Bonds issued and outstanding under the Trust Indenture. Each rental installment is payable in advance in semi-annual installments on January 1 and July 1 of each year. All rentals payable under the terms of the Lease are paid by the County to the Trustee.

The Lease provides that the County will pay as further rental for the Leased Premises all taxes and assessments levied against or on account of the Leased Premises or the receipt of lease rental payments, and amounts required to be paid, after taking into account other available money, to the United States government to prevent the Bonds from becoming arbitrage bonds under Section 148 of the Code.

Operation, Maintenance and Repair of Premises

The Lease provides that the County will operate, maintain and repair the Premises in good repair, working order and condition at its own expense. At the end of the term of the Lease, the County must deliver the Premises to the Building Corporation in as good of condition as at the beginning of the term of the Lease, reasonable wear and tear excepted.

The County shall have the right, without the consent of the Building Corporation, to make all alterations, modifications and additions and to do all improvements it deems necessary or desirable to the Premises which do not reduce the rental value thereof.

Insurance

The Lease provides that the County, at its own expense, will keep the Premises insured against physical loss or damage, however caused, with such exceptions as are ordinarily required by insurer of buildings or improvements of a similar type, which such insurance will be in an amount at least equal to the greater of the option to purchase price (see "Option to Purchase Premises" below) and 100% of the full replacement cost of the Premises. During the full term of this Lease, the County will also, at its own expense, carry combined bodily injury insurance, including accidental death, and property damage with reference to the Premises in an amount not less than One Million Dollars (\$1,000,000) combined single limit on account of each occurrence. The County will also, at its own expense, maintain rent or rental value insurance in an amount equal to the full rental value of the Premises for a period of two years against physical loss or damage. See "Securities Being Offered -- Security and Sources of Payment for the Bonds" in the main body of this Official Statement.

Damage or Destruction of Premises; Abatement of Rent

The Lease provides that, in the event the Premises are partially or totally destroyed, whether by fire or any other casualty, so as to render the same unfit, in whole or part, for use by the County: (i) it will then be the obligation of the Building Corporation to restore and rebuild the Premises as promptly as may be done, unavoidable strikes and other causes beyond the control of the Building Corporation excepted; provided, the Building Corporation will not be obligated to expend on such restoration or rebuilding more than the amount of the proceeds received by the Building Corporation from the insurance provided for in the Lease, and provided further, the Building Corporation will not be required to rebuild or restore the Premises if the County instructs the Building Corporation not to undertake such work because the County anticipates that either the cost of such work exceeds the amount of insurance proceeds and other amounts available for such purpose, or the work cannot be completed within the period covered by rental value insurance; and (ii) the rent will be abated, for the period during which the Premises or any part thereof is unfit for use by the County, in proportion to the percentage of the area of the Premises which is unfit for use by the County. See “Securities Being Offered -- Security and Sources of Payment for the Bonds” in the main body of this Official Statement.

In certain circumstances, proceeds of insurance may be used for redemption of the Bonds. See “APPENDIX D -- SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE – Insurance -- Use of Proceeds from Insurance.”

Option to Purchase Premises

The County has the right and option, on any date prior to the expiration of the Lease, to purchase the Premises at a price equal to the amount required to enable the Building Corporation to pay all indebtedness related to the Premises, including the Bonds, liquidation expenses and charges if the Building Corporation is to be liquidated, and the costs of transferring the Premises.

Transfer of Ownership to the County

In the event the County has not exercised its option to purchase the Premises prior to the expiration of the Lease, as described above, or its option to renew the Lease, then upon expiration of the Lease and full performance by the County of its obligations under the Lease, the Premises will become the absolute property of the County.

Defaults

The Lease provides that if the County defaults (i) in the payment of any rentals or other sums payable to the Building Corporation under the Lease, or (ii) in the observance of any other covenant, agreement or condition thereof and such default continues for ninety (90) days after written notice to correct the same, then in any of such events, the Building Corporation may proceed to protect and enforce its rights by suit in equity or at law in any court of competent jurisdiction, or may authorize or delegate the authority to file a suit, or the Building Corporation, at its option and without further notice, may terminate the estates and interests of the County thereunder, and the Building Corporation may resume possession of the Premises. The exercise by the Building Corporation of its right to terminate the Lease will not release the County from the performance of any obligation under the Lease maturing prior to the Building Corporation’s actual entry into possession.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

THE FOLLOWING IS A SUMMARY OF CERTAIN PROVISIONS CONTAINED IN THE TRUST INDENTURE. THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE TRUST INDENTURE. CAPITALIZED TERMS NOT DEFINED IN THIS SUMMARY WILL HAVE THE MEANINGS SET FORTH ELSEWHERE IN THIS OFFICIAL STATEMENT.

Trust Estate

Under the Trust Indenture, the Building Corporation, in order to secure the payment of the principal of and interest on the Building Corporation's Lease Rental Revenue Bonds, Series 2018 (the "2018 Bonds") and all additional bonds issued under the Trust Indenture ("Additional Bonds") (for purposes of this Appendix D, the 2018 Bonds and any such Additional Bonds, collectively, the "Bonds"), as the same become due, and the faithful performance of all the covenants and agreements contained in the Bonds and the Trust Indenture, pledges (i) all proceeds of the Bonds issued under the Trust Indenture and certain other cash and securities now or hereafter held in the funds and accounts (except the Rebate Fund) created and established by the Trust Indenture; (ii) all rights, titles and interests of the Building Corporation under the Lease; and (iii) all other properties and moneys hereafter pledged to the Trustee by the Building Corporation to the extent of that pledge (collectively, the "Trust Estate"), to the Trustee, to have and to hold in trust for the equal and proportionate benefit, security and protection of all registered owners of the Bonds, without preference, priority or distinction.

Creation of Funds and Accounts

The Trust Indenture establishes the following funds and accounts to be held by the Trustee:

- (i) Project Fund;
- (ii) Sinking Fund;
- (iii) Rebate Fund;
- (iv) Operation Fund; and
- (v) Redemption Fund.

Operation of Funds and Accounts

Project Fund. The Trust Indenture establishes a fund designated as the "Tipton County, Indiana Jail Building Corporation Project Fund" (the "Project Fund"). A portion of the proceeds of the Bonds will be deposited in the Bond Interest Account of the Project Fund and used to pay the interest on the Bonds payable on or prior to January 15, 2020. The remaining proceeds of the Bonds will be deposited in the 2018 Construction Account of the Project Fund (the "2018 Construction Account"), and the Trustee shall apply the 2018 Construction Account to the costs of the acquisition, construction, improvement, and/or equipping of all or any portion of a new jail facility of the County (the "Facility"), including the completion of any related improvements (collectively, the "Project"), and the acquisition of real estate upon which the Project will be completed (the "Real Estate"). The amounts on deposit in the 2018 Construction Account will be applied to pay: (i) obligations incurred for labor and to contractors, builders and materialmen in connection with the Project; (ii) the cost of acquiring the Real Estate; (iii) interest on and the principal of the Bonds during the period of construction to the extent that funds in the Sinking Fund are insufficient; (iv) the cost of equipment for the Facility; (v) the cost of all indemnity and

surety bonds required by the Trust Indenture, the fees and expenses of the Trustee and any Paying Agent during construction, and premiums on insurance during construction; (vi) expenses and fees of architects, engineers and construction managers; (vii) all costs and expenses incurred in connection with the issuance and sale of the Bonds; (viii) all other incidental costs incurred in connection with the Project; and (ix) any amount required to be deposited in the Rebate Fund. The County will apply the proceeds of the Bonds received in exchange for the Real Estate to the costs of the Project and the costs of the issuance of the Bonds.

The Building Corporation will furnish to the Trustee at the time the Facility is complete and ready for occupancy, and the Lease is endorsed to that effect, an affidavit (the “Affidavit of Completion”) executed by an Authorized Representative and the architect or engineer, to the effect that the Project has been completed and is ready for occupancy. One year after the filing of the Affidavit of Completion, the Trustee will hold in the 2018 Construction Account 150% of the amount of any disputed claims of contractors and work to be repaired, or if less shall hold the entire balance of the 2018 Construction Account, and transfer the unobligated balance of the 2018 Construction Account, if any, to the Redemption Fund. Any balance remaining in the 2018 Construction Account after payment of all disputed claims, claims for repair work and obligations for additional improvements or equipment will be transferred to the Redemption Fund within ten days after the last payment of such obligations.

Sinking Fund. The Trustee will deposit in a fund designated as the “Tipton County, Indiana Jail Building Corporation Sinking Fund” (the “Sinking Fund”) from each rental payment received by the Trustee pursuant to the Lease and from proceeds of rental value insurance which represents lease rental payments under the Lease, all of such rental payment or if less an amount which, when added to the amount in the Sinking Fund on the deposit date, equals the sum of (i) principal due on the Bonds on the next principal payment date or sinking fund redemption date and (ii) interest on the Bonds due on the next interest payment date after the date such rental payment becomes due. Any portion of a rental payment remaining after such deposit will be deposited by the Trustee in the Operation Fund. The Trustee will pay from the Sinking Fund the principal of the Bonds at maturity or upon mandatory sinking fund redemption and the interest on the Bonds as the same falls due. Investment earnings may be used for deposits in the Rebate Fund.

Rebate Fund. In order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), the Building Corporation is required to cause to be calculated amounts to be rebated to the United States government, or if applicable and so elected, the amount of the penalty to be paid in lieu of rebate. The Trustee will deposit such amounts, at the direction of the Building Corporation, in the “Tipton County, Indiana Jail Building Corporation Rebate Fund” (the “Rebate Fund”) from the Refunding Fund, the Operation Fund or investment earnings on the Sinking Fund. The Trustee will pay required amounts from the Rebate Fund as directed by the Building Corporation and as required by Section 148 of the Code.

Operation Fund. The “Tipton County, Indiana Jail Building Corporation Operation Fund” (the “Operation Fund”) will be used only for the payment of necessary incidental expenses of the Building Corporation, such as Trustee’s, Registrar’s and Paying Agent’s fees, expenses incurred in connection with any continuing disclosure obligations, the payment of any rebate or penalties to the United States government, to transfer funds to the Redemption Fund if so directed by the Building Corporation, the payment of principal of and premium, if any, and interest on the Bonds upon redemption or the purchase price of Bonds purchased as provided in the Trust Indenture, and if the amount in the Sinking Fund at any time is less than the required amount, the Trustee will transfer funds from the Operation Fund to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount. Incidental expenses will be paid by the Trustee upon the presentation of an affidavit (except in the case of

amounts owing to the Trustee, which may be withdrawn from the Fund when due without presentation of an affidavit) stating the character of the expenditure, the amount thereof and to whom due.

Notwithstanding anything herein to the contrary, upon receipt by the Trustee of a Request for Release of Funds, as defined below, the Trustee will as soon thereafter as practical release to the County funds in the Operation Fund in accord with such Request. For these purposes, a “Request for Release of Funds” means a written request made by the County which (i) is signed by an appropriate representative of the County, (ii) sets forth the amount requested to be released from the Operation Fund to the County, and (iii) includes a statement, accompanied by supporting schedules prepared by an accountant or firm of accountants which verify the statement, that the balance to be held in the Operation Fund immediately after such amount is released to the County is expected to be sufficient to meet the known and anticipated payments and transfers to be satisfied from the Operation Fund in the succeeding eighteen months. The supporting schedules will identify with particularity the anticipated sources and applications of funds. The statement and supporting schedules required by clause (iii) above will not include anticipated investment earnings based on assumptions about reinvestment rates, but may include known investment earnings scheduled to be received on then current investments, and will include any known or anticipated gain or loss from the disposition of investments. Notwithstanding the foregoing provisions of this paragraph, the Trustee will not so release funds from the Operation Fund to the County during any time that there exists an uncured or unwaived event of default under the Trust Indenture, or an event which with notice or lapse of time or both would become such an event of default, or if the Trustee determines that the information set forth in the Request for Release of Funds (including the supporting schedules) is not reasonably consistent with the books and records of the Trustee or is otherwise not accurate or appropriate.

Redemption Fund. The Trustee and the Building Corporation will use funds in the “Tipton County, Indiana Jail Building Corporation Redemption Fund” (the “Redemption Fund”) to call the Bonds for redemption or to purchase the Bonds.

Investment of Funds. As directed by an Authorized Representative of the Building Corporation all funds will be invested by the Trustee in Qualified Investments. “Qualified Investments” shall mean any of the following to the extent permitted by law:

- (i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”),
- (ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,
- (iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America,
- (iv) Federal Housing Administration debentures,
- (v) Federal Home Loan Mortgage Corporation participation certificates and senior debt obligations (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),
- (vi) Farm Credit Bank consolidated system-wide bonds and notes,
- (vii) Federal Home Loan Banks consolidated debt obligations,
- (viii) Federal National Mortgage Association senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),
- (ix) commercial paper (having original maturities of not more than 270 days) rated “A-1+” by Standard and Poor’s and “Prime-1” by Moody’s at the time of purchase,

- (x) unsecured deposits (including certificates of deposit, demand deposits and savings accounts) of any U.S. depository institution or trust company incorporated under the laws of the United States or any state thereof, provided that the short-term debt obligations of such depository institution or trust company at the date of purchase thereof have been rated at least “A-1” by Standard & Poor’s and “P-1” by Moody’s,
- (xi) deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), including CDARS and negotiable certificates of deposit,
- (xii) State and Municipal Obligations, which means:
 - a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated in the two highest rating categories by Standard & Poor’s or Moody’s at the time of purchase, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
 - b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated “A-1+” by Standard & Poor’s or “MIG-1” by Moody’s at the time of purchase.
 - c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated in the two highest rating categories by Standard & Poor’s or Moody’s at the time of purchase.
- (xiii) money market funds, which funds may be funds of the Trustee or its affiliates, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise, and which funds are rated “AAAm” or “AAAm-G” by Standard & Poor’s.

All investment earnings of funds deposited in the Project Fund will be deposited in such Project Fund until the Affidavit of Completion is filed with respect to the projects funded by such series of Bonds. After the filing of such Affidavit of Completion, the Trustee will allocate interest earnings to the fund or account to which the earnings are allocable. Funds invested for the Sinking Fund and Rebate Fund will mature prior to the time the funds invested will be needed for payment of principal of and interest on the Bonds or rebate to the United States government. The Trustee is authorized to sell any securities so acquired from time to time in order to make required payments from a particular fund or account.

Redemption of Bonds. Whenever the amounts contained in the Sinking Fund, Redemption Fund and Operation Fund are sufficient, together with any other funds deposited with the Trustee by the Building Corporation (other than amounts deposited into the Rebate Fund), to redeem, upon the next redemption date, all Bonds then outstanding under the Trust Indenture, after accounting for the intervening uses of such amounts, the Trustee will apply the amounts in such funds to the redemption of the Bonds.

Purchase of Bonds. At the request of the Building Corporation, the Trustee will remove funds from the Operation Fund or the Redemption Fund to be used for the redemption of the Bonds or for the purchase of the Bonds.

Covenants of the Building Corporation

In the Trust Indenture, the Building Corporation makes certain covenants to the Trustee for the benefit of Bondholders, including but not limited to the following.

Payment. The Building Corporation covenants and agrees that it will faithfully observe any and all covenants, undertakings, stipulations and provisions contained in the Trust Indenture and in each and every Bond issued the Trust Indenture, and will duly and punctually pay or cause to be paid the principal of said Bonds and the interest thereon, at the times and places, and in the manner mentioned in said Bonds, according to the true intent and meaning thereof.

Further Security. The Building Corporation covenants that it will promptly make, execute and deliver all supplemental indentures, and take all such action as may reasonably be deemed, by the Trustee or by its counsel, necessary or advisable for the better securing of any Bonds, or for better assuring and confirming to the Trustee the Trust Estate or any part thereof.

Title to Trust Estate. The Building Corporation covenants that it will preserve good and indefeasible title to the Trust Estate. The Building Corporation also covenants that it will not suffer any lien or charge equal or prior to the lien created by the Trust Indenture to be enforced or to exist against the Trust Estate or any part thereof.

Corporate Existence. The Building Corporation covenants that it will maintain its corporate existence. Nothing in the Trust Indenture prevents any consolidation or merger of the Building Corporation with or into, or any conveyance or transfer subject to the Trust Indenture of all the Trust Estate as an entirety to, any other Corporation; provided, however, that such consolidation, merger, conveyance or transfer must not impair the lien of the Trust Indenture or any of the rights or powers of the Trustee or the registered owners under the Trust Indenture; and provided, further, that upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal of and interest on all Bonds, and the performance and observance of all terms and covenants and conditions of the Trust Indenture and of the Lease to be kept or performed by the Building Corporation, must be assumed by the Building Corporation formed by such consolidation or into which such merger has been made, or to which the Trust Estate has been so conveyed and transferred.

Books of Record and Account. The Building Corporation covenants that proper books of record and account will be kept in which full, true and correct entries will be made of all dealings or transactions of or in relation to the properties, business and affairs of the Building Corporation. The Building Corporation will from time to time furnish the Trustee such information as to the property of the Building Corporation as the Trustee reasonably requests and such other information and reports as the Trust Indenture requires.

Incurring Indebtedness. The Building Corporation covenants that it will not incur any indebtedness other than the 2018 Bonds except (i) Additional Bonds as permitted by the Trust Indenture, (ii) indebtedness payable from income of the Building Corporation from some source other than the Trust Estate pledged under the Trust Indenture as long as any Bonds are outstanding, or (iii) indebtedness which is payable from the Trust Estate and subordinate to the rights of the Trustee under this Indenture.

Tax Covenants. In order to preserve the exclusion of interest on the 2018 Bonds from gross income for federal income tax purposes, the Building Corporation represents, covenants and agrees that, among other things, it will not take any action or fail to take any action that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2018 Bonds pursuant to Section 103 of the Code.

Insurance

Insurance Required During Construction. During the construction and equipping of the Project, the Building Corporation is required to carry or cause other persons to carry for its benefit builder's risk insurance in the cumulative amount of 100% of the insurable value of the Facility, physical loss or

damage thereto, and bodily injury and property damage insurance. All contracts for the construction and equipping of the Facility will or do, require the contractor to carry such insurance as will protect the contractor from liability under Indiana Worker's Compensation and Worker's Occupations Diseases Acts.

Insurance Required After Completion of Building. In the Lease, the County has agreed to carry (i) insurance on the leased premises under the Lease (the "Premises") against physical loss or damage; (ii) combined bodily injury insurance, including accidental death, and property damage with reference to the Premises in an amount not less than One Million Dollars (\$1,000,000) combined single unit on account of each occurrence; and (iii) rent or rental value insurance in an amount equal to the full rental value of the Premises for a period of two (2) years against physical loss or damage. See APPENDIX C - SUMMARY OF THE LEASE – "Insurance."

Use of Proceeds from Insurance. Subject to the terms of the Lease, the proceeds of such insurance (other than rental value insurance which represents lease rental payments) received by the Trustee will be applied to the repair, replacement or reconstruction of the damaged or destroyed property. In the event the Building Corporation does not commence to repair, replace or reconstruct the Premises within 90 days after damage or destruction, or the Building Corporation abandons or fails diligently to pursue the same, the Trustee may make or complete such repairs, replacements or reconstructions, unless the County instructs the Building Corporation not to undertake such work in accordance with the Lease (which may occur if, for example, the County anticipates that the cost of such repair, replacement or reconstruction exceeds the amount of insurance proceeds and other amounts available for such purpose, or that the repair, replacement or reconstruction cannot be completed within the period covered by rental value insurance). If the Building Corporation does not proceed in good faith with repair, replacement or reconstruction for 120 days or if the County instructs the Building Corporation not to undertake such work in accordance with the Lease, the Trustee, upon receipt of the insurance moneys, must (unless the Trustee proceeds to make such repairs, replacements or reconstructions) apply the proceeds in the following manner: (i) if the proceeds are sufficient to redeem all the Bonds then outstanding under the Trust Indenture, the Trustee will apply the proceeds to the redemption of such Bonds in an extraordinary prepayment in the manner provided in the Trust Indenture as if redemption had been at the option of the Building Corporation, but without premium or penalty, and (ii) if the proceeds are not sufficient to redeem all the Bonds then outstanding under the Trust Indenture, the Trustee will apply the proceeds to the partial redemption of outstanding Bonds in an extraordinary prepayment, without premium or penalty, in the manner provided by the Trust Indenture as described below under the heading "Events of Default and Remedies--Application of Monies." Furthermore, if at any time the Premises is totally or substantially destroyed and the amount of insurance money is sufficient to redeem all the Bonds then outstanding and such Bonds are then subject to redemption, the Building Corporation, at the written request of the County, will direct the Trustee to use said moneys for the purpose of redeeming all such Bonds outstanding at the then current redemption price. See "APPENDIX C - SUMMARY OF THE LEASE - Damage and Destruction of Premises; Abatement of Rent."

Events of Default and Remedies

Events of Default. The following are each an "event of default" under the Trust Indenture:

- (i) Default in the payment on the due date of the interest on any Bond outstanding under the Trust Indenture;
- (ii) Default in the payment on the due date of the principal of or premium on any such Bond, whether at the stated maturity thereof, or upon proceedings for the redemption thereof, or upon the maturity thereof by declaration;

(iii) Default in the performance or observance of any other of the covenants or agreements of the Building Corporation in the Trust Indenture or in the Bonds, and the continuance thereof for a period of 60 days after written notice thereof to the Building Corporation by the Trustee;

(iv) The Building Corporation: (a) admits in writing its inability to pay its debts generally as they become due, (b) files a petition in bankruptcy, (c) makes an assignment for the benefit of its creditors, or (d) consents to or fails to contest the appointment of a receiver or trustee for itself or of the whole or any substantial part of the Premises or Lease rentals due under the Lease;

(v) (a) The Building Corporation is adjudged insolvent by a court of competent jurisdiction; (b) the Building Corporation, on a petition in bankruptcy filed against the Building Corporation, is adjudged a bankrupt; or (c) an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Building Corporation, a receiver or trustee of the Building Corporation or of the whole or any substantial part of the Premises or Lease rentals due under the Lease, and any of the aforesaid adjudications, orders, judgments or decrees is not vacated, set aside or stayed within 60 days from the date of entry thereof;

(vi) Any judgment is recovered against the Building Corporation or any attachment or other court process issues that becomes or creates a lien upon any of its property, and such judgment, attachment or court process is not discharged or effectually secured within 60 days;

(vii) The Building Corporation files a petition under the provisions of the United States Bankruptcy Code, or files an answer seeking the relief provided in said Bankruptcy Code;

(viii) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Building Corporation under the provisions of said Bankruptcy Code, and such judgment, order or decree is not vacated, set aside or stayed within 120 days from the date of the entry thereof;

(ix) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Building Corporation or of the whole or any substantial part of the Premises or Lease rentals due under the Lease, and such custody or control is not terminated within 120 days from the date of assumption of such custody or control;

(x) Failure of the Building Corporation to bring suit to mandate the County to levy a tax to pay the rental provided in the Lease, or such other action to enforce the Lease as is reasonably requested by the Trustee, if such rental is more than 60 days in default; or

(xi) Any default occurs under the Lease.

Remedies. In the case of the happening and continuance of any of the events of default, the Trustee, by notice in writing mailed to the Building Corporation, may, and upon written request of the registered owners of 25% in principal amount of the Bonds then outstanding under the Trust Indenture must declare the principal of all such Bonds, and the interest accrued thereon, immediately due and payable. However, the registered owners of a majority in principal amount of all outstanding Bonds, by written notice to the Building Corporation and to the Trustee, may annul each declaration and destroy its effect at any time before any sale under the Trust Indenture if all agreements with respect to which default has been made are fully performed and all such defaults are cured, and all arrears of interest upon all Bonds outstanding and the reasonable expenses and charges of the Trustee, the Registrar and Paying

Agent, its agents and attorneys, and all other indebtedness secured by the Trust Indenture, except the principal of any Bonds not then due by their terms and interest accrued thereon since the then last Interest Payment Date, are paid or the amount thereof is paid to the Trustee for the benefit of those entitled thereto. Interest will be payable on overdue principal at the rate of interest set forth in each Bond.

In case of the happening and continuance of any event of default, the Trustee may, and shall upon the written request of the registered owners of at least twenty-five percent (25%) in principal amount of the Bonds then outstanding hereunder and upon being indemnified to its reasonable satisfaction, proceed to protect and enforce its rights and the rights of the registered owners of the Bonds by suit or suits in equity or at law, in any court of competent jurisdiction, whether for specific performance of any covenant or agreement contained in the Trust Indenture or in aid of any power granted in the Trust Indenture, or for any foreclosure of or under the Trust Indenture, or for the enforcement of any other appropriate legal or equitable remedy.

Application of Monies. All monies received by the Trustee or any receiver or any owner of the Bonds, will be applied as follows:

- (i) to the payment of all costs and expenses of suit or suits to enforce the rights of the Trustee or the registered owner of the Bonds;
- (ii) to the payment of all other expenses of the trust created by the Trust Indenture, with interest thereon at the highest rate of interest on any of the Bonds issued under the Trust Indenture when sold, whether or not then outstanding;
- (iii) to the payment of all the principal and accumulated and unpaid interest on the Bonds then outstanding under the Trust Indenture in full, if said proceeds are sufficient, but if not sufficient, then to the payment thereof ratably without preference or priority of any one Bond over any other or of interest over principal, or of principal over interest, or of any installment of interest over any other installment of interest; and
- (iv) any surplus thereof remaining, to the Building Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

Limitation on Rights of Bondholders. No owner of any Bond outstanding under the Trust Indenture has the right to institute any proceeding at law or in equity for the enforcement of the Trust Indenture, or for the appointment of a receiver, or for any other remedy under the Trust Indenture, without first giving notice in writing to the Trustee of the occurrence and continuance of an event of default, and unless the registered owners of at least 25% in principal amount of the then outstanding Bonds have made written request to the Trustee and have offered it reasonable opportunity either to proceed to exercise the powers granted under the Trust Indenture or to institute such action, suit or proceeding in its own name, and without also having offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred by the Trustee; and such notice, request and offer of indemnity may be required by the Trustee as conditions precedent to the execution of the powers and trusts of the Trust Indenture or to the institution of any suit, action or proceeding at law or in equity for the enforcement thereof, for the appointment of a receiver, or for any other remedy under the Trust Indenture, or otherwise, in case of any such default. No one or more registered owners of the Bonds outstanding under the Trust Indenture has any right in any manner whatsoever to affect, disturb or prejudice the lien of the Trust Indenture by such owner's or owners' action, or to enforce any right thereunder except in the manner therein provided, and all proceedings at law or in equity must be instituted, had and maintained in the manner therein provided, and for the equal benefit of all registered owners of outstanding Bonds. However, the right of any registered owner of any Bond outstanding under the Trust Indenture to receive payment of the principal of and interest on such Bond on or after the respective due dates therein

expressed, or to institute suit for the recovery of any such payment on or after such respective dates, will not be impaired or affected without the consent of such registered owner.

No recourse under or upon any obligation, covenant or agreement contained in the Trust Indenture or in any Bond secured thereby, or because of the creation of any indebtedness thereby secured, may be had against any incorporator, member, officer, director, employee, or agent, present or future, of the Building Corporation or of any successor Corporation, either directly or through the Building Corporation, by the enforcement of any assessment or by any legal or equitable proceeding or by virtue of any statute or otherwise.

Supplemental Trust Indentures

The Building Corporation, Trustee, and the Registrar and Paying Agent may, without notice to or consent of any Bondholder, enter into supplemental indentures:

- (i) to cure any ambiguity or formal defect or omission in the Trust Indenture, or in any supplemental indenture; or
- (ii) to grant to or confer upon the Trustee, for the benefit of the registered owners, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the registered owners or the Trustee; or
- (iii) to provide for the issuance of Additional Bonds as provided in the Trust Indenture, or
- (iv) to procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental indenture, if such supplemental indenture will not adversely affect the owners of the Bonds; or
- (v) to secure or maintain bond insurance with respect to the Bonds; or
- (vi) to provide for the refunding or advance refunding of the Bonds; or
- (vii) to evidence the appointment of a separate or co-trustee or the succession of a new Trustee or Paying Agent; or
- (viii) to make any other change which, in the determination of the Building Corporation and the County in their sole discretion, is not to the prejudice of the owners of the Bonds.

In addition, the registered owners of not less than 66-2/3% in aggregate principal amount of the Bonds then outstanding under the Trust Indenture may consent to and approve supplemental indentures as are deemed necessary or desirable by the Building Corporation for the purpose of modifying or amending in any particular any of the terms or provisions contained in the Trust Indenture or in any supplemental indenture; provided, however, that such supplemental indenture does not effect:

- (i) an extension of the maturity of the principal of or interest or premium, if any, on any Bond, or an advancement of the earliest redemption date on any Bond, without the consent of the holder of each Bond so affected; or

(ii) a reduction in the principal amount of any Bond or the rate of interest thereon or the premium payable upon redemption thereof, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or

(iii) the creation of a lien upon the Trust Estate ranking prior to or on a parity with the lien created by the Trust Indenture, without the consent of the holders of all Bonds then outstanding; or

(iv) a preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or

(v) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture, without the consent of the holders of all Bonds then outstanding.

Notwithstanding the foregoing, the rights, duties and obligations of the Building Corporation and of the registered owners of the Bonds, and the terms and provisions of the Bonds and the Trust Indenture, or any supplemental indenture, may be modified or amended in any respect with the consent of the Building Corporation and the consent of the registered owners of all the Bonds then outstanding under the Trust Indenture.

Defeasance

If, when the Bonds outstanding under the Trust Indenture or a portion thereof have become due and payable in accordance with their terms or have been duly called for redemption or irrevocable instructions to call such Bonds or any portion thereof for redemption have been given by the Building Corporation to the Trustee, and the whole amount of the principal, premium, if any, and the interest so due and payable upon such Bonds or any portion thereof then outstanding are paid or (i) sufficient money, or (ii) noncallable Government Obligations, the principal of and the interest on which when due, without reinvestment, will provide sufficient money, or (iii) a combination thereof, are held for such purpose under the provisions of the Trust Indenture, and provision is also made for paying all Trustee's and Paying Agents' fees and expenses and other sums payable under the Trust Indenture by the Building Corporation, the Building Corporation will be released from all liability on such Bonds or portion thereof and such Bonds will no longer be deemed to be outstanding under the Trust Indenture. In the event the foregoing applies to all Bonds secured by the Trust Indenture, the right, title and interest of the Trustee will thereupon cease, determine and become void. Upon any such termination of the Trustee's title, on demand of the Building Corporation, the Trustee will turn over to the Building Corporation or to such officer, board or body as may then be entitled by law to receive the same, any surplus in the Sinking Fund and in the Operation Fund and all balances remaining in any other funds or accounts, other than moneys and obligations held for the redemption or payment of the Bonds.

If (1) sufficient money, or (2) Government Obligations which are noncallable by the issuer thereof, the principal of and interest on which when due, without reinvestment, will provide sufficient money, or (3) a combination of sufficient money and such Governmental Obligations, are held by the Trustee (or any Paying Agent) for the payment of the whole amount of the principal and the interest upon the Bonds under the provisions of this Indenture, and provision is made for paying all Trustee's and Paying Agents' Fees and expenses related thereto and other sums payable hereunder by the Corporation, such Bonds shall not be deemed outstanding under the Indenture and the registered owners of the Bonds shall be entitled to payment of principal and interest from such funds and income of such obligations and not from the Sinking Fund or the Corporation.

APPENDIX E

_____, 2018

Tipton County, Indiana Jail Building Corporation
Tipton, Indiana

U.S. Bank National Association
Indianapolis, Indiana

Re: \$_____Tipton County, Indiana Jail Building Corporation
Lease Rental Revenue Bonds, Series 2018

Ladies and Gentlemen:

We have acted as bond counsel to the Board of Commissioners of Tipton County, Indiana (the “County”) in connection with the issuance by the Tipton County, Indiana Jail Building Corporation (the “Issuer”) of \$_____ aggregate principal amount of its Lease Rental Revenue Bonds, Series 2018 (the “Bonds”), pursuant to Indiana Code 36-1-10-1, *et seq.*, and pursuant to a Trust Indenture, by and between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”), dated as of _____, 2018, (the “Indenture”), and a Lease, between the Issuer, as lessor, and the County, as lessee, dated March 6, 2018, as amended (the “Lease”). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer and the County contained in the Indenture and the Lease, the certified proceedings and other certifications of public officials furnished to us, and certifications, representations and other information furnished to us by or on behalf of the Issuer and the County and others, including, without limitation, certifications contained in the tax and arbitrage certificate of the Issuer and the County, dated the date hereof, without undertaking to verify the same by independent investigation. We have relied upon the legal opinion of Graham, Regnier, Farrer & Wilson, P.C., Elwood, Indiana, counsel to the Issuer and the County, dated the date hereof, as to the matters stated therein.

Based on the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a nonprofit corporation validly existing under the laws of the State of Indiana (the “State”), with the corporate power to enter into the Indenture and the Lease and perform its obligations thereunder and to issue the Bonds.

_____, 2018

2. The Lease has been duly authorized, executed and delivered by the parties thereto, and is a valid and binding agreement of the parties thereto, enforceable against the parties thereto in accordance with its terms. The rental payments due under the Lease are payable solely from (a) the revenues of the income tax levied and collected by the County pursuant to Indiana Code § 6-3.6-7-21.5 (the “Special Purpose Income Tax Revenues”), and (b) to the extent that the Special Purpose Income Tax Revenues are insufficient to pay such amounts, from the revenues of an *ad valorem* tax levied by the County on all taxable property in the County.

3. The Issuer has duly authorized, issued, executed and delivered the Bonds and has duly authorized, executed and delivered the Indenture. The Indenture is a valid and binding agreement of the Issuer enforceable against the Issuer in accordance with its terms. The Bonds are valid and binding special and limited obligations of the Issuer, enforceable against the Issuer in accordance with their terms and payable solely from the Trust Estate (as defined in the Indenture).

4. Under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on this date (the “Code”), the interest on the Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in this paragraph is subject to the condition that the Issuer and the County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and the County have covenanted or represented that they will comply with such requirements. Failure to comply with certain of such requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

5. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; however, the interest on the Bonds is taken into account in determining adjusted current earnings for the purpose of calculating the alternative minimum tax imposed on certain corporations for taxable years that began prior to January 1, 2018.

6. The interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”) for all purposes except the State financial institutions tax.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement, dated _____, 2018 or any other offering material relating to the Bonds, and we express no opinion relating thereto.

We express no opinion regarding any tax consequences arising with respect to the Bonds, other than as expressly set forth herein.

With respect to the enforceability of any document or instrument, this opinion is subject to the qualifications that: (a) the enforceability of such document or instrument

Tipton County, Indiana Jail Building Corporation
U.S. Bank National Association

_____, 2018

may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance and similar laws relating to or affecting the enforcement of creditors' rights; (b) the enforceability of equitable rights and remedies provided for in such document or instrument is subject to judicial discretion, and the enforceability of such document or instrument may be limited by general principles of equity; (c) the enforceability of such document or instrument may be limited by public policy; and (d) certain remedial, waiver and other provisions of such document or instrument may be unenforceable, provided, however, that in our opinion the unenforceability of those provisions would not, subject to the other qualifications set forth herein, affect the validity of such document or instrument or prevent the practical realization of the benefits thereof.

This opinion is given only as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

(This page intentionally left blank.)

APPENDIX F

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Agreement”) is made this ___ day of _____, 2018, from Tipton County, Indiana (the “Promisor”), to each registered owner or holder of any Bond (as hereinafter defined) (each, a “Promisee”);

WITNESSETH THAT:

WHEREAS, the Tipton County, Indiana Jail Building Corporation, an Indiana nonprofit corporation (the “Issuer”), is issuing its Lease Rental Revenue Bonds, Series 2018, issued on the date hereof (the “Bonds”), pursuant to a Trust Indenture, dated as of _____, 2018 (the “Indenture”), by and between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, _____ (the “Underwriter”) is, in connection with an offering of the Bonds directly or indirectly by or on behalf of the Issuer, purchasing the Bonds from the Issuer and selling the Bonds to certain purchasers; and

WHEREAS, Rule 15c2-12 (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934, as amended (the “Act”), provides that, except as otherwise provided in the Rule, a participating underwriter (as defined in the Rule) shall not purchase or sell municipal securities in connection with an offering (as defined in the Rule) unless the participating underwriter has reasonably determined that an issuer of municipal securities (as defined in the Rule) or an obligated person (as defined in the Rule) for whom financial or operating data is presented in the final official statement (as defined in the Rule) has undertaken, either individually or in combination with other issuers of such municipal securities or obligated persons, in a written agreement or contract for the benefit of holders of such securities, to provide certain information; and

WHEREAS, the Promisor desires to enter into this Agreement in order to assist the Underwriter in complying with subsection (b)(5) of the Rule; and

WHEREAS, any registered owner or holder of any Bond shall, by its payment for and acceptance of such Bond, accept and assent to this Agreement and the exchange of (i) such payment and acceptance for (ii) the promises of the Promisor contained herein;

NOW, THEREFORE, in consideration of the Underwriter’s and any Promisee’s payment for and acceptance of the Bonds, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Promisor hereby promises to each Promisee as follows:

Section 1. Definitions. The terms defined herein, including the terms defined above and in this Section 1, shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Any terms defined in the Rule, but not otherwise defined herein, shall have the meanings specified in the Rule unless the context or use clearly indicates another or different meaning or intent.

- (a) “Beneficial Owner” shall mean any person which has or shares power, directly or indirectly, to make investment decisions concerning the ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).
- (b) “Bond” shall mean any of the Bonds.
- (c) “Bondholder” shall mean any registered or beneficial owner or holder of any Bond.
- (d) “EMMA” shall mean the Electronic Municipal Market Access system established by the MSRB.
- (e) “Final Official Statement” shall mean the Official Statement, dated _____, 2018, relating to the Bonds, including any document included therein by specific reference which is available to the public on the MSRB’s Internet Web site or filed with the Commission.
- (f) “Fiscal Year” of any person shall mean any period from time to time adopted by such person as its fiscal year for accounting purposes, which as of the date of this Agreement is December 31 of each year.
- (g) “MSRB” shall mean the Municipal Securities Rulemaking Board.
- (h) “Obligated Person” shall mean any person who is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Bonds (other than any providers of municipal bond insurance, letters of credit or liquidity facilities), for whom financial information or operating data is presented in the Final Official Statement.
- (i) “State” shall mean the State of Indiana.

Section 2. Term. The term of this Agreement shall commence on the date of delivery of the Bonds by the Issuer to the Underwriter and shall expire on the earlier of (a) the date of payment in full of principal of and premium, if any, and interest on the Bonds, whether upon scheduled maturity, redemption, acceleration or otherwise, or (b) the date of defeasance of the Bonds in accordance with the terms of the Indenture.

Section 3. Obligated Person(s). The Promisor hereby represents and warrants that, as of the date hereof:

- (a) The only Obligated Person with respect to the Bonds is the Promisor; and
- (b) Although there have been instances in the five (5) years prior to the date of the Final Official Statement in which the Promisor failed to comply with one or more of its previous undertakings in a written contract or agreement

specified in paragraph (b)(5)(i) of the Rule, it has taken steps to correct all such failures and to assure compliance in the future.

Section 4. Undertaking to Provide Information.

(a) The Promisor hereby undertakes to provide the following information to the MSRB, solely by transmitting such information to EMMA (currently at www.emma.msrb.org), in an electronic format as prescribed by the MSRB, either directly or indirectly through a registrar or a designated agent:

(i) Annual Financial Information. Within one hundred eighty (180) days after the close of each Fiscal Year of such Obligated Person beginning with the Fiscal Year ending on or after December 31, 2018, the following financial information and operating data for such Obligated Person:

- (A) the annual financial statements of the County; and
- (B) financial and operating data of the type provided in the following tables under the heading “GENERAL ECONOMIC AND FINANCIAL INFORMATION” in APPENDIX A of the Final Official Statement: “Schedule of Indebtedness – Direct Debt,” “Debt Ratios” (but only the second and third lines under the column “Direct Tax Supported Debt”), “Schedule of Historical Net Assessed Valuation,” “Detail of Net Assessed Valuation,” “Comparative Schedule of Certified Tax Rates,” “Property Taxes Levied and Collected,” and “Large Taxpayers;

(the financial information set forth in Section 4(a)(i)(A) hereof and the financial and operating data set forth in Section 4(a)(i)(B) hereof, collectively, the “Annual Financial Information”);

(ii) If not submitted as part of the Annual Financial Information, then when and if available, audited financial statements for such Obligated Person;

(iii) In a timely manner not in excess of 10 business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (A) Principal and interest payment delinquencies;
- (B) Non-payment related defaults, if material;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;

- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;
- (F) 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;
- (G) Modifications to rights of security holders, if material;
- (H) Bond calls, if material, and tender offers;
- (I) Defeasances;
- (J) Release, substitution or sale of property securing repayment of the securities, if material;
- (K) Rating changes;
- (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (M) 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
- (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

For the purpose of the event set forth in clause (L) above, such event is considered to occur when any of the following occur:

(I) the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court or governmental authority; or

(II) the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person; and

(iv) In a timely manner, notice of a failure of such Obligated Person to provide required Annual Financial Information or audited financial statements, on or before the date specified in this Agreement.

(b) Any financial statements of any Obligated Person provided pursuant to subsection (a)(i) of this Section 4 shall be prepared in accordance with any accounting principles mandated by the laws of the State, as in effect from time to time, or any other consistent accounting principles that enable market participants to evaluate results and perform year to year comparisons, but need not be audited.

(c) Any Annual Financial Information or audited financial statements may be set forth in a document or set of documents, or may be included by specific reference to a document or set of documents available to the public on the MRSB's Internet Web site or filed with the Commission.

(d) If any Annual Financial Information otherwise required by subsection (a)(i) of this Section 4 no longer can be generated because the operations to which it relates have been materially changed or discontinued, a statement to that effect shall be deemed to satisfy the requirements of such subsection.

(e) All documents provided to the MSRB under this Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. Termination of Obligation. The obligation to provide Annual Financial Information, audited financial statements and notices of events under Section 4(a) hereof shall terminate with respect to any Obligated Person, if and when such Obligated Person no longer remains an obligated person (as defined in the Rule) with respect to the Bonds.

Section 6. Bondholders. Each Bondholder is an intended beneficiary of the obligations of the Promisor under this Agreement, such obligations create a duty in the Promisor to each Bondholder to perform such obligations, and each Bondholder shall have the right to enforce such duty.

Section 7. Limitation of Rights. Nothing expressed or implied in this Agreement is intended to give, or shall give, to the Issuer, the Underwriter, the Commission or any Obligated Person, or any underwriters, brokers or dealers, or any other person, other than the Promisor, each Promisee and each Bondholder, any legal or equitable right, remedy or claim under or with

respect to this Agreement or any rights or obligations hereunder. This Agreement and the rights and obligations hereunder are intended to be, and shall be, for the sole and exclusive benefit of the Promisor, each Promisee and each Bondholder.

Section 8. Remedies.

- (a) The sole and exclusive remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Agreement shall be the remedy of specific performance by the Promisor of such obligation. Neither any Promisee nor any Bondholder shall have any right to monetary damages or any other remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Agreement, except the remedy of specific performance by the Promisor of such obligation.
- (b) No breach or violation by the Promisor of any obligation of the Promisor under this Agreement shall constitute a breach or violation of or default under the Bonds or the Indenture.
- (c) Any action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Agreement shall be instituted, prosecuted and maintained only in a court of competent jurisdiction in Tipton County, Indiana.
- (d) No action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Agreement shall be instituted, prosecuted or maintained by any Promisee or any Bondholder unless, prior to instituting such action, suit or other proceeding: (i) such Promisee or such Bondholder has given the Promisor notice of such breach or violation and demand for performance; and (ii) the Promisor has failed to cure such breach or violation within sixty (60) days after such notice.

Section 9. Waiver. Any failure by any Promisee or any Bondholder to institute any suit, action or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Agreement, within three hundred sixty (360) days after the date such Promisee or such Bondholder first has knowledge of such breach or violation, shall constitute a waiver by such Promisee or such Bondholder of such breach or violation and, after such waiver, no remedy shall be available to such Promisee or such Bondholder for such breach or violation.

Section 10. Annual Appropriations. This Agreement and the obligations of the Promisor hereunder are subject to annual appropriation by the fiscal body of the Promisor.

Section 11. Limitation of Liability. The obligations of the Promisor under this Agreement are special and limited obligations of the Promisor, payable solely from the trust estate under the Indenture. The obligations of the Promisor under this Agreement are not and shall never constitute a general obligation, debt or liability of the Promisor or the State, or any political subdivision thereof, within the meaning of any constitutional limitation or provision, or a pledge of the faith, credit or taxing power of the Promisor or the State, or any political

subdivision thereof, and do not and shall never constitute or give rise to any pecuniary liability or charge against the general credit or taxing power of the Promisor or the State, or any political subdivision thereof.

Section 12. Immunity of Officers, Directors, Members, Employees and Agents. No recourse shall be had for any claim based upon any obligation in this Agreement against any past, present or future officer, director, member, employee or agent of the Promisor, as such, either directly or through the Promisor, under any rule of law or equity, statute or constitution.

Section 13. Amendment of Obligations. The Promisor may, from time to time, amend any obligation of the Promisor under this Agreement, without notice to or consent from any Promisee or any Bondholder, if: (a)(i) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of any Obligated Person, or type of business conducted, (ii) this Agreement, after giving effect to such amendment, would have complied with the requirements of the Rule on the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (iii) such amendment does not materially impair the interests of any Bondholders, as determined either by (A) any person selected by the Promisor that is unaffiliated with the Promisor, the Issuer or any Obligated Person (such as any trustee under the Indenture) or (B) an approving vote of the Bondholders pursuant to the terms of the Indenture at the time of such amendment; or (b) such amendment is otherwise permitted by the Rule.

Section 14. Assignment and Delegation. Neither any Promisee nor any Bondholder may, without the prior written consent of the Promisor, assign any of its rights under this Agreement to any other person. The Promisor may not assign any of its rights or delegate any of its obligations under this Agreement to any other person, except that the Promisor may assign any of its rights or delegate any of such obligations to any entity (a) into which the Promisor merges, with which the Promisor consolidates or to which the Promisor transfers all or substantially all of its assets or (b) which agrees in writing for the benefit of Bondholders to assume such rights or obligations.

Section 15. Communications. Any information, datum, statement, notice, certificate or other communication required or permitted to be provided, delivered or otherwise given hereunder by any person to any other person shall be in writing and, if such other person is the Promisor, shall be provided, delivered or otherwise given to the Promisor at the following address:

Tipton County, Indiana
c/o Board of Commissioners of Tipton County, Indiana
Tipton County Courthouse
101 East Jefferson Street, Room 312
Tipton, Indiana 46072

(or at such other address as the Promisor may, by notice to the MSRB, provide), or, if such other person is not the Promisor, shall be provided, delivered or otherwise given to such other person at any address that the person providing, delivering or otherwise giving such information, datum,

statement, notice, certificate or other communication believes, in good faith but without any investigation, to be an address for receipt by such other person of such information, datum, statement, notice, certificate or other communication. For purposes of this Agreement, any such information, datum, statement, notice, certificate or other communication shall be deemed to be provided, delivered or otherwise given on the date that such information, datum, notice, certificate or other communication is (a) delivered by hand to such other person, (b) deposited with the United States Postal Service for mailing by registered or certified mail, (c) deposited with Express Mail, Federal Express or any other courier service for delivery on the following business day, or (d) sent by facsimile transmission, telecopy or telegram.

Section 16. Knowledge. For purposes of this Agreement, each Promisee and each Bondholder shall be deemed to have knowledge of the provision and content of any information, datum, statement or notice provided by the Promisor to the MSRB on the date such information, datum, statement or notice is so provided, regardless of whether such Promisee or such Bondholder was a registered or beneficial owner or holder of any Bond at the time such information, datum, statement or notice was so provided.

Section 17. Performance Due on other than Business Days. If the last day for taking any action under this Agreement is a day other than a business day, such action may be taken on the next succeeding business day and, if so taken, shall have the same effect as if taken on the day required by this Agreement.

Section 18. Waiver of Assent. Notice of acceptance of or other assent to this Agreement is hereby waived.

Section 19. Governing Law. This Agreement and the rights and obligations hereunder shall be governed by and construed and enforced in accordance with the internal laws of the State, without reference to any choice of law principles.

Section 20. Severability. If any portion of this Agreement is held or deemed to be, or is, invalid, illegal, inoperable or unenforceable, the validity, legality, operability and enforceability of the remaining portions of this Agreement shall not be affected, and this Agreement shall be construed as if it did not contain such invalid, illegal, inoperable or unenforceable portion.

Section 21. Rule. This Agreement is intended to be an agreement or Agreement in which the Promisor has undertaken to provide that which is required by paragraph (b)(5) of the Rule. If and to the extent this Agreement is not such an agreement or contract, this Agreement shall be deemed to include such terms not otherwise included herein, and to exclude such terms not otherwise excluded herefrom, as are necessary to cause this Agreement to be such an agreement or contract.

Section 22. Interpretation. The use herein of the singular shall be construed to include the plural, and vice versa, and the use herein of the neuter shall be construed to include the masculine and feminine. Unless otherwise indicated, the words “hereof,” “herein,” “hereby” and “hereunder,” or words of similar import, refer to this Agreement as a whole and not to any particular section, subsection, clause or other portion of this Agreement.

Section 23. Captions. The captions appearing in this Agreement are included herein for convenience of reference only, and shall not be deemed to define, limit or extend the scope of intent of any rights or obligations under this Agreement.

IN WITNESS WHEREOF, the Promisor has caused this Agreement to be executed on the date first above written.

TIPTON COUNTY, INDIANA

By: Board of Commissioners of Tipton County,
Indiana

Commissioner

Commissioner

Commissioner

ATTEST:

County Auditor

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APPENDIX G

This Appendix G assumes that (a) the winning bidder (the “Purchaser”) is purchasing the Bonds as an Underwriter (as hereinafter defined) and is not purchasing the Bonds with the intent to hold the Bonds for its own account, and (b) Tipton County, Indiana (the “Issuer”) and the Purchaser shall agree to the process by which issue price will be established on the date of sale of the Bonds in the event that the Competitive Sale Requirements (as hereinafter defined) are not met. The Purchaser must agree to execute the applicable schedules depending on the sale results.

(a) By submitting a bid, the Purchaser agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at the Closing (as hereinafter defined) for the Bonds written evidence identifying the “Issue Price” as defined in the provisions of Treasury Regulation Section 1.148-1 (“Issue Price Rules”) for the Bonds or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Issuer and Bond Counsel. All actions to be taken by the Issuer to establish the Issue Price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified in the Official Statement (H.J. Umbaugh & Associates, Certified Public Accountants, LLP) and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(b) For purposes of this Appendix G, the Competitive Sale Requirements will be satisfied in accordance with the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (the “Competitive Sale Requirements”) for purposes of establishing the Issue Price of the Bonds and will apply to the initial sale of the Bonds if the Issuer receive bids for the Bonds from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds because:

- (1) the Issuer shall disseminate the [Intent to Sell Bonds] [Notice of Sale](the "Notice") to potential Underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid; and
- (3) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost) as set forth in the Notice (the requirements set forth in this paragraph (b), collectively, the “Competitive Sale Requirements”).

Any bid submitted pursuant to the Notice shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. If all of the Competitive Sale Requirements are satisfied, the Purchaser shall execute Schedule I if the Purchaser is purchasing the Bonds as an Underwriter.

(c) In the event that the Competitive Sale Requirements are not satisfied, the Issuer shall so advise the Purchaser and the Issuer and the Purchaser (the “Parties”) agree to execute an agreement which will establish which method to determine Issue Price will be employed, a form of which is attached as Schedule II. The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (as hereinafter defined) (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity)(the “10% test”).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date (as hereinafter defined) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold;

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price (as defined below) to the Public of each such maturity as of the Sale Date as the Issue Price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser shall promptly advise the Issuer when it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(d) The Purchaser will be required to execute a certificate in the form of Schedule III if the Competitive Sale Requirements are not satisfied indicating that all of the requirements set forth in such certificate have been satisfied such as a certification to that the Purchaser has offered or will offer the Bonds to the Public on or before the date of the award at the Initial Offering Price set forth in the bid submitted by the Purchaser. The Purchaser will also be required to provide a copy of the pricing wire or equivalent communication.

(e) By submitting a bid, each bidder acting as an Underwriter confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (1) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser, and (2) to promptly notify the Purchaser of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the Public, and (3) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the Purchaser shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public, (ii) any agreement among Underwriters or other selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser or such Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser or such Underwriter.

(f) Sales of any Bonds to any person that is a related party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Appendix G. Further, for purposes of this Appendix:

- (1) “Public” means any person other than an Underwriter or a related party,
- (2) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public),
- (3) a purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships

(including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

- (4) “Sale Date” means the date that the Bonds are awarded by the Issuer to the winning bidder,
- (5) “Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer, and
- (6) “Initial Offering Prices” means the respective initial offering prices of the Bonds offered by the Purchaser to the Public on or before the Sale Date as set forth in the pricing wire or equivalent communication for the Bonds provided to the Issuer by the Purchaser.

Schedule I
\$15,285,000
Lease Rental Revenue Bonds, Series 2018
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligation (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

- (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.
- (b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.***

- (a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is August 14, 2018.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Section 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Barnes & Thornburg LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER], as [Underwriter]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

Schedule II

AGREEMENT TO ESTABLISH ISSUE PRICE

The Tipton County, Indiana (the “Issuer”) offered its Lease Rental Revenue Bonds, Series 2018 (the Bonds”) through a competitive offering in compliance with state law. For federal tax law purposes, Issue Price as defined in Treasury Regulations Section 1.148-1(f) (the “Issue Price Regulations”) must be established by one of the methods set forth in Issue Price Regulations. One of the methods to establish Issue Price is to offer the Bonds to achieve a Competitive Sale as defined by the Issue Price Regulations by meeting specific requirements under the Issue Price Regulation. Although the Issuer achieved a competitive sale to comply with state law, one or more of the requirements for a Competitive Sale, for federal tax law purposes, was not achieved. The Issue Price Regulations provide if more than one rule for determining the Issue Price of the Bonds is available, the Issuer may select the rule it will use to determine the Issue Price of the Bonds.

On the date hereof, the Purchaser represents that the first price at which at least 10% of each maturity of the Bonds listed on Exhibit I was sold to the Public (as defined in Schedule A) is the respective price listed on Exhibit I. For the remaining maturities of the Bonds (the “Unsold Maturities”) the Issuer has determined and the Purchaser agrees that Issue Price will be established as set forth in Schedule A as attached.

[PURCHASER]

By: _____
Authorized Representative

Tipton County, Indiana

By: _____

SCHEDULE A

This Schedule A sets forth as of the date hereof, the agreement between Tipton County, Indiana (the "Issuer") and _____ (the "Purchaser") on the method by which Issue Price, as defined in Treasury Regulations Section 1.148-1(f) (the "Issue Price Regulations") for the Unsold Bonds (as defined in Schedule II) must be established (the "Agreement").

Based on the Agreement, the Issuer and the Purchaser have determined that Issue Price for the Unsold Bonds will be established by:

Check one, as applicable:

- _____ (1) General Rule (the "10% test") set forth below in (1); or
_____ (2) "Hold the Price Rule" set forth below in (2).

SELECTION OF METHOD OF ISSUE PRICE ESTABLISHMENT

The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable, periodic intervals or otherwise upon request of the Issuer of bond counsel. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price to the Public of each such maturity of the Bonds as of the Sale Date as the issue price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser will advise the Issuer promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public.

DEFINITIONS OF GENERAL APPLICABILITY

“Public” shall mean any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined below) or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third party distribution agreement participating in the initial sale of the Bonds to the Public).

A purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

“Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is August 14, 2018.

“Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer.

**[FORM TO USE WHEN GENERAL RULE OR SPECIAL RULE OF COMBINATION OF BOTH
RULES APPLIES]**

Schedule III

\$15,285,000

Lease Rental Revenue Bonds, Series 2018

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ([“[SHORT NAME OF UNDERWRITER”]] [the “Representative”]], on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: *Sale of the Bonds*. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.] [Alternative 2² – Select Maturities Use General Rule: *Sale of the General Rule Maturities*. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.] [Alternative 3³-Issue Price not required on Closing Date and Select Maturities Use General Rule]: As of the date of this certificate, the General Rule Maturities and their respective issue prices (the first price at which 10% of such Maturity was sold to the Public) are listed in Schedule A. [SHORT NAME OF UNDERWRITER] certifies that it agreed in its [bid form][bond purchase agreement] to report to the Issuer the prices at which the Unsold Bonds have been sold to the Public within 5 business days of such sale until [SHORT NAME OF UNDERWRITER] can establish the first price at which at least 10% test of each Maturity of the Unsold Bonds has been sold to the Public.]

2. ***Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities]***.

(a) [Alternative 1⁴ – All Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.] [Alternative 2⁵ – Select Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF

¹ If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

² If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

³ If Alternative 3 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

⁴ If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

⁵ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

UNDERWRITER][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the [Notice of Intent to Sell Bonds][bond sale notice], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Bonds, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the [Bond Purchase Agreement][Notice of Sale and bid award], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) [To be used when the Bonds were subject to a failed competitive bidding process and the Issuer elected to apply the hold the price rule and the bidder confirmed its bid and agreed to comply with hold the price]. The Bonds were originally subject to a competitive bidding process. Attached as Schedule C hereto is the notification received by [SHORT NAME OF UNDERWRITER] that the Issuer elected to invoke the hold-the-offering-price rule and the [SHORT NAME OF UNDERWRITER]’s confirmation of its bid and its agreement to comply with the hold the offering price rule.

3. *Defined Terms.*

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (August 14, 2018), or (ii) the date on which the [SHORT NAME OF UNDERWRITER][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means Tipton County, Indiana.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is August 14, 2018.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDEWRITING FIRM][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and the Borrower] with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Barnes & Thornburg LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice it may give to the Issuer [and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____
Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

SCHEDULE C
CERTIFICATE OF INVOCATION OF HOLD THE PRICE RULE AND CONFIRMATION OF
BID

[Defined terms should correspond to those in the Bid Form]

The Issuer hereby notifies _____, as the winning bidder (the "Purchaser") for the [Insert Caption of Bonds] (the "Bonds") that the Issuer has determined to apply the hold the price rule (as described in the Bid Form dated _____, 20__) to the Bonds maturing _____, _____ and _____.(the "Hold the Price Maturities"). The Purchaser's bid will be cancelled and deemed withdrawn unless the Purchaser affirmatively confirms its bid and agrees to comply with the hold the price rule by executing and **[faxing/e-mailing]** the confirmation below by ____:00 **[a.m./p.m.]**.

Tipton County, Indiana

By: _____

The Purchaser hereby acknowledges the Issuer's intention to apply the hold the price rule to the "Hold the Price Maturities". The Purchaser confirms its bid with respect to the Bonds and agrees to comply with the hold the price rule with respect to the Hold the Price Maturities.

[PURCHASER]

By: _____