

GENERAL ORDINANCE NO. 2015- 8

**AN ORDINANCE OF THE TOWN OF SWEETSER, INDIANA TO
BORROW \$200,000.00 FROM GRANT COUNTY STATE BANK FOR
PUBLIC WORKS PROJECT UNDER I.C. 36-9-41 REPAYABLE
FROM AWARDED GRANTS AND DONATIONS FOR THE
SWEETSER SWITCH TRAIL – MEIR EXTENSION**

WHEREAS, the Town Park Board (BOARD) of the Town of Sweetser, (TOWN) previously obtained Grant Funds in the amount of \$150,000.00 for Recreational Trail Project (RTP) and donations as BOARD'S share of \$44,460.00 for total project of \$194,460.00; and

WHEREAS, such \$150,000.00 Grant Funds may be disbursed as reimbursement for actual RTP incurred by BOARD for construction of the MEIR EXTENSION; and

WHEREAS, the TOWN COUNCIL OF THE TOWN OF SWEETSER, INDIANA, (COUNCIL) has obtained a commitment for a \$200,000.00 Line of Credit by the proposed execution of a Negotiable Promissory Note to GRANT COUNTY STATE BANK (GCSB) for \$200,000.00 which amount is under the TOWN'S Constitutional Debt limit as provided under I.C. 36-9-41. Such Negotiable Promissory Note shall be due March 16, 2016 together with interest at 3.25% initially from date of September 15, 2015. Such Negotiable Promissory Note shall be paid from grant funds and donations currently available. Copies of the proposed Loan Documents are attached as Exhibit "A" hereto.

WHEREAS, in the event any portion of the Grant Funds and/or Donations are not available on or before March 16, 2016 to retire such \$200,000.00 Line of Credit in its entirety, COUNCIL shall after negotiation with the GCSB, shall by Renewal Negotiable Promissory Note pay for any remaining unpaid principal and/or accrued interest. The

COUNCIL shall enter into a Renewal Negotiable Promissory Note. In addition, COUNCIL shall comply with the provisions of I.C. 36-9-41-4 and I.C. 36-9-41-5 for a ten (10) year amortization schedule with any necessary funds to be appropriated and levied as needed for repayment of any Renewal Negotiable Promissory Note.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL, that a need now exists to borrow \$200,000.00 from GCSB as a line of credit evidenced by a Negotiable Promissory Note pursuant to I.C. 36-9-41 for the above public works project; and

BE IT FURTHER ORDAINED that the COUNCIL shall publish notice under I.C. 5-3-1 of the determination to borrow \$200,000.00 pursuant to I.C. 36-9-41. Such legal notice shall advise taxpayers of their right to object pursuant to I.C. 36-9-41-6.

BE IT FURTHER ORDAINED that the current COUNCIL President and the current COUNCIL Vice President, acting individually and not jointly shall be authorized to execute any and all necessary documents for such \$200,000.00 line of credit as required by GCSB.

Duly adopted by the following vote of the members of the COUNCIL, Town of Sweetser, Indiana, this ~~6th~~ day of August, 2015.

TOWN OF SWEETSER, STATE OF INDIANA

AYE

NAY

Travis J. LeMaster, President

☒

Stephen L. Kelley, Vice President

☒

Charles V. Briede

☒

Richard P. Gamble

☒

Charles K. Draine

☒

ATTEST:

Eileen D. LeMaster

Eileen D. LeMaster, Clerk-Treasurer



This instrument was prepared by Kim A. Rogers, ROGERS & ROGERS P.C., 525 South Washington Street, Marion, Indiana 46953.

AUTHORIZATION

by Corporation

1. ENTITY CERTIFICATIONS. I, TRAVIS LEMASTER, President of TOWN OF SWEETSER, STEVE KELLEY, Vice President of TOWN OF SWEETSER certify that:

- A. I am designated to execute this Authorization on behalf of TOWN OF SWEETSER, Federal Tax Identifying Number 35-6006565 (Corporation).
- B. I am authorized and directed to execute an original or a copy of this Authorization to Financial Institution, and anyone else requiring a copy.
- C. Corporation is properly formed and validly existing under the laws of Indiana and that Corporation has the power and authority to conduct business and other activities as now being conducted.
- D. Corporation has the power and authority to adopt and provide this Authorization and to confer the powers granted in this Authorization; the designated Agents have the power and authority to exercise the actions specified in this Authorization; and Corporation properly adopted these authorizations and appointed the Agents and me to act on its behalf.
- E. Corporation will not use any trade name or fictitious name without Financial Institution's prior written consent and will preserve Corporation's existing name, trade names, fictitious names and franchises.
- F. Corporation will notify Financial Institution before reorganizing, merging, consolidating, recapitalizing, dissolving or otherwise materially changing ownership, management or organizational form. Corporation will be fully liable for failing to notify Financial Institution of these material changes.

2. GENERAL AUTHORIZATIONS. I certify Corporation authorizes and agrees that:

- A. GRANT COUNTY STATE BANK (Financial Institution) is designated to provide Corporation the financial accommodations indicated in this Authorization.
- B. All prior transactions obligating Corporation to Financial Institution by or on behalf of Corporation are ratified by execution of this Authorization.
- C. Any Agent, while acting on behalf of Corporation, is authorized, subject to any expressed restrictions, to make all other arrangements with Financial Institution which are necessary for the effective exercise of the powers indicated within this Authorization.
- D. The signatures of the Agents are conclusive evidence of their authority to act on behalf of Corporation.
- E. Unless otherwise agreed to in writing, this Authorization replaces any earlier related Authorization and will remain effective until Financial Institution receives and records an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of this Authorization must be accompanied by documentation, satisfactory to Financial Institution, establishing the authority for the change.
- F. Corporation agrees not to combine proceeds from collateral securing any debts owed to Financial Institution with unrelated funds.
- G. Financial Institution may verify credit history of Corporation by obtaining a credit report from a credit reporting agency or any other necessary means.

3. SPECIFIC AUTHORIZATIONS. Corporation agrees that the following persons (Agents) are authorized to act on behalf of Corporation in fulfilling the purposes of this Authorization:

Name and Title and, If Applicable, Representative Entity's Name and Relationship to Authorizing Entity	Signature	Facsimile Signature
TRAVIS LEMASTER, President of TOWN OF SWEETSER	_____	_____
STEVE KELLEY, Vice President of TOWN OF SWEETSER	_____	_____

Corporation authorizes and directs the designated Agents to act, as indicated, on Corporation's behalf to:

- A. Open or close any share or deposit accounts in Corporation's name, including, without limitation, accounts such as share draft, checking, savings, certificates of deposit or term share accounts, escrow, demand deposit, reserve, and overdraft line-of-credit accounts.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- B. Enter into and execute any preauthorized electronic transfer agreements for automatic withdrawals, deposits or transfers initiated through an electronic ATM or point-of-sale terminal, telephone, computer or magnetic tape using an access device like an ATM or debit card, a code or other similar means.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- C. Enter into and execute commercial wire transfer agreements that authorize transfers by telephone or other communication systems through the network chosen by Financial Institution.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- D. Endorse and deposit checks, share drafts and orders for the payment of money.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- E. Sign checks or orders for the payment of money, withdraw or transfer funds on deposit with Financial Institution.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- F. Enter into and execute a written night depository agreement, a lock-box agreement or a safe deposit box lease agreement.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- G. Borrow money or obtain other credit or financial accommodation from Financial Institution on behalf of and in the name of Corporation on the terms agreed to with Financial Institution. The designated agents may execute and endorse promissory notes, acceptances or other evidences of indebtedness.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.
- H. Grant a security interest, lien or other encumbrance to Financial Institution in any or all real or personal property that Corporation now owns or may acquire in the future for the payment or performance of all debts, liabilities and obligations of every type and description owed now or in the future by Corporation to Financial Institution.
This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.

EXHIBIT "8"

I. Receive and acknowledge receipt for funds, whether payable to the order of Corporation or an Agent, without additional certification as to the use of the proceeds.

This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.

J. Periodically amend, restructure, renew, extend, modify, substitute or terminate any agreements or arrangements with Financial Institution that relate to this Authorization.

This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.

K. Execute other agreements that Financial Institution may require, and perform or cause to be performed any further action necessary to carry out the purposes of this Authorization.

This power may only be exercised by TRAVIS LEMASTER and STEVE KELLEY and requires one authorized signature.

L. Sign or endorse using facsimile signatures adopted by Corporation. Financial Institution may rely on those facsimile signatures that resemble the specimens within this Authorization or the specimens that Corporation periodically files with Financial Institution, regardless of by whom or by what means the signatures were affixed.

4. **INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Authorization.

SIGNATURES. By signing, I certify and agree to the terms contained in this Authorization on behalf of Corporation on September 25, 2014.

I also acknowledge receipt of a copy of this Authorization.

AUTHORIZATION'S SIGNER:

TOWN OF SWEETSER

By _____
TRAVIS LEMASTER, President

By _____
STEVE KELLEY, Vice President

Notary or Acknowledgment Here (Optional)

FOR FINANCIAL INSTITUTION USE ONLY

Acct/Loan # _____ Authorization and agreement completed and effective _____ by _____ for the
Financial Institution.

TOWN OF SWEETSER
Indiana Authorization
IN/4SNICHOLS0000000009462008N

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LOAN NUMBER	LOAN NAME	ACCT. NUMBER	NOTE DATE	INITIALS
4737301	TOWN OF SWEETSER	T0000580	05/14/15	740373
NOTE AMOUNT	INDEX (w/Margin)	RATE	MATURITY DATE	LOAN PURPOSE
\$200,000.00	Wall Street Journal Prime	3.250%	11/13/15	Commercial
Creditor Use Only				

PROMISSORY NOTE

(Commercial - Revolving Draw)

DATE AND PARTIES. The date of this Promissory Note (Note) is May 14, 2015. The parties and their addresses are:

LENDER:

GRANT COUNTY STATE BANK
102 N WASHINGTON STREET
PO BOX 98
SWAYZEE, IN 46986
Telephone: (765) 922-7975

BORROWER:

TOWN OF SWEETSER
an Indiana Corporation
P. O. BOX 329
SWEETSER, IN 46987

1. DEFINITIONS. As used in this Note, the terms have the following meanings:

A. Pronouns. The pronouns "I," "me," and "my" refer to each Borrower signing this Note, individually and together with their heirs, successors and assigns, and each other person or legal entity (including guarantors, endorser, and sureties) who agrees to pay this Note. "You" and "Your" refer to the Lender, any participants or syndicators, successors and assigns, or any person or company that acquires an interest in the Loan.

B. Note. Note refers to this document, and any extensions, renewals, modifications and substitutions of this Note.

C. Loan. Loan refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction such as applications, security agreements, disclosures or notes, and this Note.

D. Loan Documents. Loan Documents refer to all the documents executed as a part of or in connection with the Loan.

E. Property. Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.

F. Percent. Rates and rate change limitations are expressed as annualized percentages.

G. Dollar Amounts. All dollar amounts will be payable in lawful money of the United States of America.

2. PROMISE TO PAY. For value received, I promise to pay you or your order, at your address, or at such other location as you may designate, amounts advanced from time to time under the terms of this Note up to the maximum outstanding principal balance of **\$200,000.00 (Principal)**, plus interest from the date of disbursement, on the unpaid outstanding Principal balance until this Note is paid in full and you have no further obligations to make advances to me under the Loan.

I may borrow up to the Principal amount more than one time.

3. ADVANCES. Advances under this Note are made according to the following terms and conditions.

A. Initial Advance. On May 14, 2015 I will receive an initial advance of \$95.00.

B. Requests for Advances. My requests are a warranty that I am in compliance with all the Loan Documents. When required by you for a particular method of advance, my requests for an advance must specify the requested amount and the date and be accompanied with any agreements, documents, and instruments that you require for the Loan. Any payment by you of any check, share draft or other charge may, at your option, constitute an advance on the Loan to me. All advances will be made in United States dollars. I will indemnify you and hold you harmless for your reliance on any request for advances that you reasonably believe to be genuine. To the extent permitted by law, I will indemnify you and hold you harmless when the person making any request represents that I authorized this person to request an advance even when this person is unauthorized or this person's signature is not genuine.

I or anyone I authorize to act on my behalf may request advances by the following methods.

C. Advance Limitations. In addition to any other Loan conditions, requests for, and access to, advances are subject to the following limitations.

(1) Discretionary Advances. You will make all Loan advances at your sole discretion.

(2) Advance Amount. Subject to the terms and conditions contained in this Note, advances will be made in exactly the amount I request.

(3) Disbursement of Advances. On my fulfillment of this Note's terms and conditions, you will disburse the advance in any manner as you and I agree.

(4) Credit Limit. I understand that you will not ordinarily grant a request for an advance that would cause the unpaid principal of my Loan to be greater than the Principal limit. You may, at your option, grant such a request without obligating yourselves to do so in the future. I will pay any overadvances in addition to my regularly scheduled payments. I will repay any overadvance by repaying you in full within days after the overadvance occurs.

(5) Records. Your records will be conclusive evidence as to the amount of advances, the Loan's unpaid principal balances and the accrued interest.

4. INTEREST. Interest will accrue on the unpaid Principal balance of this Note at the rate of **3.250 percent (Interest Rate)** until August 13, 2015, after which time it may change as described in the Variable Rate subsection.

A. Post-Maturity Interest. After maturity or acceleration, interest will accrue on the unpaid Principal balance of this Note at the Interest Rate in effect from time to time, until paid in full.

TOWN OF SWEETSER
Indiana Promissory Note
IN/4SNICHOLS0000000009462008N

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B. Maximum Interest Amount. Any amount assessed or collected as interest under the terms of this Note will be limited to the maximum lawful amount of interest allowed by state or federal law, whichever is greater. Amounts collected in excess of the maximum lawful amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to me.

C. Accrual. Interest accrues using an Actual/365 days counting method.

D. Variable Rate. The Interest Rate may change during the term of this transaction.

(1) **Index.** Beginning with the first Change Date, the Interest Rate will be based on the following index: the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate.

The Current Index is the most recent index figure available as of 45 days before each Change Date. You do not guaranty by selecting this Index, or the margin, that the Interest Rate on this Note will be the same rate you charge on any other loans or class of loans you make to me or other borrowers. If this Index is no longer available, you will substitute a similar index. You will give me notice of your choice.

(2) **Change Date.** Each date on which the Interest Rate may change is called a Change Date. The Interest Rate may change August 13, 2015 and monthly thereafter.

(3) **Calculation Of Change.** Before each Change Date you will calculate the Interest Rate, which will be the Current Index. The result of this calculation will be rounded to the nearest .125 percent. Subject to any limitations, this will be the Interest Rate until the next Change Date. The new Interest Rate will become effective on each Change Date. The Interest Rate and other charges on this Note will never exceed the highest rate or charge allowed by law for this Note.

(4) **Limitations.** The Interest Rate changes are subject to the following limitations:

(a) **Lifetime.** The Interest Rate will never be greater than 12.000 percent.

(5) **Effect Of Variable Rate.** A change in the Interest Rate will have the following effect on the payments: The amount of scheduled payments will change.

5. ADDITIONAL CHARGES. As additional consideration, I agree to pay, or have paid, these additional fees and charges.

A. Nonrefundable Fees and Charges. The following fees are earned when collected and will not be refunded if I prepay this Note before the scheduled maturity date.

Loan Origination Fee. A(n) Loan Origination Fee fee of \$95.00 payable from the loan proceeds.

6. REMEDIAL CHARGES. In addition to interest or other finance charges, I agree that I will pay these additional fees based on my method and pattern of payment. Additional remedial charges may be described elsewhere in this Note.

A. Late Charge. If a payment is more than 10 days late, I will be charged 5.000 percent of the Amount of Payment or \$18.00, whichever is less. I will pay this late charge promptly but only once for each late payment.

B. Returned Check Charge. I agree to pay a fee not to exceed \$20.00 for each check, negotiable order of withdrawal or draft I issue in connection with the Loan that is returned because it has been dishonored.

C. Minimum Finance Charge - Commercial/Ag. A(n) Minimum Finance Charge - Commercial/Ag equal to \$45.00.

7. PAYMENT. I agree to pay this Note on demand, but if no demand is made, I agree to pay all accrued interest on the balance outstanding from time to time in regular payments beginning August 13, 2015, then on the same day of each month thereafter. A final payment of the entire unpaid outstanding balance of Principal and interest will be due November 13, 2015.

Payments will be rounded to the nearest \$.01. With the final payment I also agree to pay any additional fees or charges owing and the amount of any advances you have made to others on my behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month.

Interest payments will be applied first to any charges I owe other than late charges, then to accrued, but unpaid interest, then to late charges. Principal payments will be applied first to the outstanding Principal balance, then to any late charges. If you and I agree to a different application of payments, we will describe our agreement on this Note. The actual amount of my final payment will depend on my payment record.

8. PREPAYMENT. I may prepay this Loan in full or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

9. LOAN PURPOSE. This is a business-purpose loan transaction.

10. DEFAULT. I understand that you may demand payment anytime at your discretion. For example, you may demand payment in full if any of the following events (known separately and collectively as an Event of Default) occur:

A. Payments. I fail to make a payment in full when due.

B. Insolvency or Bankruptcy. The death, dissolution or insolvency of, appointment of a receiver by or on behalf of, application of any debtor relief law, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against me or any co-signer, endorser, surety or guarantor of this Note or any other obligations I have with you.

C. Business Termination. I merge, dissolve, reorganize, end my business or existence, or a partner or majority owner dies or is declared legally incompetent.

D. New Organizations. Without your written consent, I organize, merge into, or consolidate with an entity; acquire all or substantially all of the assets of another; materially change the legal structure, management, ownership or financial condition; or effect or enter into a domestication, conversion or interest exchange.

E. Failure to Perform. I fail to perform any condition or to keep any promise or covenant of this Note.

F. Other Documents. A default occurs under the terms of any other Loan Document.

G. Other Agreements. I am in default on any other debt or agreement I have with you.

H. Misrepresentation. I make any verbal or written statement or provide any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.

I. Judgment. I fail to satisfy or appeal any judgment against me.

J. Forfeiture. The Property is used in a manner or for a purpose that threatens confiscation by a legal authority.

K. Name Change. I change my name or assume an additional name without notifying you before making such a change.

L. Property Transfer. I transfer all or a substantial part of my money or property.

M. Property Value. You determine in good faith that the value of the Property has declined or is impaired.

N. Material Change. Without first notifying you, there is a material change in my business, including ownership, management, and financial conditions.

O. Insecurity. You determine in good faith that a material adverse change has occurred in my financial condition from the conditions set forth in my most recent financial statement before the date of this Note or that the prospect for payment or performance of the Loan is impaired for any reason.

11. WAIVERS AND CONSENT. To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

A. Additional Waivers By Borrower. In addition, I, and any party to this Note and Loan, to the extent permitted by law, consent to certain actions you may take, and generally waive defenses that may be available based on these actions or based on the status of a party to this Note.

(1) You may renew or extend payments on this Note, regardless of the number of such renewals or extensions.

(2) You may release any Borrower, endorser, guarantor, surety, accommodation maker or any other co-signer.

(3) You may release, substitute or impair any Property securing this Note.

(4) You, or any institution participating in this Note, may invoke your right of set-off.

(5) You may enter into any sales, repurchases or participations of this Note to any person in any amounts and I waive notice of such sales, repurchases or participations.

(6) I agree that any of us signing this Note as a Borrower is authorized to modify the terms of this Note or any instrument securing, guarantying or relating to this Note.

(7) I give up any rights I may have under any valuation and appraisal laws which apply to me.

B. No Waiver By Lender. Your course of dealing, or your forbearance from, or delay in, the exercise of any of your rights, remedies, privileges or right to insist upon my strict performance of any provisions contained in this Note, or any other Loan Document, shall not be construed as a waiver by you, unless any such waiver is in writing and is signed by you.

12. REMEDIES. After I default, you may at your option do any one or more of the following.

A. Acceleration. You may make all or any part of the amount owing by the terms of this Note immediately due.

B. Sources. You may use any and all remedies you have under state or federal law or in any Loan Document.

C. Insurance Benefits. You may make a claim for any and all insurance benefits or refunds that may be available on my default.

D. Payments Made On My Behalf. Amounts advanced on my behalf will be immediately due and may be added to the balance owing under the terms of this Note, and accrue interest at the highest post-maturity interest rate.

E. Termination. You may terminate my rights to obtain advances or other extensions of credit by any of the methods provided in this Note.

F. Set-Off. You may use the right of set-off. This means you may set-off any amount due and payable under the terms of this Note against any right I have to receive money from you.

My right to receive money from you includes any deposit or share account balance I have with you; any money owed to me on an item presented to you or in your possession for collection or exchange; and any repurchase agreement or other non-deposit obligation. "Any amount due and payable under the terms of this Note" means the total amount to which you are entitled to demand payment under the terms of this Note at the time you set-off.

Subject to any other written contract, if my right to receive money from you is also owned by someone who has not agreed to pay this Note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement.

Your right of set-off does not apply to an account or other obligation where my rights arise only in a representative capacity. It also does not apply to any Individual Retirement Account or other tax-deferred retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set-off against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

G. Waiver. Except as otherwise required by law, by choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use a remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedies if the default continues or occurs again.

13. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after the occurrence of an Event of Default, to the extent permitted by law, I agree to pay all expenses of collection, enforcement or protection of your rights and remedies under this Note or any other Loan Document. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this Note. All fees and expenses will be secured by the Property I have granted to you, if any. In addition, to the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees incurred by you to protect your rights and interests in connection with any bankruptcy proceedings initiated by or against me.

14. COMMISSIONS. I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

15. WARRANTIES AND REPRESENTATIONS. I make to you the following warranties and representations which will continue as long as this Note is in effect:

A. Power. I am duly organized, and validly existing and in good standing in all jurisdictions in which I operate. I have the power and authority to enter into this transaction and to carry on my business or activity as it is now being conducted and, as applicable, am qualified to do so in each jurisdiction in which I operate.

B. Authority. The execution, delivery and performance of this Note and the obligation evidenced by this Note are within my powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which I am a party or to which I am or any of my Property is subject.

C. Name and Place of Business. Other than previously disclosed in writing to you I have not changed my name or principal place of business within the last 10 years and have not used any other trade or fictitious name. Without your prior written consent, I do not and will not use any other name and will preserve my existing name, trade names and franchises.

16. APPLICABLE LAW. This Note is governed by the laws of Indiana, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law. In the event of a dispute, the exclusive forum, venue and place of jurisdiction will be in Indiana, unless otherwise required by law.

17. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS. My obligation to pay the Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on the Loan, or any number of us together, to collect the Loan. Extending the Loan or new obligations under the Loan, will not affect my duty under the Loan and I will still be obligated to pay the Loan. This Note shall inure to the benefit of and be

enforceable by you and your successors and assigns and shall be binding upon and enforceable against me and my personal representatives, successors, heirs and assigns.

18. AMENDMENT, INTEGRATION AND SEVERABILITY. This Note may not be amended or modified by oral agreement. No amendment or modification of this Note is effective unless made in writing and executed by you and me. This Note and the other Loan Documents are the complete and final expression of the agreement. If any provision of this Note is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable. No present or future agreement securing any other debt I owe you will secure the payment of this Loan if, with respect to this loan, you fail to fulfill any necessary requirements or conform to any limitations of Regulations Z and X that are required for loans secured by the Property or if, as a result, this Loan would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

19. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Note.

20. NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Borrower will be deemed to be notice to all Borrowers. I will inform you in writing of any change in my name, address or other application information. I will provide you any correct and complete financial statements or other information you request. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property. Time is of the essence.

21. CREDIT INFORMATION. I agree to supply you with whatever information you reasonably feel you need to decide whether to continue this Loan. You will make requests for this information without undue frequency, and will give me reasonable time in which to supply the information.

22. ERRORS AND OMISSIONS. I agree, if requested by you, to fully cooperate in the correction, if necessary, in the reasonable discretion of you of any and all loan closing documents so that all documents accurately describe the loan between you and me. I agree to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with your requests within thirty (30) days.

23. SIGNATURES. By signing, I agree to the terms contained in this Note. I also acknowledge receipt of a copy of this Note.

BORROWER:

TOWN OF SWEETSER

By _____ Date _____
TRAVIS LEMASTER, President

By _____ Date _____
STEVE KELLEY, Vice President

LENDER:

GRANT COUNTY STATE BANK

By _____ Date _____
SCOTT NICHOLSON, VICE PRESIDENT

TOWN OF SWEETSER
Indiana Promissory Note
IN/4SNICHOLS00000000009462008N

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- ☐ Renewal with New Advance
☐ Other Modification (Explain)

To:
 GRANT COUNTY STATE BANK
 102 N WASHINGTON STREET PO BOX 98
 SWAYZEE, IN 46986

For Internal Use Only

Date Received 05/14/2015 By SCOTT NICHOLSON

Action Taken: ☒ Approved ☐ Declined ☐ Rejected

Date Reviewed _____ By _____

Action Taken: ☒ Approved ☐ Declined ☐ Rejected

Date Notified _____ By _____

Notification Sent: ☐ In Person ☐ Telephone ☐ Letter

1-LOAN APPLICANT Loan Applicant General Information

Legal Name

TOWN OF SWEETSER

Organizational Form, Where and When Organized (ex., Corporation, Delaware, 1984)
 Corporation, Indiana,

☐ Franchise, in full force and without defaults, with (Name of Franchiser)

Name(s) of Affiliated Entities

Current Tradename(s)

Other Tradenames Used in Last 10 Years

Local Address

P. O. BOX 329
 SWEETSER, IN 46987

Principal Executive Office Address

Phone No: 765-384-5333

Fax No: 765-661-2354

Phone No:

Fax No:

Tax Identification Number

Nature of Business

NAICS Code

0, 0

Principals' Names, Addresses, Position Titles, Social Security Numbers and Date of Birth - (for individuals only)

Accountant Name, Address, and Phone Number

Financial Statements. (Check all that apply and attach statements to this application.)

Fiscal Year _____ Calendar Year _____

☐ Financial Statements covering _____ to _____

☐ Accounts Receivable Schedule covering _____ to _____

☐ Inventory Schedule covering _____ to _____

☐ Income Tax/Informational Returns for tax years _____

☐ Other (Specify) _____

Other Statements. (Check all that apply and attach statements to this application.)

☐ Business Plan dated _____

☐ Project Plans & Specifications ☐ Project Budget dated _____

☐ Franchise Agreement, FTC Franchiser Disclosure Statement

☐ List of outstanding judgments or threatened lawsuits, arbitration, or other proceeding against loan applicant.

☐ Other (Articles of Incorporation, Resolutions, etc.) _____

☐ Draw Construction Loan

Accrued Interest Only

Requested Payment Amount \$ _____ ☐ with Balloon \$ _____
Requested First Payment Date _____ Requested Loan Term _____
Payment Frequency (if Installment) ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Other (describe) _____
Requested Interest Rate ☐ Fixed ☒ Variable Index (If Variable) Wall Street Journal Prime
List of primary and secondary sources of repayment for this loan: _____

3. LOAN SECURITY The requested loan will be secured. (Complete this section if checked)

☐ All loan proceeds will be for purchase of collateral. ☐ \$ _____ of the proceeds will be for purchase of collateral.
Description of purchase money collateral: _____ Appraised value of purchase money collateral \$ _____

Brief description of non-purchase money collateral: _____ Description of current property insurance on non-purchase money collateral
Appraised value \$ _____ Type: _____ Deductible: _____
Coverage: _____ Term: _____
Liens on collateral (List any collateral with liens on it, the amount of underlying debt, the names and addresses of collateral's lienholders)

☐ Non-Applicant owners of collateral. Attach a separate list with name(s), address(es), and phone number(s) of any other owner(s) of the collateral.

4. LOAN GUARANTY The requested loan will be guaranteed. (Complete this section if checked)

Legal name _____

Address _____

Phone No: _____

- ☐ Guarantor or affiliate were declared bankrupt within the last 10 years.
☐ There are outstanding judgments against Guarantor. (Attach Summary)
☐ On a separate sheet, list each threatened or pending lawsuit, arbitration, or other proceeding and its amount claimed.

☐ Guarantor Financial Statements. If checked, Guarantor is an entity and will provide financial statements upon request by Lender.

☐ Security. Brief description of collateral to secure this guaranty _____ Description of current property insurance on existing collateral
Appraised value of guaranty collateral \$ _____ Type: _____ Deductible: _____
Coverage: _____ Term: _____
Liens on collateral (List any collateral with liens on it, the amount of underlying debt, and the names and addresses of collateral's lienholders):

☐ Non-Guarantor owners of collateral. If checked, attach a separate list with the name(s), address(es), and phone number(s) of any other owner(s) of the collateral.

CREDIT DENIAL NOTICE. If your gross revenues were \$1,000,000 or less in your previous fiscal year, or you are requesting trade credit, a factoring agreement, or similar types of business credit in this Commercial Loan Application, and if your application for business credit is denied, you have the right to a written statement of the specific reasons for the denial. To obtain the statement please contact (Name, address, and telephone number of the person or office from which the statement of reasons can be obtained):
SCOTT NICHOLSON, GRANT COUNTY STATE BANK 102 N WASHINGTON STREET PO BOX 98, SWAYZEE, Indiana 46986 (765) 922-7975
within 60 days from the date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request for the statement. The notice that follows describes additional protections extended to you.

EQUAL CREDIT OPPORTUNITY NOTICE: The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (providing the applicant has the capacity to enter into a binding contract), because all or a part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is:
**FDIC CONSUMER RESPONSE CENTER
1100 WALNUT STREET
PO BOX 11
KANSAS CITY, Missouri 64106-**

SIGNATURES. By signing below, Loan Applicant submits this application and the information provided on all accompanying financial statements and schedules for the purpose of obtaining credit and represents that the information submitted is accurate and complete. Loan Applicant acknowledges that representations made in this application will be relied on by Lender in evaluating this application and, if approved, in extending credit. Loan Applicant represents that none of the parties named in this application have relied on advice from the Lender in applying for or receiving any credit. Loan Applicant acknowledges that Lender has not made any commitment to approve this application and extend credit, unless otherwise agreed to in writing. Lender is authorized to conduct any inquiries it decides are necessary to verify the accuracy of the information contained in this application and to use any reasonable method to determine the creditworthiness of the Loan Applicant. Lender is also authorized to answer any questions from others about Lender's credit experience with the parties in this application. Loan Applicant will promptly notify Lender of any subsequent changes which would affect the accuracy of this application, and will provide all documents and information that Lender decides are necessary to complete this application. Loan Applicant authorizes Lender to retain this application, whether or not Lender approves any extension of credit. Any intentional misrepresentation of the information contained herein could result in criminal action under federal law.

In addition, each individual signing below authorizes the Creditor to check their individual credit account and employment history and have a credit reporting agency prepare a consumer credit report on them.

TOWN OF SWEETSER

Applicant Name

By X _____ President
for Applicant TRAVIS LEMASTER Date Title

By X _____ Vice President
for Applicant STEVE KELLEY Date Title

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**TOWN OF SWEETSER
SWEETSER PARK BOARD
SWEETSER SWITCH TRAIL**

Current Grants

Funds used to purchase land from following grants

Grant Names	Short Name	Funding Source	Administrated by
<u>B</u> icentennial <u>N</u> ature <u>T</u> rust	BNT	State	Indiana DNR
<u>I</u> ndiana <u>H</u> eritage <u>T</u> rust	IHT	State	Indiana DNR
<u>R</u> ecreational <u>T</u> rail <u>P</u> rogram	RTP	Federal	Indiana DNR
Department of Natural Recourses	DNT		

Sources of funding to purchase land

	Purchase 4.86 Acres Tract1	Purchase 1.212 Acres Tract 2	
BNT	\$24,500	\$4,500	\$29,000
IHT	\$12,250	\$0	\$12,250
RTP	\$12,250	\$0	\$12,250
Total of Grants			\$53,500
Cost of Land			\$58,000
Donation of Kokomo Grain			\$4,500
Net funds needed to purchase Land			\$53,500
Total Cost to Land Purchase Paid by 3 Grants			

Sources of funding to build 1 mile trail between CR 700 W & 800 W

RPT		Current Donations Received	
Total Grant of	\$187,500	Grant County Visitors Bureau	\$6,000
RTP will provide 80% or	\$150,000	Vectren	\$5,000
Sweetser will provide 20% in donations or in kind donations	\$37,500	Grant County Community Foundation	\$5,000
		Oak Hill Class of 1912	\$500
All grants require recipient to pay for project then file for reimbursement to DNR		Total Donations Received to Date	\$16,500
		Balance still needed after donations	\$21,000
		In Kind donations as figured in grant budget	\$21,700
		Amount Surplus	\$700
		Various Grant Applications applied for \$25,000 but have not received notification as to status	

Proposed RTP
Grant

Sweetser Switch Trail- Mett Connection Budget

1.02 Mile Rail Trail from POB at current Sweetser Switch Trail endpoint to POE at CR 800 W

Item	Qty	Unit	Unit Price	Total Price	Grant Funds	Local Match
Clearing and Earthwork						
Trail - 10' wide asphalt 3" thick w/ stone base	1	lump	\$ 10,000	\$ 10,000	\$ 5,000	\$ 5,000
Land Acquisition - Kokomo Rail LLC	1.02	mile	\$ 90,000	\$ 90,000	\$ 85,000	\$ 5,000
Land Acquisition- Druck*	1.1	acres	\$ 9,169	\$ 10,086	\$ 5,043	\$ 5,043
Land Acquisition- Oak Hill United School Corp (trailhead at CR 800 W)	3	acres	\$ 9,169	\$ 27,507	\$ 27,507	-
Stone for parking- CR 700 W & Oak Hill United School Corp	0.1	acres	\$ 9,169	\$ 917	-	\$ 917
Trailhead site amenities - benches, bike racks, tables	1	lump	\$ 6,000	\$ 6,000	\$ 1,000	\$ 5,000
Ballards	1	lump	\$ 3,700	\$ 3,700	-	\$ 3,700
Trailhead ADA pavement markings	4	lump	\$ 450	\$ 1,800	-	\$ 1,800
Striping- 2 road crossings	1	lump	\$ 1,000	\$ 1,000	-	\$ 1,000
Fence (western 0.51 miles along RR tracks and to screen properties)	2	lump	\$ 500	\$ 1,000	-	\$ 1,000
Signage	1	lump	\$ 20,000	\$ 20,000	\$ 8,000	\$ 12,000
Trail Brochure & Website Update	9	lump	\$ 500	\$ 4,500	\$ 1,500	\$ 3,000
	1	lump	\$ 1,000	\$ 1,000	-	\$ 1,000
Contingency				\$ 177,510	\$ 133,050	\$ 44,460
Pre-agreement Expenses - Grantwriting				\$ 4,450	\$ 4,450	-
AI to approved CE, final plan adjustments, appraisal				\$ 2,500	\$ 2,500	-
Construction Subtotal				\$ 10,000	\$ 10,000	-
Total Budget				\$ 194,460	\$ 150,000	\$ 44,460

Maybe
In Kind

In
Kind

In Kind

Town of Sweetser
Calculation of GO Bonding Capacity

I	Assessed Valuation (2014 CNAV)	30,950,595 [1]
II	Divide by 3	<u>3 [2]</u>
III	AV for Debt Limit Calculation	10,316,865
IIII	Times: 2%	<u>2.00% [3]</u>
IV	Statutory Debt Limit for GO Bonds	<u>\$ 206,337.30</u>

[1] Per DLGF

[2] IC 36-1-15

[3] Article 13 Indiana Constitution