

**NEW ISSUE
BOOK-ENTRY-ONLY**

RATING: S&P Global Ratings "A-"

In the opinion of Jackson Kelly PLLC, Evansville, Indiana ("Bond Counsel"), under existing laws, regulations, judicial decisions and rulings, interest on the Revenue Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed by the Code; however, with respect to certain corporations, such interest on the Revenue Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on certain corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Revenue Bonds is exempt from income taxation in the State of Indiana. See "TAX MATTERS" herein and Appendix E hereto.

\$15,155,000*

**TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 2026
(the "REVENUE BONDS")**

Description of Issuer	Town of Chandler, Indiana (the "Town" or "Issuer")
Description of the Utility	The Town's municipal waterworks (the "Waterworks")
Dated Date	Date of Delivery (anticipated to be March 12, 2026)
Sale Date	The Town will provide 24 hours' notice of sale which is currently anticipated to take place on February 26, 2026, at 11:00 a.m. (EST)
Purpose	The proceeds of the Revenue Bonds are being issued for the purpose of (i) paying the costs of certain additions, extensions, and improvements to the Town's Waterworks; (ii) paying the outstanding principal of and interest on the Town of Chandler, Indiana Amended and Restated Waterworks Utility Revenue Bond Anticipation Notes of 2024 ("2024 BANS"); and (iii) paying the costs of issuing the Revenue Bonds and related costs. See "PURPOSE OF THE ISSUE AND USE OF FUNDS - Purpose of the Revenue Bonds and Description of the Projects" herein.
Security	The Revenue Bonds are payable solely from and constitute a first charge upon the Net Revenues (hereinafter defined) of the Waterworks (as more fully described herein). The Revenue Bonds do not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.
Parity Obligations and Additional Bonds	The Revenue Bonds will rank on parity with (i) the Waterworks Utility Revenue Bonds of 2010, dated May 26, 2010, currently outstanding in the aggregate principal amount of \$2,712,000 (the "2010 Bonds"), (ii) the Waterworks Refunding Revenue Bonds of 2016, dated November 3, 2016, currently outstanding in the aggregate principal amount of \$570,000 (the "2016 Bonds"), (iii) the Waterworks Utility Revenue Bonds of 2019, dated December 17, 2019, currently outstanding in the aggregate principal amount of \$8,856,840 (the "2019 Bonds"), and (iv) the Waterworks Utility Revenue Bonds of 2023, dated April 21, 2023, currently outstanding in the aggregate principal amount of \$17,596,000 (the "2023 Bonds" and, together with the 2010 Bonds, the 2016 Bonds, and the 2019 Bonds, the "Parity Bonds"). The Town reserves the right to issue additional bonds on parity with the Revenue Bonds and the Parity Bonds. See "AUTHORITY AND SECURITY - Additional Bonds" herein.
Authorization	The Revenue Bonds are being issued pursuant to the authority of Indiana law, including, without limitation, Indiana Code (IC) 5-1-11, as in effect on the date of delivery of the Revenue Bonds. The Revenue Bonds will be issued as provided in the Town of Chandler Ordinance No. 2024-07, adopted by the Town Council of the Town on March 18, 2024, as amended (the "Bond Ordinance"). See "AUTHORITY AND SECURITY - Authorization and Approval Process" herein. Capitalized terms not otherwise defined herein shall have such meanings as are ascribed to them in the Bond Ordinance.

Further information may be obtained from Baker Tilly Municipal Advisors, LLC 9229 Delegates Row, Suite 400, Indianapolis, IN 46240 (317) 465-1500 or bids@bakertilly.com.

*Preliminary, subject to change.

The information contained in this Preliminary Official Statement is deemed by the Town to be nearly final as of the date hereof; however, the pricing and underwriting information is subject to completion or amendment, supplement or other change without notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

Principal and Interest Payments	Principal and interest will be paid semiannually on March 1st and September 1st, with interest payments beginning September 1, 2026 and principal payments beginning September 1, 2027.
Redemption Provisions	The Revenue Bonds are subject to optional redemption prior to maturity. The Revenue Bonds may be issued as term bonds at the discretion of the Underwriter (as hereinafter defined) and, in such case, will be subject to mandatory sinking fund redemption as more fully described herein.
Book-Entry-Only	Unless otherwise directed by the winning bidder, the Revenue 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”). See Appendix B - “Book-Entry-Only”.
Denominations	The Revenue Bonds are being issued in the denomination of \$5,000 or integral multiple thereof (or in such other denominations as requested by the winning bidder).
Record Date	The fifteenth day of the month preceding each interest payment date.
Registrar and Paying Agent	The Bank of New York Mellon Trust Company, N.A. (the “Registrar” and “Paying Agent”).
Bidding Information	Interested bidders should review Appendix H - “Issue Price Determination” and Appendix I - “Bidding Information” herein for additional instructions.

MATURITY SCHEDULE
(Base CUSIP* _____)

<u>Maturity</u>	<u>Principal**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP*</u>	<u>Maturity</u>	<u>Principal**</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP*</u>
September 1, 2027	\$235,000					September 1, 2038	\$325,000				
March 1, 2028	240,000					March 1, 2039	335,000				
September 1, 2028	240,000					September 1, 2039	340,000				
March 1, 2029	245,000					March 1, 2040	350,000				
September 1, 2029	250,000					September 1, 2040	355,000				
March 1, 2030	250,000					March 1, 2041	365,000				
September 1, 2030	255,000					September 1, 2041	370,000				
March 1, 2031	260,000					March 1, 2042	380,000				
September 1, 2031	260,000					September 1, 2042	385,000				
March 1, 2032	265,000					March 1, 2043	395,000				
September 1, 2032	270,000					September 1, 2043	405,000				
March 1, 2033	275,000					March 1, 2044	415,000				
September 1, 2033	280,000					September 1, 2044	425,000				
March 1, 2034	280,000					March 1, 2045	435,000				
September 1, 2034	285,000					September 1, 2045	445,000				
March 1, 2035	290,000					March 1, 2046	455,000				
September 1, 2035	295,000					September 1, 2046	465,000				
March 1, 2036	300,000					March 1, 2047	475,000				
September 1, 2036	305,000					September 1, 2047	485,000				
March 1, 2037	310,000					March 1, 2048	495,000				
September 1, 2037	315,000					September 1, 2048	510,000				
March 1, 2038	320,000					March 1, 2049	520,000				

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** Preliminary subject to change. The Issuer reserves the right to adjust individual maturity amounts to achieve its financial objectives.

The Revenue 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 Jackson Kelly PLLC, Evansville, Indiana, Bond Counsel. Certain legal matters will be passed on by Mr. Joshua Claybourn, as Attorney for the Town. The Revenue Bonds are expected to be available for delivery to DTC, in New York, New York on or about March 12, 2026.

No dealer, broker, salesman or other person has been authorized by the Town to give any information or to make any representations with respect to the Revenue Bonds, other than as contained in the Preliminary Official Statement or the Final Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Town and the Waterworks. 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.

Certain information contained in the Preliminary Official Statement or the Final Official Statement may have been obtained from sources other than records of the Town and the Waterworks and, while believed to be reliable, is not guaranteed as to completeness or accuracy. The information and expressions of opinion in the Preliminary Official Statement and the Final Official Statement are subject to change, and neither the delivery of the Preliminary Official Statement nor the Final Official Statement nor any sale made under either such document shall create any implication that there has been no change in the affairs of the Town and the Waterworks since the respective date thereof. However, upon delivery of the securities, the Town will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement since its delivery.

References herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the preliminary official statement or the final official statement, they will be furnished upon request.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this official statement for the purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

The Revenue Bonds are considered securities and have not been approved or disapproved by the Securities and Exchange Commission or any state or federal regulatory authority nor has any state or federal regulatory authority confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense. Investors must rely on their own examination of this Official Statement, the security pledged to repay the Revenue Bonds, the Issuer and the merits and risks of the investment opportunity.

FORWARD-LOOKING STATEMENTS

This Official Statement, including its appendices, contains statements that should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget," "may," or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause a deviation from the actual results, performance, or achievements expressed or implied by such forward-looking statements. The Town does not expect or intend to update or revise any forward-looking statements contained herein if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

Town and Waterworks Contact Information

Additional information regarding the Town and the Waterworks may be obtained by contacting Kayla Litton, Clerk-Treasurer and Misty Denk, Utility Administrator, Town of Chandler, 401 East Lincoln Avenue, Chandler, Indiana 47610, phone (812) 925-6882, email: klitton@townofchandler.org and misty@townofchandler.org.

TOWN OF CHANDLER

TOWN COUNCIL

Tonya Wester	President
Ron Whittedge	Vice President
Cheryl Amos	Member
Tom Burnett	Member
Sarah Eller	Member

CLERK-TREASURER

Kayla Litton

UTILITY DIRECTOR

Tyler Kinder

TOWN OF CHANDLER ATTORNEY

Jackson Kelly PLLC
Evansville, Indiana

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC
Indianapolis, Indiana

BOND COUNSEL

Jackson Kelly PLLC
Evansville, Indiana

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PRELIMINARY OFFICIAL STATEMENT

\$15,155,000*

**TOWN OF CHANDLER
WATERWORKS UTILITY REVENUE BONDS OF 2026**

PURPOSE OF THE ISSUE AND USE OF FUNDS

PURPOSE OF THE REVENUE BONDS AND DESCRIPTION OF THE PROJECT

The Revenue Bonds are being issued for the purpose of (i) paying the costs of certain additions, extensions and improvements to the Town’s Waterworks, including various system upgrades and expansions, which projects include, but are not limited to, South State Road and Libbert Road line extensions and a new water tower (collectively, the “Project”); (ii) paying the outstanding principal of and interest on the Town of Chandler, Indiana Amended and Restated Waterworks Utility Revenue Bond Anticipation Notes of 2024 (“2024 BANS”); and (iii) paying the costs of issuing the Revenue Bonds and related costs. Funding for the Project will be provided from proceeds of the Revenue Bonds, and interest earnings during construction.

ESTIMATED USES AND SOURCES OF FUNDS

Estimated Uses of Funds:*

Estimated Construction, Engineering Costs and Contingencies:

Line Extensions:	
South State Road	\$648,100
Libbert Road	1,350,000
New Paradise Tower	<u>8,193,600</u>
Total Estimated Construction, Engineering and Contingency Uses	<u>10,191,700</u>

Estimated Non-Construction Uses:

Payoff 2024 BANS	4,195,000
Land and Right of Way Services	357,000
Costs of Issuance	<u>411,300</u>
Total Estimated Non-Construction Uses	<u>4,963,300</u>
Total Estimated Uses of Funds	<u><u>\$15,155,000</u></u>

Estimated Sources of Funds:*

Waterworks Utility Revenue Bonds of 2026	<u>\$15,155,000</u>
Total Estimated Sources of Funds	<u><u>\$15,155,000</u></u>

*Preliminary, subject to change.

DESCRIPTION OF THE REVENUE BONDS

BOND AMORTIZATION SCHEDULE

<u>Payment Date</u>	<u>Principal Outstanding*</u> (-----In Thousands-----)	<u>Principal*</u>	<u>Interest Rates</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Budget Year Total</u>
09/01/2026	\$15,155					
03/01/2027	15,155					
09/01/2027	15,155	\$235				
03/01/2028	14,920	240				
09/01/2028	14,680	240				
03/01/2029	14,440	245				
09/01/2029	14,195	250				
03/01/2030	13,945	250				
09/01/2030	13,695	255				
03/01/2031	13,440	260				
09/01/2031	13,180	260				
03/01/2032	12,920	265				
09/01/2032	12,655	270				
03/01/2033	12,385	275				
09/01/2033	12,110	280				
03/01/2034	11,830	280				
09/01/2034	11,550	285				
03/01/2035	11,265	290				
09/01/2035	10,975	295				
03/01/2036	10,680	300				
09/01/2036	10,380	305				
03/01/2037	10,075	310				
09/01/2037	9,765	315				
03/01/2038	9,450	320				
09/01/2038	9,130	325				
03/01/2039	8,805	335				
09/01/2039	8,470	340				
03/01/2040	8,130	350				
09/01/2040	7,780	355				
03/01/2041	7,425	365				
09/01/2041	7,060	370				
03/01/2042	6,690	380				
09/01/2042	6,310	385				
03/01/2043	5,925	395				
09/01/2043	5,530	405				
03/01/2044	5,125	415				
09/01/2044	4,710	425				
03/01/2045	4,285	435				
09/01/2045	3,850	445				
03/01/2046	3,405	455				
09/01/2046	2,950	465				
03/01/2047	2,485	475				
09/01/2047	2,010	485				
03/01/2048	1,525	495				
09/01/2048	1,030	510				
03/01/2049	520	520				
Totals		<u>\$15,155</u>				

*Preliminary, subject to change. The Issuer reserves the right to adjust individual maturity amounts to achieve its financial objectives.

INTEREST CALCULATION

Interest on the Revenue Bonds is payable on March 1 and September 1 of each year, commencing September 1, 2026. Interest will be payable to the holder registered on the books of the Registrar as of the fifteenth day of the calendar month immediately preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months.

REGISTRATION AND EXCHANGE FEATURES

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. (the "Registrar" and "Paying Agent"), 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 Registrar duly executed by the registered owner or his duly authorized attorney. A further description of the registration and exchange features of the Revenue Bonds can be found in the Bond Ordinance. See Appendix D - "Bond Ordinance."

BOOK-ENTRY-ONLY

When issued, the Revenue 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 Revenue Bonds will be made in book-entry-only form. Purchasers of beneficial interests in the Revenue Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the Revenue Bonds. See Appendix B - "Book-Entry-Only."

PROVISIONS FOR PAYMENT

The principal on the Revenue 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 Revenue 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 Record 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 Revenue Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Revenue Bonds, principal and interest on the Revenue Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the Revenue Bonds will be the responsibility of the DTC Participants and Indirect Participants, as defined and more fully described in Appendix B).

NOTICE OF REDEMPTION

Notice of redemption shall be mailed to the registered owners of all Revenue Bonds to be redeemed at least 30 days prior to the date fixed for such redemption, unless notice is waived by the owner of the Revenue Bonds redeemed. If any of the Revenue Bonds are so called for redemption, and payment therefore is made to the Registrar in accordance with the terms of the Bond Ordinance, then such Revenue Bonds shall cease to bear interest from and after the date fixed for redemption.

OPTIONAL REDEMPTION

The Revenue Bonds of this issue maturing on September 1, 2034, or thereafter, are redeemable at the option of the Town on March 1, 2034, or any date thereafter, on not less than thirty (30) days' notice, in whole or in part, in order of maturity as determined by the Town and by lot within a maturity, at face value plus accrued interest to the date fixed for redemption.

MANDATORY REDEMPTION

If any Revenue Bonds are issued as Term Bonds, the Paying Agent shall credit against the mandatory sinking fund requirement for the Term Bonds, and corresponding mandatory redemption obligation, in the order determined by the Town, any Term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Paying Agent for cancellation or purchased for cancellation by the 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 Paying Agent 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 Paying Agent 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 Revenue Bonds are called for redemption at one time, the Revenue Bonds shall be redeemed in order of maturity determined by the Town 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 Revenue Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Paying Agent shall select by lot the Revenue Bonds for optional redemption before selecting the Revenue Bonds by lot for the mandatory sinking fund redemption.

AUTHORITY AND SECURITY

AUTHORIZATION AND APPROVAL PROCESS

The Revenue Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code ("IC") 5-1-11, as in effect on the date of delivery of the Revenue Bonds and pursuant to the Bond Ordinance.

Prior to issuing revenue bonds, the political subdivision must adopt a Bond Ordinance to authorize the issuance and sale of the Revenue Bonds. The revenues pledged in the Bond Ordinance must not already be pledged to other revenue bonds, unless permitted by the terms of the prior bonds. The political subdivision prepares a report showing the sufficiency of the proposed revenues to finance the Revenue Bonds. See Appendix D - "Bond Ordinance".

The Waterworks is regulated by the Indiana Utility Regulatory Commission (IURC). If a utility is regulated by the IURC, the Town must obtain approval from the IURC to issue revenue bonds and increase rates. As such, the Town has received approval from the IURC to issue the Revenue Bonds. The Town has also received approval from the IURC for the rate increases that are further described in this Official Statement.

UTILITY SYSTEM OVERVIEW

Spread across three townships, the Chandler Waterworks system provides quality water to nearly 8,000 residential, industrial and commercial customers. Through interconnects, Chandler also has the ability to provide support to its neighboring water systems in Boonville, Elberfeld, and Evansville, if the need arises. <https://www.townofchandler.org/chandler-departments/utilities/water>

FACILITY OVERVIEW

Pulling water from underground wells, Chandler's state-of-the-art Water Treatment Facility near the Ohio River provides nearly 5 million gallons per day pumping capacity. Five water towers provide the department with nearly 2.5 million gallons in storage. Technology and SCADA systems are used to provide 24/7 monitoring of the Water Treatment Facility, water towers and distribution system. In addition, Chandler Water implemented a new metering system in 2012 that utilizes wireless technology to more effectively read meters, detect problems, and provide customers with a better picture of their overall water consumption. <https://www.townofchandler.org/chandler-departments/utilities/water/>

SECURITIES AND SOURCES OF PAYMENT

The Revenue Bonds are payable solely out of the Net Revenues (defined as the gross revenues of the Waterworks of the Town, inclusive of System Development Charges, after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes). The Revenue Bonds constitute a first charge upon the Net Revenues of the Waterworks and will rank on parity with the Parity Bonds.

The Revenue Bonds are further secured by a Debt Service Reserve Account (the "Reserve Account"). It is anticipated that the Reserve Account will be funded over a five-year period from the date of delivery of the Revenue Bonds.

The Town irrevocably pledges the Net Revenues of the Waterworks to the payment of the principal of and interest on the Revenue Bonds and any bonds ranking on parity therewith to the extent necessary. The Town covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the Waterworks as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the Waterworks and for the payment of the sums required by the Sinking Fund under the provisions of the Bond Ordinance.

The Net Revenues of the Waterworks that are pledged to payment of the Revenue Bonds are fully described in the Bond Ordinance (Section 6), as is the flow of funds (Sections 9 through 12), rate covenant (Section 15), additional bond provisions (Section 17), further covenants of the Town (Section 18), tax covenants (Section 20) and other pertinent matters. Only the Net Revenues of the Waterworks are pledged as security for the Revenue Bonds.

RATE APPROVAL AND HISTORY

The rates for the Waterworks are established and approved by the Town Council. Rates are subject to the approval of the IURC. The last rate increase was approved by the IURC on April 9, 2025, with a three-phase implementation schedule. The first phase became effective September 2025 with collections beginning in October 2025. Subsequent phases will be effective in September 2026 and 2027.

RATE HISTORY

<u>Year</u>	<u>Date Approved</u>	<u>Ordinance</u>	<u>Bill - 4,000 Gallons</u>
2022	June 28, 2022	Tariff – 50527	34.71
2023	February 6, 2019	Tariff – 45062	34.10
2025	April 9, 2025	Tariff – 46124	40.23
2026	April 9, 2025	IURC Order – 46124	46.42
2027	April 9, 2025	IURC Order – 46124	50.38

DEBT SERVICE COVERAGE

<u>Year</u>	<u>Net Revenues</u>	<u>Debt Service</u>	<u>Coverage</u>
2020	\$2,693,588	\$973,256	277%
2021	\$2,751,516	\$1,028,011	268%
2022	\$2,716,801	\$1,030,717	264%
2023	\$2,769,641	\$1,202,474	230%
2024	\$3,015,018	\$1,509,200	200%
2025	\$2,899,575	\$1,537,251	189%

FUNDS AND ACCOUNTS

Construction Account: Accrued interest received at the time of delivery of the Revenue Bonds shall be deposited in the Waterworks Sinking Fund (hereinafter defined). The remaining proceeds from the sale of the Revenue Bonds will be deposited in the Town of Chandler, 2024 Waterworks Acquisition Construction Account (the "Construction Account") and shall be expended only for the purpose of paying the costs of the Project, together with the incidental expenses incurred in connection with the Project, paying the outstanding principal of and interest on the 2024 BANs, and to pay costs of issuance or as otherwise permitted or required by the Bond Ordinance or the Act. Any balances remaining unexpended in the Construction Account after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall either (i) be deposited into the Sinking Fund and used solely for the purposes thereof or (ii) used for the same purpose or type of Project for which the Revenue Bonds were originally issued in accordance with IC 5-1-13. This is in accordance with Section 9 of the Bond Ordinance.

Revenue Fund: All revenues derived from the operation of the Waterworks and from the collection of water rates and charges (including any System Development Charges) are deposited in the Revenue Fund. This is in accordance with Section 10 of the Bond Ordinance.

Operation and Maintenance Fund: On or before the last day of each calendar month, a sufficient amount of money shall be transferred from the Revenue Fund into the Operation and Maintenance Fund. The balance maintained in the Operation and Maintenance Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the next succeeding two (2) calendar months. Monies in the Operation and Maintenance Fund in excess of the expected expenses of operation, repair, and maintenance for the next succeeding two (2) months may be transferred to the Sinking Fund in order to prevent a default on any outstanding bonds of the Waterworks. This is in accordance with Section 10 of the Bond Ordinance.

Sinking Fund: The Sinking Fund consists of the Bond and Interest Account and Debt Service Reserve Account. Net Revenues of the Waterworks shall be credited on the last day of each calendar month to the Bond and Interest Account in an amount equal to at least one-sixth (1/6) of the interest and at least one-sixth (1/6) of the principal on all then outstanding bonds payable on the next succeeding interest and principal payment date until the balance in the Bond and Interest Account shall equal the principal and interest payable during the next succeeding six (6) calendar months. The Debt Service Reserve Account provides the margin for safety against default on the Revenue Bonds. The balance to be maintained in the Debt Service Reserve Account shall equal but not exceed the least of (i) the maximum annual debt service on the Revenue Bonds, the Parity Bonds, and any future parity bonds, (ii) 125% of average annual debt service on the Revenue Bonds, the Parity Bonds, and any future parity bonds or, (iii) 10% of the proceeds of the Revenue Bonds, the Parity Bonds, and any future parity bonds (the "Reserve Requirement"). The Reserve Requirement is anticipated to be funded over a five-year period from the date of delivery of the Revenue Bonds. This is in accordance with Section 11 of the Bond Ordinance.

Waterworks Improvement Fund: The Waterworks Improvement Fund is to be used for improvements, replacements, additions and extensions of the Waterworks or for any other lawful purpose. Money in the Waterworks Improvement Fund may be transferred to the Sinking Fund, if necessary, to prevent a default on outstanding bonds, eliminate deficiencies of the Reserve Account, or transferred to the Operation and Maintenance Fund to meet unforeseen contingencies. This is in accordance with Section 12 of the Bond Ordinance.

ADDITIONAL BONDS

The Town reserves the right to authorize and issue additional bonds payable out of the Net Revenues of the Waterworks ranking on parity with the Revenue Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Waterworks, or to refund obligations. This is in accordance with Section 17 of the Bond Ordinance.

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 IC 5-13, and the acts amendatory thereof and supplemental thereto. The Town shall direct the investment of Revenue Bond proceeds. This is in accordance with Section 13 of the Bond Ordinance.

RATING

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

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

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

RISK FACTORS AND INVESTMENT CONSIDERATIONS

Prospective purchasers of the Revenue Bonds should consider carefully, along with other matters referred to herein, the following risks of investment. The ability of the Town and the Waterworks to meet the debt service requirements of the Revenue Bonds is subject to various risks and uncertainties which are discussed throughout this Official Statement. Certain, but not all, of such investment considerations are set forth below.

MAINTENANCE OF RATINGS

The Revenue Bonds will be rated as to their creditworthiness by S&P Global. While the Town does not anticipate any material changes in the future, no assurance can be given that the Revenue Bonds will maintain their original rating. If the rating on the Revenue Bonds decreases or is withdrawn, the Revenue Bonds may lack liquidity in the secondary market in comparison with other such municipal obligations. See “RATING” herein.

SECONDARY MARKET

While the purchaser of the Revenue Bonds may expect, insofar as possible, to maintain a secondary market in the Revenue Bonds, no assurance can be given concerning the future existence of such a secondary market or its maintenance by the purchasers or others, and prospective purchasers of the Revenue Bonds should therefore be prepared, if necessary, to hold their Revenue Bonds to maturity or prior redemption, if any.

FUTURE CHANGES IN LAW

Future legislative proposals, if enacted into law, clarification of the Code (defined herein) or court decisions may cause interest on the Revenue 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 Revenue Bonds. Prospective purchasers of the Revenue 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. Bond Counsel’s opinion is based upon the law in existence on the date of issuance of the Revenue Bonds. It is possible that legislation enacted after the date of issuance of the Revenue Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Revenue Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Revenue 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 Revenue Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Revenue Bonds.

The Town 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 Revenue Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws and provisions which would have a material effect, directly or indirectly, on the affairs of the Town and the Waterworks.

LIMITATIONS ON REMEDIES AVAILABLE TO OWNERS OF THE REVENUE BONDS

There is no bond trustee or similar person or entity to monitor or enforce the provisions of the Bond Ordinance on behalf of the owners of the Revenue Bonds, and therefore the owners should be prepared to enforce such provisions themselves if the need to do so ever arises.

POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS

Regional, national or global epidemics or pandemics, such as the outbreak of the novel coronavirus (“COVID-19”), could have materially adverse local, regional, national or global economic and social impacts. Such an outbreak could adversely impact local, state, national and global economies through efforts to prevent or slow the further transmission of the disease.

The Town’s finances may be materially adversely affected by epidemics and pandemics, including, but not limited to, COVID-19. Accordingly, the Town cannot predict the effect any epidemic or pandemic would have on its finances or operations, including, but not limited to, the payment of the debt service on the Revenue Bonds.

CYBERSECURITY

The Town relies on computer networks, data storage, collection and transmission to conduct the operations of the Town and has implemented security measures to protect data and limit financial exposure, including securing cyber security insurance to assist with the reduction of potential risk of financial and operational damage resulting from network attacks. Even with these security measures, the Town, its information technology, data stored by the Town and its infrastructure may be vulnerable in the event of a deliberate system attack, including malware, ransomware, computer virus, employee error or general disruption. If breached or compromised, the networks could be disrupted and information could be accessed, disclosed, lost or stolen. The Town acknowledges that its systems could be affected by a cybersecurity attack, and that a loss, disruption or unauthorized access to data held by the Town could have a material impact on the Town. Further, as cybersecurity threats evolve, the Town will continue to evaluate and implement security measures and work to mitigate any vulnerabilities in its system.

PURCHASER/UNDERWRITING

The Revenue Bonds are being purchased by _____ (the “Underwriter”) [et al.] [and its syndicate] at a purchase price of \$_____, which is the par amount of the Revenue Bonds of \$_____ less the Underwriter’s discount of \$_____, plus the original [net] issue premium/discount of \$_____, plus accrued interest \$_____.

The Underwriter intends to offer the Revenue 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 Revenue 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.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission (“SEC”) in SEC Rule 15c2-12, as amended to the date hereof (the “SEC Rule”), the Town will enter into a Continuing Disclosure Agreement (the “Undertaking”), to be dated the date of closing of the Revenue Bonds, provided that the winning bidder is an underwriter and the Revenue Bonds will be subject to the SEC Rule. Pursuant to the terms of the Undertaking, the Town agrees to provide the information detailed in the Undertaking, the form of which is attached hereto as Appendix F.

The purpose of the Undertaking is to enable the Underwriter to purchase the Revenue Bonds by providing for an Undertaking by the Town in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the Revenue Bonds and creates no new contractual or other rights for the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons or any other third party. The sole remedy against the Town for any failure to carry out any provision of the Undertaking shall be for specific performance of the Town’s disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The Town’s failure to honor its covenants under the Undertaking shall not constitute a breach or default of the Revenue Bonds, the Bond Ordinance, or any other agreement.

The Town may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the Revenue Bonds if either (a)(i) such amendment or modification 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 the Town, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the Revenue Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Revenue Bonds pursuant to the terms of the Bond Ordinance at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, then in effect.

The Town may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the Town pursuant to the terms of the Undertaking.

In order to assist the Underwriter in complying with the Underwriter’s obligations pursuant to the SEC Rule, the Town represents that it has conducted or caused to be conducted what it believes to be a reasonable review of the Town’s compliance with its continuing disclosure obligations. Based upon such review, the Town is not aware of any instances in the previous five years in which the Town has failed to comply in any material respects with previous undertakings. The Town has retained Baker Tilly Municipal Advisors, LLC as the dissemination agent for the Revenue Bonds.

FUTURE FINANCINGS

As of the date of this Official Statement, the Town and Waterworks do not currently anticipate issuing additional debt in the calendar year 2026.

LITIGATION

To the knowledge of the officers of the Town and the Town Council, there is no litigation pending, or threatened, against the Town which in any way questions or affects the validity of the Revenue Bonds, the collection of revenues of the Waterworks, the pledge of Net Revenues to the payment of the Revenue Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

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

LEGAL MATTERS

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Revenue Bonds are subject to the unqualified approving opinion of Jackson Kelly PLLC, Evansville, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Revenue Bonds. Bond Counsel 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 to this Official Statement.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Revenue Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the bondholders upon a default under the Bond Ordinance 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 remedies provided in the Bond Ordinance may not be readily available or may be limited.

The various legal opinions to be delivered concurrently with the delivery of the Revenue 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 of Indiana and the United States of America and bankruptcy, reorganization, insolvency, moratorium 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).

These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the Town), in a manner consistent with the public health and welfare. Enforceability of the Bond Ordinance in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

TAX DISCLOSURES

TAX MATTERS

In the opinion of Bond Counsel under existing laws, regulations, judicial decisions and rulings, interest on the Revenue Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed by the Code; however, with respect to certain corporations, such interest is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on corporations. This opinion is conditioned on continuing compliance by the Town with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Revenue Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue. In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Revenue Bonds is exempt from income taxation in the State. This opinion relates only to the exemption of interest on the Revenue Bonds for State income tax purposes. See Appendix E - "Form of Opinion of Bond Counsel."

The Code imposes certain requirements which must be met subsequent to the issuance of the Revenue Bonds as a condition to the exclusion from gross income of interest on the Revenue Bonds for federal income tax purposes. The Town will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Revenue Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Revenue Bonds pursuant to Section 103 of the Code (collectively, the "Tax Covenants"). The Bond Ordinance and certain certificates and agreements to be delivered on the date of delivery of the Revenue Bonds establish procedures under which compliance with the requirements of the Code can be met. It is not an event of default under the Bond Ordinance if interest on the Revenue Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Revenue Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. 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. Taxpayers should consult their own tax advisors regarding the impact of this legislation on their ownership of the Revenue Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix E hereto, the accrual or receipt of interest on the Revenue Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Revenue Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Revenue Bonds should consult their own tax advisors with regard to the tax consequences of owning the Revenue Bonds.

The Revenue Bonds are not bank qualified.

[ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the Revenue 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. A taxpayer who purchases a Discount Bond in the initial public offering at the price listed 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 _____ and _____ (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 Revenue 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.]

MUNICIPAL ADVISOR

The Town has retained Baker Tilly Municipal Advisors, LLC (the “Municipal Advisor” or “BTMA”) as municipal advisor in connection with certain aspects of the issuance of the Revenue Bonds. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP (“BTAG”) which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC (“H&F”), an investment adviser registered with the Securities and Exchange Commission (the “SEC”), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP (“Valeas”), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International, Ltd. Baker Tilly US, LLP (“BTUS”) is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the Town to provide certain municipal advisory services to Town and, in that capacity, has assisted the Town in preparing this Official Statement. The information contained in this Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the Town. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the Town, and it has no secondary obligations or other responsibility. However, BTUS is preparing the Parity Report for the Revenue Bonds. The Parity Report is prepared under a separate engagement by a BTUS engagement principal and staff who are independent from the BTMA engagement principal and staff providing municipal advisory services as outlined herein. The Municipal Advisor’s fees and the Parity Report fees are expected to be paid from proceeds of the Revenue Bonds pursuant to their respective engagements. BTMA provides certain specific municipal advisory services to the Town but is neither a placement agent to the Town nor a broker/dealer.

BTAG also assists the Town with reviewing certain financial statements, accounting assistance, budget development, financial estimates, and other financial management services/support.

Other Financial Industry Activities and Affiliations:

Baker Tilly Wealth Management, LLC (“BTWM”), an SEC registered investment adviser, and Baker Tilly Capital, LLC (“BTC”), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority (“FINRA”), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal 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.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from the Town and the Town 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, this 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 Revenue Bonds, the security for the payment of the Revenue Bonds and the rights and obligations of the owners thereof.

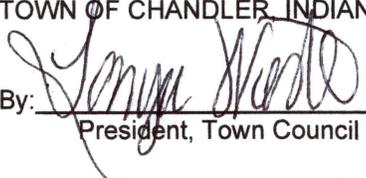
Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any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

CERTIFICATION

The Town has authorized the distribution of the Preliminary Official Statement for use in connection with the initial sale of the Revenue Bonds and a Final Official Statement following award of the Revenue Bonds. The Town certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the Town and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

Attest: 
Clerk-Treasurer

TOWN OF CHANDLER, INDIANA
By: 
President, Town Council

APPENDIX A

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*The General Information section contains information regarding the tax base of the Town of Chandler; however, NO PROPERTY TAXES ARE PLEDGED TO PAYMENT OF THE WATERWORKS UTILITY REVENUE BONDS OF 2026.

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TOWN OF CHANDLER

CHANDLER MUNICIPAL WATER UTILITY*

*See "Utility System Overview," "Facility Overview," "Rate Approval and History," and "Debt Service Coverage" in the "Authority and Security" section of the front part of this official statement for more information.

USER CONNECTIONS

Based upon information provided by utility billing personnel, the number of Chandler Municipal Water Utility customers is reported as follows:

<u>Year*</u>	<u>Number of Customers</u>
2016	6,714
2017	6,802
2018	6,867
2019	7,020
2020	7,182
2021	7,390
2022	7,660
2023	7,837
2024	7,985
2025	8,078

*As of December 31st

CUSTOMER USE

Percent of Total Consumption (for Water)

	<u>Commercial</u>	<u>Industrial</u>	<u>Residential</u>	<u>Total</u>
2021	36.10%	0.17%	63.73%	100.00%
2022	34.45%	0.15%	65.40%	100.00%
2023	27.61%	0.52%	71.87%	100.00%
2024	33.03%	0.26%	66.71%	100.00%
2025	33.65%	0.35%	66.00%	100.00%

Percent of Total Revenues

	<u>Commercial</u>	<u>Industrial</u>	<u>Residential</u>	<u>Total</u>
2021	29.68%	0.19%	70.13%	100.00%
2022	28.39%	0.17%	71.44%	100.00%
2023	27.43%	0.17%	72.40%	100.00%
2024	27.65%	0.27%	72.08%	100.00%
2025	27.78%	0.33%	71.89%	100.00%

LARGE USERS

The following is a list of the ten largest users of the Water Utility, according to utility records. Total water metered receipts for the twelve months ended December 31, 2025, was \$4,353,962. The ten largest users accounted for 19.38% of total metered receipts.

<u>Name</u>	<u>Type of Business</u>	<u>Twelve Months Ended December 31, 2025</u>		
		<u>Usage</u> (1,000 Gallons)	<u>Billed Revenue</u>	<u>%</u>
Deaconess Hospital	Health care facility	67,792	\$345,499	7.94%
Prime Foods	Egg processing	23,722	122,665	2.82%
Warrick Trail Owner, LLC	Apartment complex	11,013	67,698	1.55%
Raiza Indiana LLC	Apartment complex	8,736	59,847	1.37%
Warrick Co. School Corporation	Public education	7,922	56,226	1.29%
Beaver Creek Apartments	Apartment complex	9,169	48,724	1.12%
K&E Multi Family LLC	Apartment complex	6,681	46,346	1.06%
Ryjo Enterprises	Apartment complex	6,626	35,153	0.81%
Park Place East LLC	Apartment complex	5,703	31,331	0.72%
Legend Hospitality LLC	Hotel	<u>5,552</u>	<u>30,407</u>	<u>0.70%</u>
Totals		<u>152,916</u>	<u>\$843,869</u>	<u>19.38%</u>

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The Town of Chandler (the “Town”) is located in Warrick County (the “County”) in southwest Indiana. The Town is located along State Road 62 approximately seven miles northeast of Evansville, 105 miles west of Louisville, Kentucky and 174 miles southwest of Indianapolis.

GENERAL CHARACTERISTICS

The Town is a predominantly residential community with commercial and light industry. The proximity of the Town to the Evansville metropolitan area provides increased employment, recreational, and educational opportunities.

The Town’s residents are provided library services by two library districts. The Ohio Township Public Library has a main library located in Newburgh with additional branches in the Town and in Newburgh. The Boonville - Warrick County Public Library also provides library services to the Town and has a main library in Boonville and several branches throughout the County. The Chandler Parks and Recreation Department manages two town parks and the Chandler Community Center. The Chandler Sports Park is home to the Town’s baseball/softball complex. Chandler Town Park offers a 1.75 acre-lake, shelter house, and picnic areas.

GOVERNMENT STRUCTURE

The Town is governed by a five-member Town Council, with each member elected to a four-year term. The Town also elects a Clerk-Treasurer who is responsible for the financial records of the Town. Additional Town departments include the following:

- | | |
|----------------------|------------------------|
| Volunteer Fire | Storm Water |
| Parks and Recreation | Streets |
| Planning & Zoning | Utilities - Wastewater |
| Police | Utilities - Water |

ADMINISTRATION AND STAFF

The management of the Town of Chandler Municipal Water Utility is under the direction of the Town Council. The Director of Public Services oversees the day-to-day operations of the system. The Water Utility employs 15 full-time and one part-time employee and pays a portion of the salaries and benefits of five other employees of the Town who work in part with the Water Utility. Nineteen employees of the Town have union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
United Mine Workers of America	Utility Employees	20	12/31/2028

PLANNING AND ZONING

The Town has a seven-member Plan Commission to provide orderly growth for residential, commercial, and industrial areas within the Town and a two-mile jurisdiction surrounding its limits. The Town also has a five-member Board of Zoning Appeals.

EDUCATION

The Warrick County School Corporation serves residents of the Town, operating three high schools, four middle schools, and ten elementary schools. In addition, the Warrick Education Center offers alternative education programs to meet the diverse needs of students from the County’s three high schools, one junior high, and three middle schools. Warrick Pathways and Career Center provides specialized career and technical education opportunities for 11th and 12th graders across the County.

HIGHER EDUCATION

The University of Evansville and the University of Southern Indiana are located west of the Town in Evansville. In addition, the Ivy Tech Community College is located in Evansville.

PENSION OBLIGATIONS

The following tables, based on the fiscal years ending June 30, 2023 - June 30, 2024, contain information regarding the Town's pension contributions and liabilities. This unaudited information is taken from the Indiana Public Retirement System ("INPRS"). Further information can be found on the INPRS website at <http://www.in.gov/inprs/>. Detailed pension information for the Public Employees' Retirement Fund ("PERF"), 1977 Police Officers' Pension and Disability Fund (1977 Fund – Police), and 1977 Firefighters' Pension and Disability Fund (1977 Fund – Fire), is set forth in the Town's complete audit report. (See Appendix G). Note that pension obligations are not payable from Water Utility revenues and do not constitute a claim on Net Revenues pledged to the Bonds.

<u>Contributions Shown by INPRS</u>	<u>2024</u>	<u>2023</u>
Public Employees' Retirement Fund	\$224,757	\$211,497

Changes in Total Liability

Town of Chandler	<u>Public Employees' Retirement Fund</u>
Net Pension Liability/(Asset) as of June 30, 2023	\$1,086,682
Changes for the year:	
- Differences Between Expected and Actual Experience	105,010
- Net Difference Between Projected and Actual Investment	(84,685)
- Change of Assumptions	(59,259)
- Changes in Proportions and Differences Between Employer Contributions and Proportionate Share of Contributions	(24,436)
Pension Expense/Income	442,988
Contributions	<u>(224,757)</u>
Total Activity in FY 2024	<u>154,861</u>
Net Pension Liability/(Asset) as of June 30, 2024	<u>\$1,241,543</u>

Discount Rate Sensitivity – Liability/(Asset)

The following represents the net pension liabilities/(assets) of the Town, calculated using different discount rates:

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
PERF	\$1,977,957	\$1,241,543	\$629,230

GENERAL ECONOMIC AND FINANCIAL INFORMATION

LOCAL ECONOMY OVERVIEW

The Town has the advantage of being located in the Evansville Metropolitan Statistical Area (MSA) which is known for the production of a wide variety of manufactured products including motor vehicles, nutritional products, pharmaceuticals, prepared foods, aluminum sheets and billots, auto glass, cold rolled steel, paints, plastic compounds and plastic products.

Additionally, Evansville is home to many corporate headquarters. Some of these companies include Berry Global (formerly Berry Plastics), Shoe Carnival, Mead Johnson, Old National Bank, Koch Enterprises, T. J. Maxx, Anchor Industries, and Atlas Van Lines.

- The Town's largest employer is Electronics Research Inc. ("ERI"), a manufacturer of broadcast antennas, filters, transmission lines, towers, and broadcast services. ERI's headquarters and main manufacturing facility in the Town spans 100 acres with over 200,000 square feet of advanced indoor space dedicated to design, manufacturing, and offices. Its Midwest location offers strategic and cost-effective product distribution across North America. The company leverages cutting-edge technology for modeling, design, and machining, and boasts the largest anechoic chamber in North America at 70,000 cubic feet. Adjacent to the facility is a 50-acre test range, enabling full-scale antenna and tower pattern testing using sophisticated equipment and software, backed by decades of expertise and a highly skilled engineering team.
- In September 2021, Hoosier Energy entered into an agreement with Rustic Hills Solar LLC, an affiliate of Clenera, a solar and storage project developer. Rustic Hills I & II will each produce 100MW (200 total), with 100MW going to Hoosier Energy and 100MW going to Centerpoint. It will be built on approximately 1,600 acres. The solar farms are still currently in development. Commercial operation is expected to begin in 2026.
- A new sports complex and family entertainment center is being proposed at I-69 and Indiana 66 near the Warrick Wellness Trail. The current plan includes indoor court space, turf fields, and other amenities that will accommodate amateur and youth sports. As of June 2025, early site work is underway.
- A new e-commerce distribution center has recently opened at the North Warrick Industrial Park, according to a May 2025 article in *Inside Indiana Business*. Ridgecrest Holdings invested \$15 million in the 150,000-square-foot facility, which will consolidate operations for two e-commerce companies. A second 150,000-square-foot building is also in the planning stages. The industrial park is already home to several major tenants, including Pepsi, North American Lighting, and Phenix Specialty Films.
- The Evansville Regional Economic Partnership (E-REP) and Southwest Indiana Regional Development Authority (RDA) have announced a matching grant from the Indiana Economic Development Corporation (IEDC) READI 2.0 program for the development of The Dominion, a new mixed-use development. The \$71.5 million project will include 150 market-rate apartments, a five-story commercial building with ground-floor retail and dining and a public plaza for community activities. Construction of the first phase is underway with completion expected by the summer of 2027. Phase two will include additional residential units, a hotel and more restaurants and retail spaces.
- The new \$55 million Warrick County Jail is currently under construction and is expected to be complete by September 2026. The new jail will include 232 beds, which is an additional 110 compared to the current jail. The facility will also have a deputy training room, a deputy fitness center, room for classroom work, video courtrooms, and sheriff's office, among others.

- According to Inside Indiana Business, Warrick County officials broke ground in August 2024 on a \$15 million Ohio Township Park in Warrick County. The 20-acre park will include a modern playground, a splash pad and slide, basketball and pickleball courts, fitness stations, running, walking and biking trails that connect to the Warrick Wellness Trail system, yard games, event lawns, a lake, pavilions and a shelter house building with two part rooms that can be rented up to 50 people. The park is being financed by \$3 million in READI 1.0 funds, \$4.5 in ARPA funds and Ohio Township funds. The park is expected to open in 2026.
- In 1996, Toyota Motor Manufacturing, Indiana (TMMI), located in neighboring Gibson County, broke ground on the manufacturing facility in the City of Princeton and since then has become one of the area's largest employers. In April 2024, the company announced an investment of \$1.4 billion, which will bring up to 340 new, high-quality jobs, in constructing a new battery-pack assembly plant in Princeton. The automaker also plans to increase its assembly of the Grand Highlander by adding an assembly line to accommodate increased production volume.
- Evansville, in partnership with the Welborn Baptist Foundation, has received a \$20 million Community Change Grant from the EPA to transform its transportation infrastructure toward cleaner, low-emission options. Through collaboration with various local organizations, the city will develop 15 mobility hubs, expand micro transit with EV/hybrid ADA-accessible vans, improve sidewalks, install 62 EV chargers, grow its bikeshare program with 100 E-bikes and free memberships, and add solar panels to public transit buildings. The initiative also includes education campaigns and events to encourage sustainable travel. The initiative aims to boost air quality, accessibility, and climate resilience across the community.
- Uniseal, an Evansville-based automotive sealants and adhesives manufacturer and subsidiary of LG Chem, recently completed construction on a new 73,000-square-foot warehouse to support its rapid growth and enhance manufacturing capabilities. This expansion aligns with Uniseal's long-term strategy for continued growth in the coming years.
- A \$250 million hotel, condominium and entertainment development is moving forward in the Evansville MSA in the City of Boonville. The Edge development will include a 75,000 square-foot event center, 140 key hotel, retail stores, restaurants, a fire training center, condominiums for 65 and over and disabled veterans. An entertainment district will include a bowling alley, mini golf, batting cages, axe throwing, indoor go-carting, and an amphitheater and more. The project is anticipated to begin in spring 2026.
- Deaconess Health System broke ground in April 2025 on a 60,000 sq. ft. dual emergency and urgent care facility. The three-story \$40 million facility will also include medical offices, imaging, and an outpatient lab. Construction is expected to be completed in 2026.
- In July 2025, Separation by Design, a producer of turnkey bulk oil, biofuel, and diesel ethanol fuel facilities, announced it would be expanding its footprint by adding 90,000 square feet to its existing 56,000-square-foot facility and create up to 25 new jobs. The \$5 million investment will help better serve its growing customer base across multiple energy sectors.
- In October 2025, local officials celebrated the groundbreaking of Franklin Lofts, a \$13 million mixed-use development that will provide 56 market-rate apartments on Franklin Street. The mixed-use development will reuse the historic Hercules Plow factory and will include dedicated parking and have connected access to the Pigeon Creek Greenway Passage. The project is expected to open in 2027.
- Construction is underway in Newburgh on a new headquarters for Matrix Design Group, LLC. According to the Courier & Press, the mining safety company will occupy a 40,000 square-foot facility that includes office space, testing labs, and a training center. The company expects to hire approximately 100 employees by 2028.

LARGE EMPLOYERS

Below is a list of the County's largest employers. The number of employees shown are as reported by D&B Hoovers 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>Type of Business</u>	<u>Reported Employment</u>
Deaconess Health System	Healthcare	2,987 (1)
Warrick County School Corporation	Public education	1,402 (2)
Kaiser Aluminum Corporation (3)	Mfg. metal products	1,200
Howmet Aerospace	Mfg. metal products	793
Alcoa Warrick Operations (3)	Mfg. metal products	700
Sandy's Associates	Restaurants and bars	700
Warrick County Government	County government	442 (4)
Energy Systems Group	Architecture and engineering	251
North American Lighting, Inc.	Mfg. automotive electrical components	243
ERA First Advantage Real Estate	Real estate	200 (5)
ERI Installations	Mfg. electronic equipment and supplies	200 (5)

- (1) Includes The Heart Hospital, Oncology Center, and Orthopedic and Neuroscience Hospital.
 (2) Per the School Corporation, includes 690 certified and 712 non-certified employees.
 (3) Alcoa sold a portion of its Warrick operations to Kaiser Aluminum Corporation.
 (4) Per the County. Includes full-time and part-time employees.
 (5) Per Hoosiers by the Numbers.

Below is a list of the largest employers in the Evansville MSA. The number of employees shown are as reported by the Evansville Regional Economic Partnership. 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>Type of Business</u>	<u>Reported Employment</u>
Deaconess Health System	Healthcare	10,500
Toyota Motor Manufacturing, Indiana (TMMI)	Mfg. minivans & SUVs	7,650 (1)
Evansville-Vanderburgh School Corporation	Public education	3,450
Berry Global Inc.	Mfg. plastic bottles & containers	3,200
Ascension/St. Vincent Health System	Healthcare	3,000

- (1) Per the TMMI website.

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate*</u>	
	<u>Warrick County</u>	<u>Indiana</u>
2020	5.6%	** 7.3% **
2021	2.9%	3.9%
2022	2.6%	3.1%
2023	3.0%	3.4%
2024	3.6%	4.2%
2025, November	3.0%	3.3%

*Every March, the Bureau of Labor Statistics benchmarks the past five years of Local Area Unemployment Statistics.

**See "RISK FACTORS AND INVESTOR CONSIDERATIONS - POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS", in the front part of this official statement for more information.

Source: Indiana Business Research Center STATS Indiana. Data collected as of January 12, 2026.

BUILDING PERMITS

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

<u>Year</u>	<u>Residential</u>		<u>Commercial</u>	
	<u>Total Permits</u>	<u>Estimated Costs</u>	<u>Total Permits</u>	<u>Estimated Costs</u>
2021	201	\$9,307,002	7	\$384,500
2022	148	10,251,765	5	70,481
2023	170	5,739,218	6	230,345
2024	142	5,264,289	11	2,090,816
2025	127	4,845,307	8	161,900

Source: Town of Chandler Planning and Zoning department.

POPULATION

<u>Year</u>	<u>Town of Chandler</u>		<u>Warrick County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1980	3,043	49.75%	41,474	48.27%
1990	3,099	1.84%	44,920	8.31%
2000	3,094	-0.16%	52,383	16.61%
2010	2,887	-6.69%	59,689	13.95%
2020	3,693	27.92%	63,898	7.05%
2024, July 1, est.	3,914	5.98%	66,339	3.82%

Source: Indiana Business Research Center STATS Indiana - U.S.Census Bureau Decennial Census.

AGE STATISTICS

	<u>Town of Chandler</u>	<u>Warrick County</u>
Under 25 Years	1,242	19,995
25 to 44 Years	1,017	15,027
45 to 64 Years	913	17,104
65 Years and Over	521	11,772
Totals	<u>3,693</u>	<u>63,898</u>

Source: U.S. Census Bureau's 2020 Decennial Census.

MISCELLANEOUS ECONOMIC INFORMATION

	<u>Town of Chandler</u>	<u>Warrick County</u>	<u>Indiana</u>
Per capita income*	\$30,932	\$47,232	\$37,178
Median household income*	\$63,681	\$95,027	\$70,051

*In 2023 inflation-adjusted dollars - 5-year estimates.

Source: U.S. Census Bureau. Data collected as of January 12, 2026.

<u>Employment and Earnings - Warrick County 2022</u>	<u>Earnings (In 1,000s)</u>	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Services	\$639,588	41.18%	11,226	41.63%
Manufacturing	280,850	18.08%	2,826	10.47%
Government	141,061	9.08%	2,458	9.11%
Finance, insurance and real estate	134,207	8.64%	3,404	12.62%
Construction	129,281	8.32%	1,791	6.64%
Wholesale and retail trade	122,116	7.86%	3,178	11.78%
Utilities	41,073	2.64%	281	1.04%
Transportation and warehousing	40,913	2.63%	967	3.58%
Farming	15,237	0.98%	349	1.29%
Forestry, fishing, related activities	4,145	0.27%	93	0.34%
Information	2,895	0.19%	179	0.66%
Mining	2,080	0.13%	227	0.84%
Totals	<u>\$1,553,446</u>	<u>100.00%</u>	<u>26,979</u>	<u>100.00%</u>

Source: Stats Indiana Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of January 12, 2026.

Adjusted Gross Income

<u>Year</u>	<u>Warrick County Total</u>
2019	\$2,433,225,357
2020	2,572,993,836
2021	2,929,144,445
2022	3,042,095,807
2023	3,172,659,067

Source: Indiana Department of Revenue.

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the Town, as of the date of this Official Statement, and the taxing units within and overlapping its jurisdiction as of January 16, 2026, 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>
Self-Supporting Revenue Debt			
Waterworks Utility Revenue Bonds of 2026 (This issue)	\$15,155,000	* 09/01/46	\$15,155,000 *
Waterworks Utility Revenue Bond Anticipation Notes of 2024	\$4,195,000	10/01/26	\$4,195,000 **
Waterworks Utility Revenue Bonds of 2023 (SRF)	17,621,000	09/01/52	17,596,000
Waterworks Utility Revenue Bonds, Series 2019 (SRF)	9,500,000	09/01/39	8,856,840
Waterworks Refunding Revenue Bonds of 2016	5,010,000	09/01/26	570,000
Waterworks Utility Revenue Bonds of 2010 (SRF)	3,220,000	09/01/30	2,712,000
Sewage Works Revenue and Refunding Revenue Bonds of 2015	6,920,000	01/01/36	2,740,000
Sewage Works Revenue Bonds of 2014, Series A	1,415,000	01/01/33	1,415,000
Sewage Works Revenue Bonds of 2009 (SRF)	941,000	01/01/30	<u>236,000</u>
Subtotal			<u>53,475,840</u>
Tax Supported Debt			
Lease Rental bonds, Series 2024 (Fire Station Project)	2,510,000	02/01/44	2,510,000
Redevelopment District Bonds, Series 2024	521,000	01/15/35	492,000
General Obligation Bonds, Series 2015	565,000	01/15/35	<u>317,000</u>
Subtotal			<u>3,319,000</u>
Total Direct Debt			<u><u>\$56,794,840</u></u>

Note: For additional debt issuance by the Town, please refer to "FUTURE FINANCINGS" in the front part of this Official Statement.

<u>Overlapping Debt (1)</u>	<u>Total Debt</u>	<u>Percent Allocable to Town (2)</u>	<u>Amount Allocable to Town</u>
Tax Supported Debt			
Warrick County	\$61,429,769	2.95%	\$1,812,178
Ohio Township	5,976,796	4.92%	294,058
Warrick County School Corporation	9,155,000	2.95%	270,073
Newburgh Chandler Public Library	5,650,000	4.92%	277,980
Warrick County Solid Waste	5,290,000	2.95%	<u>156,055</u>
Tax Supported Debt			<u>2,810,344</u>
Total Overlapping Debt			<u><u>\$2,810,344</u></u>

*Preliminary, subject to change.

**Will be paid off with a portion of the bond proceeds from the Waterworks Utility Revenue Bonds of 2026.

(1) Per Indiana Gateway and internal files.

(2) Based upon the 2024 payable 2025 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 Town makes no representation or warranty as to its accuracy or completeness.

DEBT RATIOS

The following presents the ratios relative to the revenue supported indebtedness of the taxing units within and overlapping the Town as of January 16, 2026, including issuance of the Bonds.

	Direct Water Utility Revenue Supported Debt <u>\$49,084,840</u> *	Direct Sewage Works Revenue Supported Debt <u>\$4,391,000</u>	Total Direct Utility Revenue Debt <u>\$53,475,840</u> *
Per capita (1)	\$12,540.84	\$1,121.87	\$13,662.71
Per user (1)			
Water Utility	\$5,996.93		
Sewage Works		\$1,174.06	

*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated July 1, 2024, population of the Town is 3,914.
- (2) Based upon the billing records, the current number of users are as follows:

Water	8,185
Sewage	3,740

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Warrick 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>
2021	\$73,851,871	\$10,926,210	\$7,009,790	\$91,787,871
2022	77,539,642	10,813,830	7,669,280	96,022,752
2023	102,391,493	10,743,590	8,266,320	121,401,403
2024	117,351,746	11,787,900	9,903,080	139,042,726
2025	124,202,827	6,833,280	10,706,920	141,743,027
2026	N/A	N/A	N/A	170,125,151

See "AUTHORITY AND SECURITY - Procedures for Property Assessment, Tax Levy and Collection" in the front part of this official statement for more information.

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

DETAIL OF NET ASSESSED VALUATION
 Assessed 2024 for Taxes Payable in 2025
 (As Provided by the Warrick County Auditor's Office)

	<u>Chandler Town - Boon Township</u>	<u>Chandler Town - Ohio Township</u>	<u>Total</u>
Gross Value of Land	\$4,305,500	\$39,501,900	\$43,807,400
Gross Value of Improvements	<u>9,209,200</u>	<u>173,561,100</u>	<u>182,770,300</u>
Total Gross Value of Real Estate	13,514,700	213,063,000	226,577,700
Less: Tax Exempt Property & Other Exemptions	<u>(6,757,031)</u>	<u>(95,617,842)</u>	<u>(102,374,873)</u>
Net Assessed Value of Real Estate	<u>6,757,669</u>	<u>117,445,158</u>	<u>124,202,827</u>
Business Personal Property	900,680	10,445,300	11,345,980
Less: Deductions	<u> </u>	<u>(639,060)</u>	<u>(639,060)</u>
Net Assessed Value of Personal Property	<u>900,680</u>	<u>9,806,240</u>	<u>10,706,920</u>
Net Assessed Value of Utility Property	<u>70,840</u>	<u>6,762,440</u>	<u>6,833,280</u>
Total Net Assessed Value	<u><u>\$7,729,189</u></u>	<u><u>\$134,013,838</u></u>	<u><u>\$141,743,027</u></u>

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

APPENDIX B

BOOK-ENTRY-ONLY

The Revenue Bonds will be available only in book entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the Revenue Bonds. The ownership of one fully registered Bond for each maturity of the Revenue Bonds will be registered in the name of Cede & Co., as nominee for DTC or at the election of the winning bidder, to the purchaser.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE REVENUE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Revenue Bonds. The Revenue 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 certificate will be issued for each maturity of the Revenue Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC 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”). 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 Revenue Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Revenue 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 Revenue 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 Revenue Bonds, except in the event that use of the book-entry system for the Revenue Bonds is discontinued.

To facilitate subsequent transfers, all Revenue 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 Revenue 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 Revenue Bonds; DTC’s records reflect only

the identity of the Direct Participants to whose accounts such Revenue 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 Revenue Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Revenue Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Revenue Bonds may wish to ascertain that the nominee holding the Revenue 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 registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Revenue 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 Revenue 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 Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Revenue Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and payment of principal of, and interest on, the Revenue 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 Issuer or its agent 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 or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

APPENDIX C



Town of Chandler, Indiana Municipal Water Utility

Consultant's Report on
Proposed Projects and Bond Issue

February 19, 2026

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CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

PURPOSE OF THE CONSULTANT'S REPORT

Baker Tilly Municipal Advisors, LLC (“Baker Tilly”) has performed a study and analysis of the operating and financial reports, budgets, and other data pertaining to the Town of Chandler, Indiana Municipal Water Utility (the “Utility” or “Water Utility”). The results of our analysis are contained in this Consultant’s Report (the “Report”).

The purpose of this Report is to estimate the Utility’s future financial performance and debt service coverage based on current and proposed debt service payments for the Proposed Waterworks Utility Revenue Bonds of 2026 (the “Bonds”). This Report is based on data for the calendar year ended December 31, 2025. The historical information used in this report was taken from the books and records of the Utility.

In the course of preparing this Report, we have not conducted an audit of any financial or supplementary data used in the accompanying schedules. We have provided an assessment based on the information provided by the Utility that may vary from actual results because events and circumstances frequently do not occur as estimated and such variances may be material. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

If you have any questions regarding this Report, please call Ross Hagen at (574) 279-8652.

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CHANDLER (INDIANA) MUNICIPAL WATER UTILITY
PROPOSED PROJECTS AND DEBT SERVICE

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY
SCHEDULE OF ESTIMATED PROJECT COSTS AND FUNDING
(Per Consulting Engineers)

ESTIMATED PROJECT COSTS

Estimated Construction, Engineering Costs and Contingencies:

Line Extensions:

South State Road	\$648,100
Libbert Road	1,350,000
New Paradise Tower	8,193,600

Total Estimated Construction, Engineering and Contingency Costs	10,191,700
---	------------

Estimated Non-Construction Costs:

BAN Payoff	4,195,000
Land and Right of Way Services	357,000
Allowance for Underwriter's Discount	151,600
Allowance for Legal, Financial Advisory, Bond Issuance and Miscellaneous Costs	259,700

Total Estimated Non-Construction Costs	4,963,300
--	-----------

Total Estimated Project Costs	\$15,155,000
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ESTIMATED PROJECT FUNDING

Proposed Waterworks Utility Revenue Bonds of 2026	\$15,155,000
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(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$15,155,000 PRINCIPAL AMOUNT
OF PROPOSED WATERWORKS UTILITY REVENUE BONDS OF 2026**

Principal payable semi-annually March 1st and September 1st, beginning September 1, 2027.

Interest payable semi-annually March 1st and September 1st, beginning September 1, 2026.

Assumed interest rates as indicated.

Assumes bonds dated March 12, 2026.

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Assumed Interest Rates (%)	Interest (-----In Dollars-----)	Total	Bond Year Total
09/01/26	\$15,155			\$279,911.01	\$279,911.01	\$279,911.01
03/01/27	15,155			298,130.08	298,130.08	
09/01/27	15,155	\$235	2.740	298,130.08	533,130.08	831,260.16
03/01/28	14,920	240	2.700	294,910.58	534,910.58	
09/01/28	14,680	240	2.700	291,670.58	531,670.58	1,066,581.16
03/01/29	14,440	245	2.710	288,430.58	533,430.58	
09/01/29	14,195	250	2.710	285,110.83	535,110.83	1,068,541.41
03/01/30	13,945	250	2.730	281,723.33	531,723.33	
09/01/30	13,695	255	2.730	278,310.83	533,310.83	1,065,034.16
03/01/31	13,440	260	2.800	274,830.08	534,830.08	
09/01/31	13,180	260	2.800	271,190.08	531,190.08	1,066,020.16
03/01/32	12,920	265	2.920	267,550.08	532,550.08	
09/01/32	12,655	270	2.920	263,681.08	533,681.08	1,066,231.16
03/01/33	12,385	275	3.000	259,739.08	534,739.08	
09/01/33	12,110	280	3.000	255,614.08	535,614.08	1,070,353.16
03/01/34	11,830	280	3.080	251,414.08	531,414.08	
09/01/34	11,550	285	3.080	247,102.08	532,102.08	1,063,516.16
03/01/35	11,265	290	3.200	242,713.08	532,713.08	
09/01/35	10,975	295	3.200	238,073.08	533,073.08	1,065,786.16
03/01/36	10,680	300	3.350	233,353.08	533,353.08	
09/01/36	10,380	305	3.350	228,328.08	533,328.08	1,066,681.16
03/01/37	10,075	310	3.606	223,219.33	533,219.33	
09/01/37	9,765	315	3.606	217,630.03	532,630.03	1,065,849.36
03/01/38	9,450	320	3.867	211,950.58	531,950.58	
09/01/38	9,130	325	3.867	205,763.38	530,763.38	1,062,713.96
03/01/39	8,805	335	4.137	199,479.50	534,479.50	
09/01/39	8,470	340	4.137	192,550.03	532,550.03	1,067,029.53
03/01/40	8,130	350	4.243	185,517.13	535,517.13	
09/01/40	7,780	355	4.243	178,091.88	533,091.88	1,068,609.01
03/01/41	7,425	365	4.338	170,560.55	535,560.55	
09/01/41	7,060	370	4.415	162,643.70	532,643.70	1,068,204.25
03/01/42	6,690	380	4.415	154,475.95	534,475.95	
09/01/42	6,310	385	4.493	146,087.45	531,087.45	1,065,563.40
03/01/43	5,925	395	4.493	137,438.43	532,438.43	
09/01/43	5,530	405	4.557	128,564.75	533,564.75	1,066,003.18
03/01/44	5,125	415	4.557	119,336.83	534,336.83	
09/01/44	4,710	425	4.616	109,881.05	534,881.05	1,069,217.88
03/01/45	4,285	435	4.616	100,072.05	535,072.05	
09/01/45	3,850	445	4.677	90,032.25	535,032.25	1,070,104.30
03/01/46	3,405	455	4.677	79,625.93	534,625.93	
09/01/46	2,950	465	4.677	68,985.75	533,985.75	1,068,611.68
03/01/47	2,485	475	4.677	58,111.73	533,111.73	
09/01/47	2,010	485	4.677	47,003.85	532,003.85	1,065,115.58
03/01/48	1,525	495	4.677	35,662.13	530,662.13	
09/01/48	1,030	510	4.677	24,086.55	534,086.55	1,064,748.68
03/01/49	520	520	4.677	12,160.20	532,160.20	532,160.20
Totals		<u>\$15,155</u>		<u>\$8,888,846.87</u>	<u>\$24,043,846.87</u>	<u>\$24,043,846.87</u>

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF PROPOSED COMBINED BOND AMORTIZATION

Payment Date	Outstanding				Proposed Bonds	Total	Bond Year Total
	2010 Bonds	2016 Bonds	2019 Bonds	2023 Bonds			
03/01/26	\$47,595.20	\$290,272.50	\$180,511.34	\$264,065.20		\$782,444.24	
09/01/26	48,478.40	287,636.25	172,631.60	273,750.10	\$279,911.01	1,062,407.36	\$1,844,851.60
03/01/27	359,347.00		152,841.12	270,298.00	298,130.08	1,080,616.20	
09/01/27	359,675.00		154,293.00	268,887.00	533,130.08	1,315,985.08	2,396,601.28
03/01/28	359,930.00		154,718.93	267,489.70	534,910.58	1,317,049.21	
09/01/28	359,112.00		156,132.41	267,106.10	531,670.58	1,314,021.09	2,631,070.30
03/01/29	359,235.60		155,520.94	267,722.50	533,430.58	1,315,909.62	
09/01/29	359,286.20		154,908.52	268,325.20	535,110.83	1,317,630.75	2,633,540.37
03/01/30	359,263.80		156,297.16	266,914.20	531,723.33	1,314,198.49	
09/01/30	359,168.40		155,658.87	267,516.90	533,310.83	1,315,655.00	2,629,853.49
03/01/31			530,777.65	252,105.90	534,830.08	1,317,713.63	
09/01/31			530,777.82	251,900.40	531,190.08	1,313,868.30	2,631,581.93
03/01/32			530,777.99	251,694.90	532,550.08	1,315,022.97	
09/01/32			530,778.14	251,489.40	533,681.08	1,315,948.62	2,630,971.59
03/01/33			530,778.23	251,283.90	534,739.08	1,316,801.21	
09/01/33			530,778.22	252,078.40	535,614.08	1,318,470.70	2,635,271.91 (1)
03/01/34			530,778.03	251,859.20	531,414.08	1,314,051.31	
09/01/34			530,777.58	251,640.00	532,102.08	1,314,519.66	2,628,570.97
03/01/35			530,777.78	251,420.80	532,713.08	1,314,911.66	
09/01/35			530,777.52	251,201.60	533,073.08	1,315,052.20	2,629,963.86
03/01/36			530,777.66	250,982.40	533,353.08	1,315,113.14	
09/01/36			530,778.06	251,763.20	533,328.08	1,315,869.34	2,630,982.48
03/01/37			530,777.56	251,530.30	533,219.33	1,315,527.19	
09/01/37			530,778.00	251,297.40	532,630.03	1,314,705.43	2,630,232.62
03/01/38			530,778.18	252,064.50	531,950.58	1,314,793.26	
09/01/38			530,777.90	250,817.90	530,763.38	1,312,359.18	2,627,152.44
03/01/39			530,777.94	251,585.00	534,479.50	1,316,842.44	
09/01/39			530,778.06	251,338.40	532,550.03	1,314,666.49	2,631,508.93
03/01/40				782,091.80	535,517.13	1,317,608.93	
09/01/40				782,570.50	533,091.88	1,315,662.38	2,633,271.31
03/01/41				781,939.60	535,560.55	1,317,500.15	
09/01/41				782,212.80	532,643.70	1,314,856.50	2,632,356.65
03/01/42				782,376.40	534,475.95	1,316,852.35	
09/01/42				782,430.40	531,087.45	1,313,517.85	2,630,370.20
03/01/43				782,374.80	532,438.43	1,314,813.23	
09/01/43				782,209.60	533,564.75	1,315,774.35	2,630,587.58
03/01/44				781,934.80	534,336.83	1,316,271.63	
09/01/44				782,550.40	534,881.05	1,317,431.45	2,633,703.08
03/01/45				782,042.70	535,072.05	1,317,114.75	
09/01/45				782,425.40	535,032.25	1,317,457.65	2,634,572.40
03/01/46				782,684.80	534,625.93	1,317,310.73	
09/01/46				781,820.90	533,985.75	1,315,806.65	2,633,117.38
03/01/47				781,847.40	533,111.73	1,314,959.13	
09/01/47				781,750.60	532,003.85	1,313,754.45	2,628,713.58
03/01/48				782,530.50	530,662.13	1,313,192.63	
09/01/48				782,173.40	534,086.55	1,316,259.95	2,629,452.58
03/01/49				782,693.00	532,160.20	1,314,853.20	
09/01/49				782,075.60		782,075.60	2,096,928.80
03/01/50				782,334.90		782,334.90	
09/01/50				782,457.20		782,457.20	1,564,792.10
03/01/51				782,442.50		782,442.50	
09/01/51				782,290.80		782,290.80	1,564,733.30
03/01/52				782,002.10		782,002.10	
09/01/52				782,576.40		782,576.40	1,564,578.50
Totals	\$2,971,091.60	\$577,908.75	\$11,147,516.21	\$27,548,967.80	\$24,043,846.87	\$66,289,331.23	\$66,289,331.23

(1) Proposed Maximum Annual Debt Service

(No assurance is provided on this Consultant's Report)

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CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

CALCULATION OF ESTIMATED FUTURE DEBT SERVICE COVERAGE

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

CALCULATION OF FUTURE DEBT SERVICE COVERAGE
(Amounts rounded to the nearest \$100)

	Calendar Year Ending December 31,		
	2026	2027	2028
Operating Receipts:			
Metered sales (1)	\$5,102,000	\$5,780,900	\$6,130,900
Fire protection (1)	556,400	631,200	670,700
Other operating receipts (2)	89,800	89,800	89,800
Total Operating Receipts	<u>5,748,200</u>	<u>6,501,900</u>	<u>6,891,400</u>
Operating Disbursements: (3)			
Salaries and wages	873,900	900,100	927,100
Employee benefits	710,900	732,200	754,200
Fuel and purchased power	221,800	228,500	235,400
Chemicals	101,900	105,000	108,200
Materials and supplies	222,800	229,500	236,400
Source of supply	74,700	76,900	79,200
Treatment operation and maintenance	10,400	10,700	11,000
Transmission operation and maintenance	197,700	203,600	209,700
Office supplies	70,700	72,800	75,000
Contractual services	192,400	198,200	204,100
Transportation	103,300	106,400	109,600
Insurance	66,300	68,300	70,300
Other operating disbursements	61,700	63,600	65,500
Tax other than income	58,900	60,700	62,500
Total Operating Disbursements	<u>2,967,400</u>	<u>3,056,500</u>	<u>3,148,200</u>
Net Operating Receipts	<u>2,780,800</u>	<u>3,445,400</u>	<u>3,743,200</u>
Non-Operating Receipts:			
Interest receipts (4)	133,800	133,800	133,800
Net Receipts Available for Debt Service	<u>\$2,914,600</u>	<u>\$3,579,200</u>	<u>\$3,877,000</u>
Debt Service Payments (page C-4)	<u>\$1,844,900</u>	<u>\$2,396,600</u>	<u>\$2,631,100</u>
Debt Service Coverage	<u>158%</u>	<u>149%</u>	<u>147%</u>

(1) Based on calendar year 2025 amounts normalized for the three-phase rate increase per IURC Cause No. 46124 approved on April 9, 2025. The first phase became effective September 2025 with collections beginning in October 2025. Subsequent phases will be effective in September 2026 and 2027.

(2) Assumed at historical amounts.

(3) Assumed at amounts per IURC Cause No. 46124 approved on April 9, 2025 plus a 3% annual inflationary allowance.

(4) Assumed at amount per IURC Cause No. 46124 approved on April 9, 2025.

(No assurance is provided on this Consultant's Report)

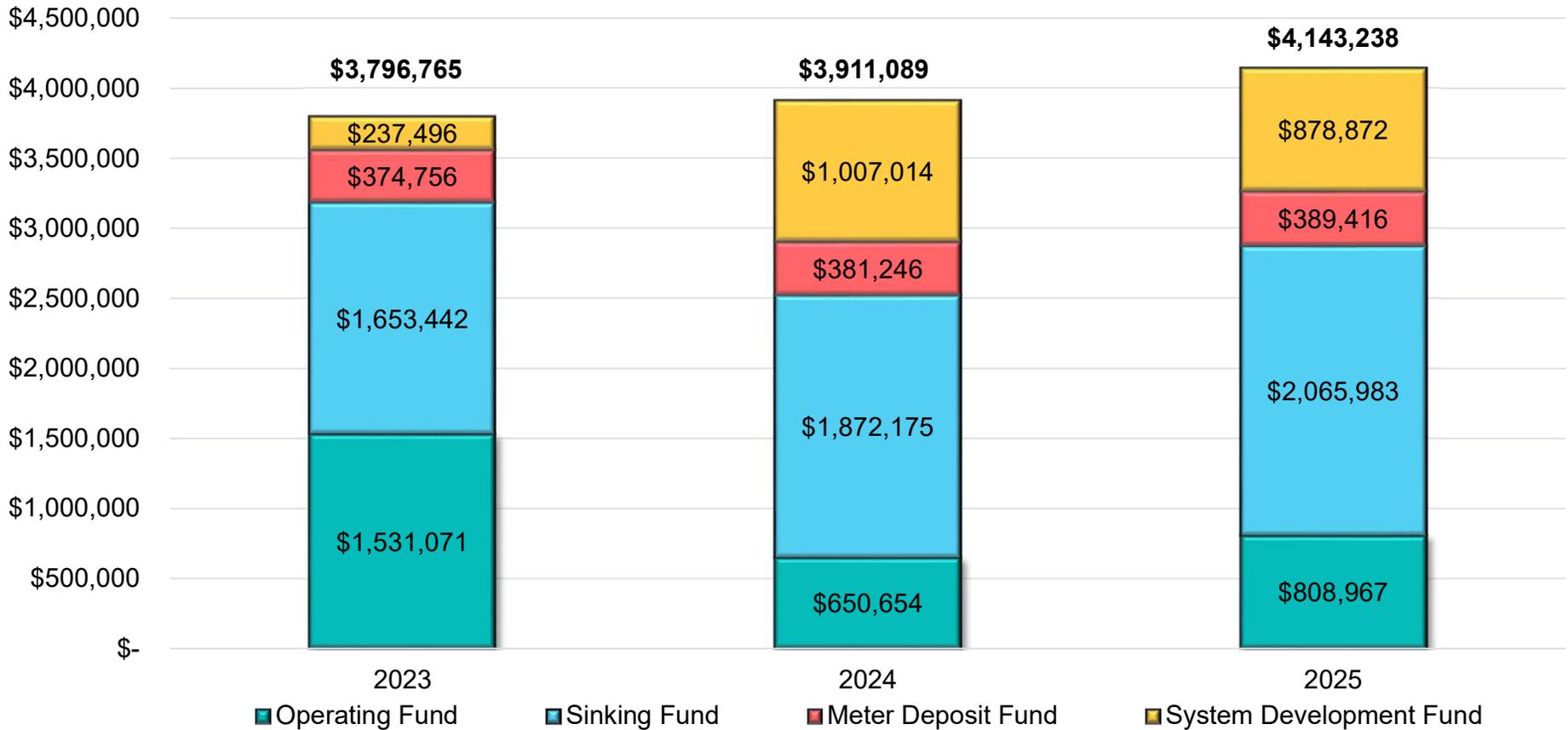
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CHANDLER (INDIANA) MUNICIPAL WATER UTILITY
SUPPLEMENTARY FINANCIAL INFORMATION

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

SUMMARY OF HISTORICAL FINANCIAL ACTIVITY

HISTORICAL FUND BALANCES*



* Excludes Construction Fund balance funded by previous Bond and BAN proceeds.

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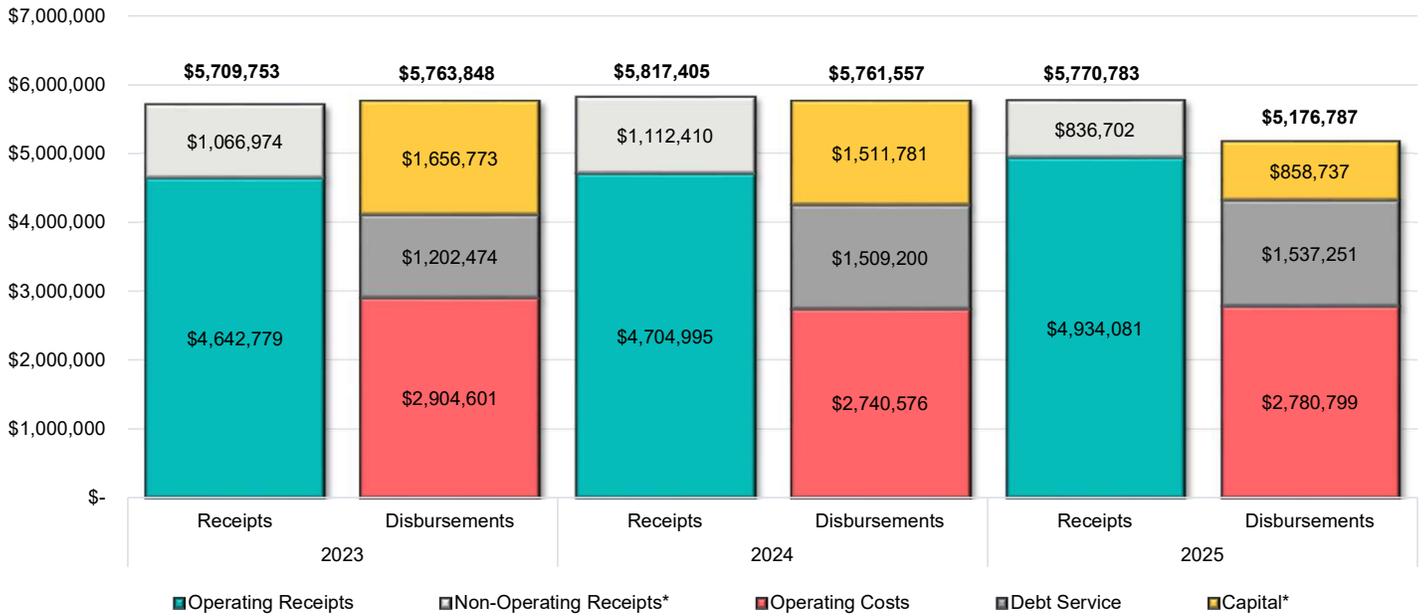
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CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

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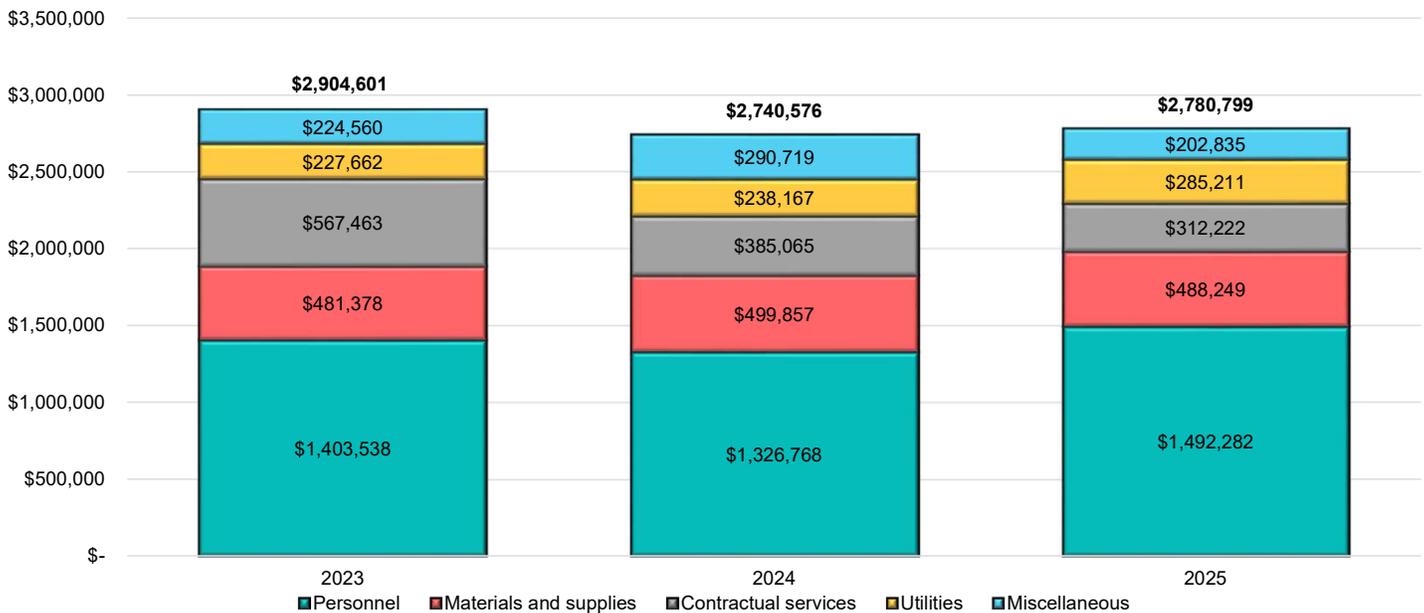
SUMMARY OF HISTORICAL FINANCIAL ACTIVITY

Historical Receipts and Disbursements



* Excludes Bond/BAN proceeds and the respective project costs.

Historical Operating Disbursement Breakdown



(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**COMPARISON OF FUND BALANCES WITH
MINIMUM BALANCES REQUIRED**

<u>Cash and Investments:</u>	<u>Fund Balance at 12/31/2025</u>	<u>Minimum Balance Required (1)</u>	<u>Ref.</u>	<u>Variance</u>
Operating fund	\$808,967	\$494,666	(2)	\$314,301
Sinking fund:				
Bond and interest account	580,371	506,295	(3)	74,076
Debt service reserve account	1,485,612	1,331,528	(4)	154,084
Improvement fund	902	-	(5)	902
Meter deposit fund	389,416	389,416	(6)	-
Construction fund	4,708,621	4,708,621	(7)	-
System development fund	878,872	878,872	(8)	-
Totals	\$8,852,761	\$8,309,398		\$543,363

(1) Minimum balances required by Bond Ordinance No. 2024-07 dated March 18, 2024.

(2) The balance maintained in this fund shall be sufficient to pay the operation, repair, and maintenance disbursements of the utility for the next succeeding two (2) calendar months.

Estimated 2026 operating disbursements (page C-5)	\$2,967,400
Times factor for 2 months	<u>16.67%</u>
Minimum Balance Required	<u>\$494,666</u>

(3) The balance of this account should be equal to the accrued monthly transfers of 1/6 of the principal and interest on all outstanding bonds payable on the then next succeeding principal and interest payment date.

	<u>Amount</u>	<u>Months Factor</u>	<u>Balance</u>
<u>2010 Bonds</u>			
Principal Due 3/1/2026	\$8,000 x	4/6	\$5,333
Interest Due 3/1/2026	39,595 x	4/6	26,397
<u>2016 Bonds</u>			
Principal Due 3/1/2026	285,000 x	4/6	190,000
Interest Due 3/1/2026	5,273 x	4/6	3,515
<u>2019 Bonds</u>			
Principal Due 3/1/2026	60,944 x	4/6	40,629
Interest Due 3/1/2026	119,567 x	4/6	79,711
<u>2023 Bonds</u>			
Principal Due 3/1/2026	- x	4/6	-
Interest Due 3/1/2026	241,065 x	4/6	160,710
Minimum Balance Required			<u>\$506,295</u>

(Continued on next page)

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

(Cont'd)

COMPARISON OF FUND BALANCES WITH
MINIMUM BALANCES REQUIRED

- (4) The balance of this account should be equal to the maximum annual combined principal and interest payment on the outstanding bonds to be funded over 60 months.

Minimum Balance Required

\$1,331,528

- (5) No minimum balance required in this fund.
- (6) Funds fully restricted for reimbursement to customers.
- (7) Funds fully restricted for construction on capital projects authorized by the Bond Ordinance.
- (8) Funds fully restricted for capacity related improvements.

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$2,712,000 PRINCIPAL AMOUNT
OF OUTSTANDING WATERWORKS UTILITY REVENUE BONDS OF 2010**
Principal and Interest payable semi-annually March 1st and September 1st.
Interest rate as indicated.

<u>Payment Date</u>	<u>Principal Balance</u> (-----In \$1,000's-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u> (-----In Dollars-----)	<u>Total</u> (-----In Dollars-----)	<u>Bond Year Total</u>
03/01/26	\$2,712	\$8	2.92	\$39,595.20	\$47,595.20	
09/01/26	2,704	9	2.92	39,478.40	48,478.40	\$96,073.60
03/01/27	2,695	320	2.92	39,347.00	359,347.00	
09/01/27	2,375	325	2.92	34,675.00	359,675.00	719,022.00
03/01/28	2,050	330	2.92	29,930.00	359,930.00	
09/01/28	1,720	334	2.92	25,112.00	359,112.00	719,042.00
03/01/29	1,386	339	2.92	20,235.60	359,235.60	
09/01/29	1,047	344	2.92	15,286.20	359,286.20	718,521.80
03/01/30	703	349	2.92	10,263.80	359,263.80	
09/01/30	354	354	2.92	5,168.40	359,168.40	718,432.20
Totals		<u>\$2,712</u>		<u>\$259,091.60</u>	<u>\$2,971,091.60</u>	<u>\$2,971,091.60</u>

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$570,000 PRINCIPAL AMOUNT
OF OUTSTANDING WATERWORKS REFUNDING REVENUE BONDS OF 2016**
 Principal and Interest payable semi-annually March 1st and September 1st.
 Interest rate as indicated.

<u>Payment Date</u>	<u>Principal Balance</u> (-----In \$1,000's-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u> (-----In Dollars-----)	<u>Total</u>	<u>Bond Year Total</u>
03/01/26	\$570	\$285	1.85	\$5,272.50	\$290,272.50	
09/01/26	285	<u>285</u>	1.85	<u>2,636.25</u>	<u>287,636.25</u>	<u>\$577,908.75</u>
Totals		<u>\$570</u>		<u>\$7,908.75</u>	<u>\$577,908.75</u>	<u>\$577,908.75</u>

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$8,856,840 PRINCIPAL AMOUNT
OF OUTSTANDING WATERWORKS UTILITY REVENUE BONDS OF 2019**
Principal and Interest payable semi-annually March 1st and September 1st.
Interest rate as indicated.

<u>Payment Date</u>	<u>Principal Balance</u> (-----In Dollars-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Bond Year Total</u>
03/01/26	\$8,856,840	\$60,944	2.70	\$119,567.34	\$180,511.34	
09/01/26	8,795,896	53,887	2.70	118,744.60	172,631.60	\$353,142.94
03/01/27	8,742,009	34,824	2.70	118,017.12	152,841.12	
09/01/27	8,707,185	36,746	2.70	117,547.00	154,293.00	307,134.12
03/01/28	8,670,439	37,668	2.70	117,050.93	154,718.93	
09/01/28	8,632,771	39,590	2.70	116,542.41	156,132.41	310,851.34
03/01/29	8,593,181	39,513	2.70	116,007.94	155,520.94	
09/01/29	8,553,668	39,434	2.70	115,474.52	154,908.52	310,429.46
03/01/30	8,514,234	41,355	2.70	114,942.16	156,297.16	
09/01/30	8,472,879	41,275	2.70	114,383.87	155,658.87	311,956.03
03/01/31	8,431,604	416,951	2.70	113,826.65	530,777.65	
09/01/31	8,014,653	422,580	2.70	108,197.82	530,777.82	1,061,555.47
03/01/32	7,592,073	428,285	2.70	102,492.99	530,777.99	
09/01/32	7,163,788	434,067	2.70	96,711.14	530,778.14	1,061,556.13
03/01/33	6,729,721	439,927	2.70	90,851.23	530,778.23	
09/01/33	6,289,794	445,866	2.70	84,912.22	530,778.22	1,061,556.45
03/01/34	5,843,928	451,885	2.70	78,893.03	530,778.03	
09/01/34	5,392,043	457,985	2.70	72,792.58	530,777.58	1,061,555.61
03/01/35	4,934,058	464,168	2.70	66,609.78	530,777.78	
09/01/35	4,469,890	470,434	2.70	60,343.52	530,777.52	1,061,555.30
03/01/36	3,999,456	476,785	2.70	53,992.66	530,777.66	
09/01/36	3,522,671	483,222	2.70	47,556.06	530,778.06	1,061,555.72
03/01/37	3,039,449	489,745	2.70	41,032.56	530,777.56	
09/01/37	2,549,704	496,357	2.70	34,421.00	530,778.00	1,061,555.56
03/01/38	2,053,347	503,058	2.70	27,720.18	530,778.18	
09/01/38	1,550,289	509,849	2.70	20,928.90	530,777.90	1,061,556.08
03/01/39	1,040,440	516,732	2.70	14,045.94	530,777.94	
09/01/39	523,708	523,708	2.70	7,070.06	530,778.06	1,061,556.00
Totals		<u>\$8,856,840</u>		<u>\$2,290,676.21</u>	<u>\$11,147,516.21</u>	<u>\$11,147,516.21</u>

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$17,596,000 PRINCIPAL AMOUNT
OF OUTSTANDING WATERWORKS UTILITY REVENUE BONDS OF 2023**
Principal and Interest payable semi-annually March 1st and September 1st.
Interest rate as indicated.

<u>Payment Date</u>	<u>Principal Balance</u> (-----In \$1,000's-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Bond Year Total</u>
03/01/26	\$17,596	\$23	2.74	\$241,065.20	\$264,065.20	
09/01/26	17,573	33	2.74	240,750.10	273,750.10	\$537,815.30
03/01/27	17,540	30	2.74	240,298.00	270,298.00	
09/01/27	17,510	29	2.74	239,887.00	268,887.00	539,185.00
03/01/28	17,481	28	2.74	239,489.70	267,489.70	
09/01/28	17,453	28	2.74	239,106.10	267,106.10	534,595.80
03/01/29	17,425	29	2.74	238,722.50	267,722.50	
09/01/29	17,396	30	2.74	238,325.20	268,325.20	536,047.70
03/01/30	17,366	29	2.74	237,914.20	266,914.20	
09/01/30	17,337	30	2.74	237,516.90	267,516.90	534,431.10
03/01/31	17,307	15	2.74	237,105.90	252,105.90	
09/01/31	17,292	15	2.74	236,900.40	251,900.40	504,006.30
03/01/32	17,277	15	2.74	236,694.90	251,694.90	
09/01/32	17,262	15	2.74	236,489.40	251,489.40	503,184.30
03/01/33	17,247	15	2.74	236,283.90	251,283.90	
09/01/33	17,232	16	2.74	236,078.40	252,078.40	503,362.30
03/01/34	17,216	16	2.74	235,859.20	251,859.20	
09/01/34	17,200	16	2.74	235,640.00	251,640.00	503,499.20
03/01/35	17,184	16	2.74	235,420.80	251,420.80	
09/01/35	17,168	16	2.74	235,201.60	251,201.60	502,622.40
03/01/36	17,152	16	2.74	234,982.40	250,982.40	
09/01/36	17,136	17	2.74	234,763.20	251,763.20	502,745.60
03/01/37	17,119	17	2.74	234,530.30	251,530.30	
09/01/37	17,102	17	2.74	234,297.40	251,297.40	502,827.70
03/01/38	17,085	18	2.74	234,064.50	252,064.50	
09/01/38	17,067	17	2.74	233,817.90	250,817.90	502,882.40
03/01/39	17,050	18	2.74	233,585.00	251,585.00	
09/01/39	17,032	18	2.74	233,338.40	251,338.40	502,923.40
03/01/40	17,014	549	2.74	233,091.80	782,091.80	
09/01/40	16,465	557	2.74	225,570.50	782,570.50	1,564,662.30
03/01/41	15,908	564	2.74	217,939.60	781,939.60	
09/01/41	15,344	572	2.74	210,212.80	782,212.80	1,564,152.40
Sub-totals		<u>\$2,824</u>		<u>\$7,514,943.20</u>	<u>\$10,338,943.20</u>	<u>\$10,338,943.20</u>

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(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

(Cont'd)

**SCHEDULE OF AMORTIZATION OF \$17,596,000 PRINCIPAL AMOUNT
OF OUTSTANDING WATERWORKS UTILITY REVENUE BONDS OF 2023**
Principal and Interest payable semi-annually March 1st and September 1st.
Interest rate as indicated.

<u>Payment Date</u>	<u>Principal Balance</u> (-----In \$1,000's-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u> (-----In Dollars-----)	<u>Total</u> (-----In Dollars-----)	<u>Bond Year Total</u>
Sub-totals						
carried forward		\$2,824		\$7,514,943.20	\$10,338,943.20	\$10,338,943.20
03/01/42	\$14,772	580	2.74	202,376.40	782,376.40	
09/01/42	14,192	588	2.74	194,430.40	782,430.40	1,564,806.80
03/01/43	13,604	596	2.74	186,374.80	782,374.80	
09/01/43	13,008	604	2.74	178,209.60	782,209.60	1,564,584.40
03/01/44	12,404	612	2.74	169,934.80	781,934.80	
09/01/44	11,792	621	2.74	161,550.40	782,550.40	1,564,485.20
03/01/45	11,171	629	2.74	153,042.70	782,042.70	
09/01/45	10,542	638	2.74	144,425.40	782,425.40	1,564,468.10
03/01/46	9,904	647	2.74	135,684.80	782,684.80	
09/01/46	9,257	655	2.74	126,820.90	781,820.90	1,564,505.70
03/01/47	8,602	664	2.74	117,847.40	781,847.40	
09/01/47	7,938	673	2.74	108,750.60	781,750.60	1,563,598.00
03/01/48	7,265	683	2.74	99,530.50	782,530.50	
09/01/48	6,582	692	2.74	90,173.40	782,173.40	1,564,703.90
03/01/49	5,890	702	2.74	80,693.00	782,693.00	
09/01/49	5,188	711	2.74	71,075.60	782,075.60	1,564,768.60
03/01/50	4,477	721	2.74	61,334.90	782,334.90	
09/01/50	3,756	731	2.74	51,457.20	782,457.20	1,564,792.10
03/01/51	3,025	741	2.74	41,442.50	782,442.50	
09/01/51	2,284	751	2.74	31,290.80	782,290.80	1,564,733.30
03/01/52	1,533	761	2.74	21,002.10	782,002.10	
09/01/52	772	772	2.74	10,576.40	782,576.40	1,564,578.50
Totals		<u>\$17,596</u>		<u>\$9,952,967.80</u>	<u>\$27,548,967.80</u>	<u>\$27,548,967.80</u>

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

**SCHEDULE OF AMORTIZATION OF \$4,195,000 PRINCIPAL AMOUNT OF OUTSTANDING
AMENDED AND RESTATED WATERWORKS UTILITY BOND ANTICIPATION NOTES OF 2024**

**Principal payable at maturity on October 1, 2026.
Interest payable semi-annually March 1st and September 1st.
Interest rate as indicated.**

<u>Payment Date</u>	<u>Principal Balance</u> (-----In \$1,000's-----)	<u>Principal</u>	<u>Interest Rate</u> (%)	<u>Interest</u> (-----In Dollars-----)	<u>Total</u>	<u>Bond Year Total</u>
03/01/26	\$4,195		4.25	\$73,791.22	\$73,791.22	
09/01/26	4,195		4.25	89,143.75	89,143.75	
10/01/26	4,195	<u>\$4,195</u>	4.25	<u>14,857.29</u>	<u>4,209,857.29</u>	<u>\$4,372,792.26</u>
Totals		<u>\$4,195</u>		<u>\$177,792.26</u>	<u>\$4,372,792.26</u>	<u>\$4,372,792.26</u>

Note: These Notes are anticipated to be paid off by the proceeds of the proposed bond issuance.

(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF PRESENT AND ADOPTED RATES AND CHARGES

<u>Present (1)</u>	<u>Adopted (2)</u>	
<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>

A. Metered Consumption

For use of and service rendered by the Waterworks system of the Town, based on the use of water supplied by said system.

<u>Consumption per Month</u>	<u>Rate Per 1,000 Gallons</u>		
First 20,000 gallons	\$7.22	\$8.33	\$9.04
Next 180,000 gallons	6.75	7.79	8.45
All Over 200,000 gallons	5.37	6.20	6.73

B. Service Charge

In addition to the metered user block rate, each user shall pay a monthly service charge in accordance with the following applicable size of meter installed.

<u>Meter Size</u>	<u>Per Month</u>		
5/8 - 3/4 inch meter	\$7.08	\$8.17	\$8.87
1 inch meter	14.51	16.74	18.17
1 1/2 inch meter	26.97	31.12	33.77
2 inch meter	41.89	48.33	52.45
3 inch meter	76.75	88.55	96.10
4 inch meter	126.58	146.05	158.51
6 inch meter	251.04	289.65	314.36
8 inch meter	400.42	462.00	501.41

C. Sales for Resale

	<u>Rate Per 1,000 Gallons</u>		
Flow Rate	\$3.76	\$4.34	\$4.71

(1) Present rates pursuant to IURC Order in Cause No. 46124 dated April 9, 2025. Phase I rates became effective September 2025.

(2) Adopted rates pursuant to IURC Order in Cause No. 46124 dated April 9, 2025. Phase II and Phase III rates become effective September 2026 and September 2027.

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(No assurance is provided on this Consultant's Report)

CHANDLER (INDIANA) MUNICIPAL WATER UTILITY

(Cont'd)

SCHEDULE OF PRESENT AND ADOPTED RATES AND CHARGES

		<u>Present (1)</u>	<u>Adopted (2)</u>	
		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
<u>D. Fire Protection Service</u>				
<u>Public Fire Protection Charges:</u>		<u>Per Month</u>		
<u>Meter Size</u>				
5/8 - 3/4	inch meter	\$4.27	\$4.93	\$5.35
1	inch meter	10.67	12.31	13.36
1 1/2	inch meter	9.89	11.41	12.38
2	inch meter	34.11	39.36	42.72
3	inch meter	63.95	73.79	80.08
4	inch meter	106.57	122.96	133.45
6	inch meter	213.15	245.93	266.91
<u>Private Fire Protection Charges:</u>		<u>Per Year</u>		
Private Hydrant - per hydrant		\$630.90	\$727.93	\$790.02
<u>Automatic sprinklers</u>				
1	inch connection	\$17.53	\$20.23	\$21.96
1 1/4	inch connection	27.38	31.59	34.28
1 1/2	inch connection	39.43	45.49	49.37
2	inch connection	70.09	80.87	87.77
3	inch connection	157.73	181.99	197.51
4	inch connection	280.40	323.53	351.13
6	inch connection	630.90	727.93	790.02
8	inch connection	1,121.59	1,294.09	1,404.48
<u>E. System Development Charge</u>				
<u>Meter Size</u>		<u>Per Connection</u>		
5/8 - 3/4	inch connection	\$1,130.00		
1	inch connection	2,825.00		
1 1/2	inch connection	5,650.00		
2	inch connection	9,040.00		
3	inch connection	16,950.00		
4	inch connection	28,250.00		
6	inch connection	56,500.00		
8	inch connection	90,400.00		

(1) Present rates pursuant to IURC Order in Cause No. 46124 dated April 9, 2025. Phase I rates became effective September 2025.

(2) Adopted rates pursuant to IURC Order in Cause No. 46124 dated April 9, 2025. Phase II and Phase III rates become effective September 2026 and September 2027.

(No assurance is provided on this Consultant's Report)

APPENDIX D

TOWN OF CHANDLER ORDINANCE NO. 2024-07

AN ORDINANCE AUTHORIZING THE ACQUISITION OF LAND AND THE ACQUISITION, CONSTRUCTION, AND INSTALLATION BY THE TOWN OF CHANDLER, INDIANA, OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE TOWN'S WATERWORKS; THE ISSUANCE AND SALE OF REVENUE BONDS TO PROVIDE FUNDS FOR THE PERMANENT FINANCING OF ALL OR A PORTION OF THE COSTS THEREOF; THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES OF SUCH WATERWORKS AND OTHER RELATED MATTERS

RECITALS

A. The Town of Chandler, Indiana ("Town"), has heretofore established and constructed and currently owns and operates a waterworks by and through its Town Council ("Town Council") furnishing the public water supply to the Town and its inhabitants ("Waterworks"), pursuant to the provisions of Indiana Code 8-1.5, as amended ("Act").

B. The Town Council finds that certain improvements and extensions to the Waterworks, as set forth in Exhibit A, are necessary; and Beam, Longest and Neff, L.L.C., of Indianapolis, Indiana, the consulting engineers employed by the Town ("Consulting Engineers"), have prepared and filed plans, specifications, and detailed descriptions and estimates of the costs of the necessary improvements and extensions to the Waterworks, which plans, specifications, descriptions and estimates, to the extent required by law, have been duly submitted to and approved or will be approved by all governmental authorities having jurisdiction thereover, and prior to commencing with such improvements and extensions, the Town needs to acquire land upon which such improvements and extensions to the Waterworks can be located ("Land Acquisition") (the Land Acquisition and the improvements and extensions to the Waterworks as described in such engineers' plans and specifications are collectively referred to herein as the "Project").

C. This Town Council further finds that the costs of the Project, including all authorized expenses relating thereto, including the costs of issuance of bonds and, if necessary, bond anticipation notes ("BANs") on account of the financing of all or a portion thereof, will be in the aggregate amount not to exceed Seventeen Million Six Hundred Forty Thousand Dollars (\$17,640,000)].

D. This Town Council hereby finds that to provide funds necessary to pay for the costs of the Project, it will be necessary for the Town to issue waterworks revenue bonds, in one or more series, in an aggregate principal amount not to exceed Seventeen Million Six Hundred Forty Thousand Dollars (\$17,640,000)] ("Bonds"), and, if necessary, BANs, in one or more

series, in an aggregate principal amount not to exceed Seventeen Million Six Hundred Forty Thousand Dollars (\$17,640,000).

E. The Town desires to authorize (1) the issuance of (a) the Bonds hereunder payable from the Net Revenues (as hereinafter defined) of the Waterworks and (b) BANs, if necessary, payable from a portion of the proceeds of such Bonds issued to finance the aforementioned costs of the Project, and (2) the refunding of said BANs, if issued.

F. Pursuant to Ordinance No. 2009-11, adopted by the Town Council on August 17, 2009 ("**2010 Bond Ordinance**"), the Town issued its "Waterworks Utility Revenue Bonds of 2010" in the original principal amount of \$3,220,000 ("**2010 Bonds**"), currently outstanding in the amount of \$2,762,000, payable from the Net Revenues of the Waterworks, bearing interest at a fixed interest rate of 2.92% per annum, and maturing in various amounts on March 1 and September 1 in the years 2012 to 2030 inclusive, and placed with the Indiana Drinking Water State Revolving Fund Loan Program established and existing pursuant to Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4 and Indiana Code 5-1.2-10.

G. Pursuant to Ordinance No. 2016-09, adopted by the Town Council on September 19, 2016, as amended on October 17, 2016 (together, the "**2016 Bond Ordinance**"), the Town issued its "Waterworks Refunding Revenue Bonds of 2016" dated November 3, 2016 in the original principal amount of \$5,010,000 ("**2016 Bonds**"), currently outstanding in the amount of \$1,665,000, payable from the Net Revenues of the Waterworks, bearing interest at a fixed interest rate of 1.85% per annum, and maturing or subject to mandatory sinking fund redemption payments in various amounts on March 1 and September 1 in the years 2017 to 2026, inclusive.

H. Pursuant to Ordinance No. 2019-03, adopted on June 17, 2019 (the "**2019 Bond Ordinance**"), the Town issued its "Waterworks Utility Revenue Bonds of 2019" in the original principal amount of \$9,500,000 ("**2019 Bonds**"), currently outstanding in the amount of \$9,075,212, payable from the Net Revenues of the Waterworks, bearing interest at a fixed interest rate of 2.70% per annum, and maturing in various amounts on March 1 and September 1 in the years 2030 to 2039 inclusive, and sold to the Indiana Finance Authority ("**Authority**") as part of its drinking water revolving loan program, supplemental drinking water and wastewater assistance program, water infrastructure assistance program, and/or water infrastructure grant program, established and existing pursuant to Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4, Indiana Code 5-1.2-11, Indiana Code 5-1.2-14 and/or Indiana Code 5-1.2-14.5 (collectively, the "**IFA Program**").

I. Pursuant to Ordinance No. 2023-03, adopted on March 20, 2023 (the "**2023 Bond Ordinance**"); the 2023 Bond Ordinance together with the 2010 Bond Ordinance, the 2016 Bond Ordinance and the 2019 Bond Ordinance, the "**Prior Ordinances**"), the Town issued its "Waterworks Utility Revenue Bonds of 2023" in the original principal amount of \$17,621,000 ("**2023 Bonds**"; the 2023 Bonds together with the 2010 Bonds, the 2016 Bonds, and the 2019

Bonds, the “**Prior Bonds**”), currently outstanding in the amount of \$17,621,000, payable from the Net Revenues of the Waterworks, bearing interest at a fixed interest rate of 2.74% per annum, and maturing in various amounts on March 1 and September 1 in the years 2025 to 2052 inclusive, and sold to the Authority as part of its IFA Program.

J. Other than the Prior Bonds, there are no other bonds or obligations payable for the Net Revenues of the Waterworks.

K. The Waterworks of the Town is subject to the jurisdiction of the Indiana Utility Regulatory Commission (“IURC”) with respect to the issuance of the Bonds and any change in rates and charges.

L. If the Bonds of any series authorized by this Ordinance will be sold to the Authority as part of the IFA Program, the Town will enter into a Financial Assistance Agreement (such form of to be provided by the Authority) with the Authority together with any subsequent amendments thereto, pertaining to the Project and the financing thereof (“FAA”).

M. The Town may accept other forms of financial assistance, as and if available, from the IFA Program.

N. The Town Council understands that for the Project to be permitted to be financed under the IFA Program, the Town must (a) agree to own, operate and maintain the Waterworks and the Project for the duration of their useful life and (b) represent and warrant to the Authority that the Town has no intent to sell, transfer or lease the Waterworks or the Project for the duration of their useful life.

O. Prior to obtaining financing through the issuance of the Bonds, the Town anticipates that funds will be expended for the planning, design, construction, and equipping of the Project, all of which capital expenditures may initially be paid from the Waterworks Net Revenues or legally available general revenues of the Town.

P. The Prior Ordinances authorizing the issuance of the Prior Bonds permit the issuance of additional bonds ranking on a parity with the Prior Bonds provided certain conditions can be met, and this Town Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of revenue bonds, (1) on a parity basis with the Prior Bonds or (2) if the Bonds cannot be issued on a parity basis, on a junior basis to the Prior Bonds, to provide the necessary funds to be applied to the cost of the Project and authorized costs relating thereto, have been complied with in accordance with the provisions of the Act and Indiana Code 5-1-14-5.

Q. The Bonds will constitute a first charge against the Net Revenues of the Waterworks on a parity with the payment of the Prior Bonds and are to be issued subject to the provisions of the laws of the Act and the terms and restrictions of this Ordinance.

R. This Town Council consequently intends to authorize the issuance of BANs to finance the costs of the Project and the issuance of the Bonds to permanently finance the costs thereof pursuant to the Act and Indiana Code 5-1-14-5 and the sale of such Bonds at public sale or negotiated sale pursuant to the provisions of Indiana Code 5-1-11 and/or negotiated placement with the Authority pursuant to Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4 and Indiana Code 5-1.2-10, Indiana Code 5-1.2-11, Indiana Code 5-1.2-14, and/or Indiana Code 5-1.2-14.5 subject to and dependent upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CHANDLER, INDIANA, AS FOLLOWS:

Section 1. The Project. The Town, acting by and through the Town Council and as the owner and operator of the Waterworks for the furnishing of the public water supply to the Town and its inhabitants, hereby orders, authorizes, and directs the Town Council to undertake the Project. The actions of the Town Council in connection with the Project are hereby authorized, approved, ratified, and confirmed.

Where used in this Ordinance, the term "Town" shall be construed also to include any department, board, commission, or officer or officers of the Town or of any Town department, board, or commission. The terms "Waterworks," "waterworks," "works" and similar terms used in this Ordinance shall be construed to mean and include the existing structures and property of the Waterworks and all enlargements, improvements, extensions, and additions thereto, and replacements thereof, now, or subsequently constructed or acquired, whether from the proceeds of the Bonds and BANs authorized herein or otherwise; provided that if the Bonds or BANs are purchased pursuant to the FAA such terms as used herein shall mean the Drinking Water System as defined in the FAA. The Project shall be constructed in accordance with the plans and specifications heretofore mentioned. The Project shall be undertaken and the Bonds and BANs herein authorized shall be issued pursuant to the provisions of this Ordinance, the Act, and Indiana Code 5-1-14-5.

In the event the Bonds or the BANs are purchased by the Authority as part of the IFA Program, on behalf of the Town, the Town Council hereby (i) agrees to own, operate and maintain the Waterworks and the Project for the duration of their useful life and (ii) represents and warrants to the Authority that the Town has no intent to sell, transfer or lease the Waterworks or the Project for the duration of their useful life.

Section 2. The Bonds. In accordance with the Act and for the purpose of providing funds with which to permanently finance the costs of the Project, together with authorized expenses relating thereto including the costs of issuance of the Bonds, on account thereof, and refunding

the BANs described below, the Town shall issue and sell the Bonds, in one or more series, in the aggregate principal amount not to exceed Seventeen Million Six Hundred Forty Thousand Dollars (\$17,640,000). The Bonds shall be issued and sold at a price not less than 98.00% of the par amount thereof. The principal of, redemption premium, if any, and interest on the Bonds shall be payable solely out of the Sinking Fund referred to below.

The Bonds shall be designated as the "Town of Chandler, Indiana, Waterworks Utility Revenue Bonds of 20__" (with the blank to be filled in with the last two digits of the calendar year in which the Bonds are issued and with any appropriate series designation). The Bonds shall be issued as fully registered bonds in denominations of One Dollar (\$1.00) and any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in any one year (or such other denomination or denominations acceptable to the winning bidder for the Bonds), shall be numbered consecutively from _R-1 (with the blank to be filled in with the last digits of the calendar year in which the Bonds are issued) upward and shall bear interest at a rate not to exceed six percent (6.00%) per annum (the exact rate or rates to be determined by bidding or negotiation, or by negotiation with the Authority or the Indiana Bond Bank, as applicable). Interest on the Bonds shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred sixty (360) day year (or on the basis of a three hundred sixty-five (365) day year, if required by the purchaser of the Bonds) and shall be payable semiannually on March 1 and September 1 in each year (each an "Interest Payment Date"), commencing no earlier than the March 1 or September 1 next following the date of issuance (with the first Interest Payment Date to be certified by the Clerk-Treasurer of the Town ("Clerk-Treasurer") in the Clerk-Treasurer's Certificate (as hereinafter defined)), until principal is fully paid. The principal of the Bonds shall mature semiannually on March 1 and September 1 of each year over a period ending not more than thirty-five (35) years after the date of issuance of any series of Bonds and, if sold to the Authority, such maturity as shall be set forth in the FAA. The final principal payment schedule for the Bonds shall be set forth in the Clerk-Treasurer's Certificate. Each series of Bonds shall mature in such amounts that will either (i) produce as level annual debt service as practicable taking into account the denominations of the Bonds; (ii) produce as level annual debt service as practicable taking into account the denominations of the Bonds and the annual debt service on the Prior Bonds and the Bonds; or (iii) if the Bonds are sold to the Authority, produce such level annual debt service as may be required by the Authority and as set forth in the FAA for the Bonds.

The Bonds shall bear an original issue date which shall be the date of issuance of the Bonds or the first day of the month in which the Bonds are delivered, as set forth in the Clerk-Treasurer's Certificate, and each Bond shall also bear the date of its authentication. Any Bond authenticated on or before the fifteenth day of the calendar month immediately preceding the first Interest Payment Date shall pay interest from its original issue date. Any Bond authenticated thereafter shall pay interest from the Interest Payment Date next preceding the date of authentication of such Bond to which interest thereon has been paid or duly provided for, unless such Bond is authenticated after the day which is the fifteenth day of the calendar

month immediately preceding an Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date.

The Bonds will be payable solely out of and constitute a first charge against gross revenues of the Waterworks of the Town, inclusive of System Development Charges (as hereinafter defined), after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes) ("Net Revenues"), on parity with the Prior Bonds. For purposes of this Ordinance, "**System Development Charges**" shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges that are available for deposit under this Ordinance.

Notwithstanding any other provision of this Ordinance, the Town may receive payment for the Bonds and BANs in installments. With respect to any Bonds sold to the Authority as part of the IFA Program, to the extent that (i) the total principal amount of such Bonds is not paid by the purchaser or drawn down by the Town, or (ii) proceeds remain in the Acquisition-Construction Account (as defined herein) and are not applied to the Project (or any modifications or additions thereto approved by the Indiana Department of Environmental Management and the Authority) as of the date no additional amounts may be drawn under the FAA, the remaining Bond maturities shall be reduced in a manner that will effect as level debt service as practicable for such remaining maturities and in a manner consistent with how the initial maturities were fixed, provided however such shall in any case be consistent with the FAA.

Notwithstanding anything contained herein, the Town may accept any other forms of financial assistance, as and if available, from the Authority (including without limitation (i) any forgivable loans, grants or other assistance whether available as an alternative to any Bond related provision otherwise provided for herein or as a supplement or addition thereto; and (ii) one or more series or combination of series of Bonds and/or BANs). If required by the Authority to be eligible for such financial assistance, one (1) or more of the series of the Bonds issued hereunder may be issued on a basis such that the payment of the principal of or interest on (or both) such series of Bonds is junior and subordinate to the payment of the principal of and interest on other series of Bonds or BANs issued hereunder (and/or any other revenue bonds secured by a pledge of the Net Revenues, whether now outstanding or hereafter issued), all as provided by the terms of such series of Bonds as modified pursuant to this authorization.

The Clerk-Treasurer is hereby authorized to contract with a qualified financial institution to serve as registrar and a paying agent for the Bonds and the BANs, which shall be appointed by the Town Council ("**Registrar**" and "**Paying Agent**" and, in both such capacities, the "**Registrar and Paying Agent**"). The Registrar and Paying Agent shall be charged with and shall by appropriate agreement undertake the performance of all the duties and responsibilities customarily associated with each such position, including without limitation the authentication of the Bonds. The Clerk-Treasurer is authorized and directed to enter into such agreements and

understandings with the Registrar and Paying Agent and any subsequent Registrar and Paying Agent as will enable and facilitate the performance of its duties and responsibilities, and is authorized and directed to pay such fees as the Registrar and Paying Agent may reasonably charge for its services in such capacity, and such fees may be paid from the Sinking Fund previously created and continued by this Ordinance.

If the Bonds or BANs are registered in the name of any purchaser that does not object to such designation, the Clerk-Treasurer shall be designated as the Registrar and Paying Agent for the Bonds or BANs and shall be charged with the performance of all the duties and responsibilities of Registrar and Paying Agent.

The Registrar and Paying Agent, if not the Clerk-Treasurer, may at any time resign as Registrar and Paying Agent upon giving thirty (30) days' notice in writing to the Town and by first-class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the Town. Any such notice to the Town may be served personally or sent by certified mail. The Registrar and Paying Agent may also be removed at any time as Registrar and Paying Agent by the Town, in which event the Town may appoint a successor Registrar and Paying Agent. The Town shall notify each registered owner of Bonds then outstanding by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of the Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar. Any predecessor Registrar and Paying Agent shall deliver all of the Bonds and cash in its possession with respect thereto, together with the registration books, to the successor Registrar and Paying Agent. The Clerk-Treasurer is hereby authorized to act on behalf of the Town with regard to any of the aforementioned actions of the Town relating to the resignation or removal of the Registrar and Paying Agent and appointment of a successor Registrar and Paying Agent.

Principal of, and any redemption premium, and interest on the Bonds, and principal and interest on the BANs, shall be payable at the designated corporate office of the Paying Agent. Interest on the Bonds shall be paid by check or draft mailed or delivered by the Paying Agent to the registered owner thereof at the address as it appears on the registration books kept by the Registrar as of the fifteenth (15th) day of the month immediately preceding the Interest Payment Date or at such other address as may be provided to the Paying Agent in writing by such registered owner. All payments on the Bonds and the BANs shall be made in any coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public or private debt.

If the Bonds or BANs are sold to the Authority, the principal of and interest thereon shall be paid by wire transfer to such financial institution if and as directed by the Authority on the due date of such payment or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the

Authority is the owner of said Bonds or BANs, such Bonds and BANs shall be presented for payment as directed by the Authority.

Each Bond shall be transferable or exchangeable only on the books of the Town maintained for such purpose at the principal corporate trust office of the Registrar, by the registered owner thereof in person, or by his or her attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. Each Bond may be transferred or exchanged without cost to the registered owner, except for any tax or other governmental charge which may be required to be paid with respect to such transfer or exchange. The Registrar shall not be obligated to make any transfer or exchange of any Bond (i) during the fifteen (15) days immediately preceding an Interest Payment Date or (ii) after the mailing of notice calling such Bond for redemption. The Town, the Registrar and the Paying Agent may treat and consider the person in whose name any Bond is registered as the absolute owner thereof for all purposes including the purpose of receiving payment of, or on account of, the principal thereof, and redemption premium, if any, and interest thereon.

In the event any Bond is mutilated, lost, stolen or destroyed, the Town may cause to be executed and the Registrar may authenticate a new Bond of like date, maturity and denomination as the mutilated, lost, stolen or destroyed Bond, which new Bond shall be marked in a manner to distinguish it from the Bond for which it was issued; provided, that in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen, or destroyed Bond there shall be first furnished to the Registrar evidence of such loss, theft, or destruction satisfactory to the Town and the Registrar, together with indemnity satisfactory to them. In the event that any such mutilated, lost, stolen or destroyed Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate Bond, the Registrar and Paying Agent may pay the same upon surrender of the mutilated Bond or upon satisfactory indemnity and proof of loss, theft, or destruction in the case of a lost, stolen or destroyed Bond. The Town and the Registrar and Paying Agent may charge the owner of any such Bond with their reasonable fees and expenses in connection with the above. Every substitute Bond issued by reason of any Bond being lost, stolen, or destroyed shall, with respect to such Bond, constitute a substitute contractual obligation of the Town pursuant to this Ordinance, whether or not the lost, stolen, or destroyed Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other Bonds duly issued hereunder.

In the event that any Bond is not presented for payment or redemption on the date established therefor, the Town may deposit in trust with the Paying Agent an amount sufficient to pay such Bond or the redemption price thereof, as appropriate, and thereafter the owner of

such Bond shall look only to the funds so deposited in trust with the Paying Agent for payment and the Town shall have no further obligation or liability with respect thereto.

Section 3. The BANs. In anticipation of the issuance and sale of the Bonds authorized herein, and to provide interim financing to apply to the cost of the Project, the Town is hereby authorized to have prepared and to issue and sell BANs of the Town, in one or more series, in an aggregate principal amount not to exceed [Seventeen Million Six Hundred Forty Thousand Dollars (\$17,640,000)] to be designated "Town of Chandler, Indiana, Waterworks Utility Revenue Bond Anticipation Notes of 20_" (the blank to be filled in with the last two digits of the calendar year in which the BANs are issued and with any appropriate series designation). The BANs shall be issued in fully registered form, shall be numbered consecutively from _R-1 upwards (the blank to be filled in with the last digits of the calendar year in which the BANs are issued), shall be issued in denominations of One Dollar (\$1.00) or integral multiples thereof (or, such other denominations acceptable to the purchaser of the BANs), shall be dated as of the date of issuance of the BANs, and shall bear interest at a rate not exceeding six percent (6.00%) per annum (the exact rate of interest to be determined by negotiation), payable as set forth in the Clerk-Treasurer's Certificate. The BANs shall be sold at a price not less than 99.00% of the par amount thereof. The initial BANs delivered will mature as set forth in the Clerk-Treasurer's Certificate. The BANs shall be subject to renewal or extension (without further action by the Town Council), subject to the limitations set forth below, at an interest rate not to exceed six percent (6.00%) with the exact rate to be negotiated. The term of the BANs and all renewal BANs may not exceed five years from the date of delivery of the initial BANs.

At the direction of the Clerk-Treasurer, the BANs shall be issued pursuant to the provisions of Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4 and Indiana Code 5-1.2-10 if sold to the Authority, pursuant to the provisions of Indiana Code 5-15-8-6 if sold to the Indiana Bond Bank, or pursuant to the provisions of Indiana Code 5-1-14-5 if sold to a financial institution or any other purchaser, and the principal thereof shall be refunded and retired out of the proceeds from the issuance and sale hereunder of the Bonds. The Town may also use other revenues or funds of the Town legally available therefor, if any, including amounts available to the Town out of federal or state funds available for application to the Project, for payment of the principal of the BANs; provided, however, that no funds other than proceeds from the issuance and sale of the Bonds, if and when issued, are pledged to the payment of principal of the BANs. The interest on the BANs shall be payable either from the Net Revenues of the Waterworks, or from proceeds from the issuance and sale hereunder of the Bonds.

Notwithstanding anything in this Ordinance to the contrary, any series of BANs issued hereunder may bear interest that is taxable and included in the gross income of the owners thereof. If any such BANs are issued on a taxable basis, the designated name shall include the term "Taxable".

Section 4. Optional Prepayment of BANs; Optional Redemption of the Bonds; Term Bonds. The BANs may be prepaid by the Town, in whole or in part, at any time upon twenty

(20) days' notice to the owner of the BANs without any premium (or upon such other terms as determined by the Clerk-Treasurer as reflected in the Clerk-Treasurer's Certificate). In the case of prepayment, the principal and accrued interest due on the BANs shall be paid only from proceeds of the Bonds, except that such principal and interest due on the BANs may also be paid from other revenues and funds legally available therefor, if any, including federal or state funds available for application to the Project; provided, however, that such funds are not pledged to the payment of the BANs.

The Bonds of any series authorized by this Ordinance are redeemable at the option of the Town, but no sooner than ten (10) years after their date of delivery if sold to the Authority and no sooner than eight (8) years after their date of delivery if sold on the open market, or any date thereafter, on sixty (60) days' notice if sold to the Authority and on thirty (30) days' notice if sold to any other purchaser, in whole or in part, in inverse order of maturity if sold to the Authority or in the order of maturity as determined by the Town if sold to any other purchaser, and by lot within a maturity, at face value together with a premium no greater than 2%, plus accrued interest to the date fixed for redemption. The exact redemption dates and premiums shall be established by the Clerk-Treasurer, with the advice of Baker Tilly Municipal Advisors, LLC ("**Town's Financial Advisor**"), prior to the sale of the Bonds.

In either case, notice of redemption shall be given by the Registrar and Paying Agent not less than sixty (60) days, if the Bonds are sold to the Authority, and thirty (30) days if the Bonds are sold to another purchaser, prior to the date fixed for redemption unless such redemption notice is waived by the owner of the Bond or Bonds redeemed. Such notice shall be mailed to the address of the registered owner as shown on the registration record of the Town as of the date which is sixty-five (65) days if the Bonds are sold to the Authority, and forty-five (45) days if the Bonds are sold to another purchaser, prior to such redemption date. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the Town. Interest on the Bonds (or portions thereof) so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such Bonds (or portions thereof) are presented for payment. Any Bond redeemed in part may be exchanged for a Bond or Bonds of the same maturity in authorized denominations equal to the remaining principal amount thereof. Notices of redemption shall be revocable in the event that there is not on deposit with the Paying Agent prior to the date of redemption money sufficient to pay the redemption price of the Bonds to be redeemed or, in the case of any redemption premium on Bonds, there is not on deposit funds sufficient to pay such redemption premium.

In addition to the foregoing notice, the Town may also direct that further notice of redemption be given, including without limitation and at the option of the Town, notice described in paragraph (a) below given by the Registrar and Paying Agent to the parties described in paragraph (b) below. No defect in any such further notice and no failure to give all

or any portion of any such further notice shall in any manner defeat the effectiveness of any call for redemption of Bonds so long as notice thereof is mailed as prescribed above.

(a) If so directed by the Town, each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) If so directed by the Town, each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds in accordance with the procedures of such registered securities depositories and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

Upon the payment of the redemption price of the Bonds (or portions thereof) being redeemed and if so directed by the Town, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds (or portions thereof) being redeemed with the proceeds of such check or other transfer.

The Bonds may be issued as serial bonds or term bonds, or a combination thereof, as set forth in the Clerk-Treasurer's Certificate. Any term bonds shall be payable from mandatory sinking fund redemption payments ("**Term Bonds**") required to be made as set forth below. The Term Bonds shall have a stated maturity or maturities on March 1 or September 1 in the years determined by the initial purchaser as set forth in the certificate of the Town concerning the award of the Bonds ("**Award Certificate**").

In the event that the initial purchaser opts to aggregate certain Bonds into Term Bonds, such Term Bonds shall be subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, but without premium, on the first day of the calendar month of each year and in the principal amount all as set forth in the Award Certificate.

The Registrar and Paying Agent (as defined herein) shall credit against any mandatory sinking fund requirement for a Term Bond of a particular maturity, any Bonds of such maturity delivered to the Registrar and Paying Agent for cancellation or purchased for cancellation by the Registrar and Paying Agent and cancelled by the Registrar and Paying Agent and not theretofore applied as a credit against any mandatory sinking fund requirement. Each Bond so delivered or purchased shall be credited by the Registrar and Paying Agent at 100% of the

principal amount thereof against the mandatory sinking fund requirements for the applicable Term Bond in inverse order of mandatory sinking fund redemption (or final maturity) dates, and the principal amount of such Term Bond to be redeemed on such mandatory sinking fund redemption dates by operation of the mandatory sinking fund requirements shall be reduced accordingly; provided, however, the Registrar and Paying Agent shall only credit Bonds against the mandatory sinking fund requirements to the extent such Bonds are received on or before 45 days preceding the applicable mandatory sinking fund redemption date.

The Registrar shall determine by lot (treating each \$1,000 principal amount of each Bond as a separate Bond for such purpose) the Bonds within a Term Bond of a particular maturity to be redeemed pursuant to mandatory sinking fund redemption requirements on the first day of the calendar month selected by the Clerk-Treasurer of each year.

Section 5. Execution and Authentication of the Bonds and BANs. The Bonds and the BANs shall be executed in the name of the Town by the manual or facsimile signature of the President of the Town Council (“**Town Council President**”) and attested by the manual or facsimile signature of the Clerk-Treasurer, who shall cause the seal, if any, of the Town or a facsimile thereof to be affixed to each of the Bonds and the BANs. The Bonds and the BANs shall be authenticated by the manual signature of the Registrar, and no Bond or BAN shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed. In case any official whose signature appears on any Bond or BAN shall cease to be such official before the delivery of such Bond or BAN, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. The Bonds and BANs shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana, subject to the provisions for registration herein.

The Bonds and the BANs may, in compliance with all applicable laws, be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the Town from time to time (“**Clearing Agency**”). The Town and Registrar may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Bonds or the BANs, as are necessary or appropriate to accomplish or recognize such book-entry form Bonds or BANs.

During any time that the Bonds or the BANs are held in book-entry form on the books of a Clearing Agency (1) any such Bond or BAN may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including CEDE & Co., as nominee of the Depository Trust Company; (2) the Clearing Agency in whose name such Bond or BAN is so registered shall be, and the Town and the Registrar and Paying Agent may

deem and treat such Clearing Agency as, the absolute owner and holder of such Bond or BAN for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of, premium, if any, on and interest on such Bond or BAN, the receiving of notice and giving of consent; (3) neither the Town nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Bond or BAN, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or BAN or any responsibility or obligation hereunder with respect to the receiving of payment of principal, premium, if any, or interest on any Bonds or BANs, the receiving of notice or the giving of consent; (4) the Clearing Agency is not required to present any Bond or BAN called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption; and (5) notwithstanding anything in this Ordinance to the contrary, payment of the principal of and interest on the Bonds may be made by wire transfer or other method acceptable to the Clearing Agency, as indicated in the Clerk-Treasurer's Certificate.

If either (i) the Town receives notice from the Clearing Agency which is currently the registered owner of the Bonds or the BANs to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Bonds or the BANs or (ii) the Town elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Bonds or the BANs, then the Town and Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds or the BANs, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the Bonds or the BANs and to transfer the ownership of each of the Bonds or the BANs to such person or persons, including any other Clearing Agency, as the holder of the Bonds or the BANs may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Bonds or the BANs, shall be paid by the Town.

During any time that the Bonds or the BANs are held in book-entry form on the books of a Clearing Agency, the Registrar and Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owners of the Bonds or the BANs as of a record date selected by the Registrar and Paying Agent. For purposes of determining whether the consent, advice, direction or demand of a Registered Owner of the Bond or BAN has been obtained, the Registrar or Paying Agent shall be entitled to treat the beneficial owners of the Bonds or BANs as the Bondholders or holders of the BANs.

During any time that the Bonds or BANs are held in book-entry form on the books of a Clearing Agency, the Clerk-Treasurer and/or the Registrar are authorized to enter into a Letter of Representations agreement with the Clearing Agency, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth herein.

Section 6. Security and Sources of Payment for the Bonds. The Bonds, as and to the extent paid for and delivered to the purchaser thereof, together with the Prior Bonds and any other bonds payable from the revenues of the Waterworks (to be referred to hereinafter collectively as the "bonds," unless the context otherwise requires), as to both principal and interest, shall be valid and binding special revenue obligations of the Town, payable solely from and secured by an irrevocable pledge of and constituting a first charge upon all of the Net Revenues derived from the Waterworks, including all such Net Revenues from the existing works, the Project and all additions and improvements thereto and replacements thereof subsequently constructed or acquired, to be set aside into the Sinking Fund as herein provided. The Town shall not be obligated to pay the Bonds or the interest thereon except from the Net Revenues of the Waterworks, and the Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 7. Form of the Bonds. The form and tenor of the Bonds shall be substantially (with all blanks to be properly completed and all appropriate deletions, additions and modifications to be made prior to the preparation of the Bonds) as set forth in Exhibit A to this Ordinance.

Section 8. Issuance, Sale and Delivery of the Bonds and the BANs. The Clerk-Treasurer is hereby authorized and directed to have the Bonds and the BANs prepared, and the Town Council President and the Clerk-Treasurer are each hereby authorized and directed to execute the Bonds and the BANs in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver the Bonds and the BANs to the purchaser or purchasers thereof after sale made in accordance with the provisions of the Act and this Ordinance, provided that at the time of said delivery the Clerk-Treasurer shall collect the full amount which the purchaser or purchasers have agreed to pay therefor, which shall be not less than 98.00% of the par amount of the Bonds (nor less than 100% of the par amount if sold to the Authority), plus accrued interest thereon to the date of delivery, if any, and in the case of the BANs, shall not be less than 99.00% of the par amount of the BANs. The Town may receive payment for the Bonds and BANs in installments. The proceeds derived from the sale of the Bonds (or, instead, the BANs, if such BANs are issued), shall be and are hereby set aside for application to the costs of the Project, together with the expenses necessarily incurred in connection therewith including the expenses incurred in the issuance of the Bonds and the BANs. The authorized officers of the Town are hereby authorized and directed to draw all

proper and necessary warrants and to do whatever other acts and things that may be necessary or appropriate to carry out the provisions of this Ordinance.

Except as provided below, the Bonds shall be sold by public sale. Prior to the sale of the Bonds, the Clerk-Treasurer shall cause to be published a notice of intent to sell once each week for two (2) weeks in the Warrick County Standard and the Court & Commercial Record. The notice of such sale or a summary thereof may also be published in the Bond Buyer, a financial journal published in the Town and State of New York and/or in other publications, in the discretion of the Clerk-Treasurer. The notice must state that any person interested in submitting a bid for the Bonds may furnish in writing, at the address set forth in the notice, the person's name, address, and telephone number, and that any such person may also furnish a telex number and/or electronic mail address. The notice must also state: (1) the amount of the Bonds to be offered; (2) the denominations; (3) the dates of maturity; (4) the maximum rate or rates of interest; (5) the place of sale; and (6) the time within which the name, address and telephone number must be furnished, which must not be less than seven days after the last publication of the notice. Each person so registered shall be notified of the date and time bids will be received 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 the person, and also by telex and/or electronic mail if the person furnishes a telex number or electronic mail address. The notice will also state that the winning bidder will agree to assist the Town in establishing the issue price of the Bonds under Treas. Reg. Section 1.148-1(f) ("**Issue Price Regulation**"). Such notice may also provide that electronic bidding will be permitted and include such other information as the Clerk-Treasurer shall deem necessary. Such notice shall also provide, among other things, that each bid shall be accompanied by a certified or cashier's check or financial surety bond in an amount equal to one percent (1%) of the principal amount of the Bonds to guarantee performance on the part of the bidder. If a financial surety bond is used, it must be from an insurance company licensed to issue such bond in the State, and such bond must be submitted to the Town prior to the opening of the bids. The financial surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bond. If Bonds are awarded to a bidder utilizing a financial surety bond, then the purchaser is required to submit to the Town a certified or cashier's check (or wire transfer such amount as instructed by the Town) not later than 3:30 p.m. (Town time) on the next business day following the award. In the event the successful bidder shall fail or refuse to accept delivery of and pay for the Bonds as soon as the Bonds are ready for delivery, or at the time fixed in the notice of intent to sell, then such check or financial surety bond and the proceeds thereof shall become the property of the Town and shall be considered as the Town's liquidated damages on account of such default.

Bidders for the Bonds shall be required to name the rate or rates of interest which the Bonds are to bear, not exceeding six percent (6.00%) per annum. Such interest rate or rates shall be in multiples of one-eighth (1/8) or one-hundredth (1/100) of one percent (1.00%). Bids

specifying more than one interest rate shall also specify the amount and maturities of the Bonds bearing each rate, and all the Bonds maturing on the same date shall bear the same rate of interest. Subject to the provisions set forth below, the Clerk-Treasurer shall award the Bonds to the bidder offering the lowest net interest cost to the Town, to be determined by computing the total interest on all of the Bonds from the date thereof to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount. No bid for less than 98.00% of the par amount of the Bonds (or such higher percentage of the par amount of the Bonds as the Clerk-Treasurer, with the advice of the Town's Financial Advisor, shall determine prior to the publication of the notice of intent to sell, to be reflected in the Clerk-Treasurer's Certificate), plus accrued interest at the rate or rates named to the date of delivery, will be considered. The Clerk-Treasurer shall have full right to reject any and all bids. In the event no acceptable bid is received at the time fixed for the sale of the Bonds, the Clerk-Treasurer shall be authorized to continue to receive bids from day to day thereafter for a period not to exceed thirty (30) days, without readvertising, pursuant to Indiana law.

The Clerk-Treasurer is hereby authorized to determine, in his discretion, to sell the Bonds pursuant to the general provisions of Indiana Code 5-1-11 (rather than Section 2(b) thereof), and in the event of such a determination, those portions of this Section 8 which conflict with such provisions shall be deemed inapplicable.

As an alternative to competitive sale, the Clerk-Treasurer may negotiate the sale of any series of the Bonds to the Authority or the Indiana Bond Bank. The President of the Town Council and the Clerk-Treasurer are hereby authorized to (i) submit an application to the Authority or the Indiana Bond Bank, (ii) execute an FAA (including any amendment thereof) with the Authority or negotiate and execute a purchase agreement with the Indiana Bond Bank with terms conforming to this Ordinance and (iii) sell such Bonds upon such terms as are acceptable to the President of the Town Council and the Clerk-Treasurer consistent with the terms of this Ordinance.

If any series of Bonds is sold to the Authority, the FAA for such Bonds and the Project shall be executed by the Town and the Authority. The FAA shall be in substantially the form provided by the Authority and incorporated herein by reference and is hereby approved by the Town Council. The President of the Town Council and the Clerk-Treasurer are hereby authorized to approve, execute and deliver said FAA, and to approve any such changes in form or substance thereto which are consistent with the terms of this Ordinance, such changes to be conclusively evidenced by its execution.

The Town, having satisfied all the statutory requirements for the issuance of the Bonds, may elect to issue its BAN or BANs, pursuant to a Bond Anticipation Note Purchase Agreement ("**Purchase Agreement**"), to be entered into between the Town and the purchaser of the BANs.

If the BANs are sold to the Authority, the FAA shall serve as the Purchase Agreement. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the Town to repeat the procedures for the issuance of its Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs. The Town Council President and the Clerk-Treasurer are hereby authorized and directed to execute a Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The Town Council President and the Clerk-Treasurer may also take such other action or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

Prior to the delivery of the Bonds and the BANs, the Clerk-Treasurer with the advice of the Town's Financial Advisor, (i) shall be authorized to investigate, negotiate and obtain bond insurance, other forms of credit enhancement and/or credit ratings on the Bonds and the BANs and (ii) shall obtain a legal opinion as to the validity of the Bonds and the BANs from Jackson Kelly PLLC, Evansville, Indiana, bond counsel for the Town, with such opinion to be furnished to the purchaser of the Bonds or to the purchasers of the BANs at the expense of the Town. The costs of obtaining any such insurance, other credit enhancement and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the Bonds and the BANs, shall be considered as a part of the cost of the Project and shall be paid out of the proceeds of the Bonds or BANs, respectively.

Section 9. Disposition of Proceeds of the Bonds and BANs; Town of Chandler, 2024 Waterworks Acquisition-Construction Account. The proceeds from the sale of the BANs or the Bonds shall be deposited in a bank or banks which are legally qualified depositories for the funds of the Town, in the special account to be designated as "Town of Chandler, 2024 Waterworks Acquisition-Construction Account" ("**Acquisition-Construction Account**") or directly applied to the payment of costs of the Project as contemplated by any FAA, as applicable. Amounts in the Acquisition-Construction Account shall be expended only for the purpose of paying the costs of the Project, as described in the Ordinance and in the Act, together with the incidental expenses incurred in connection with the Project and the costs of issuance of the BANs or the Bonds, and as otherwise permitted or required by the Act. Any balance or balances remaining unexpended in the Acquisition-Construction Account after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall be either (1) be paid into the Sinking Fund and used solely for the purposes thereof or (2) be used solely for one or more of the purposes permitted under the provisions of Indiana Code 5-1-13, as amended. Pursuant to the Act, the owners of the Bonds and BANs shall be

entitled to a lien on the proceeds of the Bonds and BANs, respectively, until such proceeds are applied as required by this Ordinance and by Indiana law.

Notwithstanding the provisions of this Section 9, if BANs are issued, then the proceeds of the Bonds relating thereto shall be used to refund the BANs and are hereby pledged for such purpose, and any proceeds of the Bonds remaining after the BANs have been paid in full and after completion of the Project shall be used solely for one (1) or more of the purposes permitted under the provisions of Indiana Code 5-1-13, as amended.

With respect to any Bonds sold to the Authority, to the extent that (a) the total principal amount of the Bonds is not paid by the purchaser or drawn down by the Town, or (b) proceeds remaining in the Acquisition-Construction Account are not applied to the Project (or any modifications or additions thereto approved by the Authority), the Town shall, in consultation with the Authority, reduce the principal amounts of the Bond maturities to effect such reduction in a manner that will still achieve the level of annual debt service as described in Section 2 of this Ordinance subject to and upon the terms set forth in the FAA for the Bonds.

Section 10. Segregation and Application of Waterworks Revenues, Revenue Fund and Operation and Maintenance Fund. All revenues derived from the operation of the Waterworks and from the collection of water rates and charges (including any System Development Charges) shall be deposited in a fund previously established and continued hereby and designated as the Revenue Fund (“**Revenue Fund**”) and shall be segregated and kept separate and apart from all other funds and bank accounts of the Town. Out of said revenues the proper and reasonable expenses of operation, repair and maintenance of the Waterworks shall be paid, the principal and interest of all bonds and fiscal agency charges of registrars and bank paying agents shall be paid, the Debt Service Reserve Account (as hereinafter defined) of the Sinking Fund shall be funded, and the costs of replacements, extensions, additions and improvements shall be paid as hereinafter provided. So long as any Bonds are held by the Authority, no moneys derived from the revenues of the Waterworks shall be transferred to the General Fund of the Town (except for payment in lieu of property taxes) or be used for any purpose not connected with the Waterworks.

On or before the last day of each calendar month there shall be credited from the Revenue Fund to the Operation and Maintenance Fund (“**Operation and Maintenance Fund**”), previously established and continued hereby, a sufficient amount of the revenues of the Waterworks so that the balance in said fund shall be sufficient to pay the expenses of operation, repair and maintenance of the Waterworks for the next succeeding two (2) calendar months. The moneys credited to the Operation and Maintenance Fund shall be used for the payment of the reasonable and proper operation, repair, and maintenance expenses of the Waterworks on a day-to-day basis, but none of the moneys in such fund shall be used for transfers for payments

in lieu of property taxes, depreciation, replacements, improvements, extensions or additions. Any balance in said fund in excess of the expected expenses of operation, repair, and maintenance for the next succeeding two (2) months may be transferred to the Sinking Fund previously created and continued hereby if necessary to prevent a default in the payment of principal or interest on then outstanding bonds of the Waterworks.

Section 11. (a) Waterworks Sinking Fund. There shall be deposited from the Revenue Fund into the Sinking Fund ("**Sinking Fund**"), previously established and hereby continued, for the payment of the interest on and principal of revenue bonds which by their terms are payable from the revenues of the Waterworks, and the payment of any fiscal agency charges in connection with the payment of such bonds and interest thereon, a sufficient amount of the Net Revenues of said Waterworks (including any System Development Charges that are considered Net Revenues) to meet the requirements of the Bond and Interest Account and the Debt Service Reserve Account previously established and continued hereby in said Sinking Fund. Such payments shall continue until the balance in the Bond and Interest Account, plus the balance in the Debt Service Reserve Account, equals the principal of and interest on all of the then outstanding bonds of the Waterworks to the final maturity thereof and provision is made for the payment of all fiscal agency charges in connection therewith.

(b) Sinking Fund Trust Arrangement. If any series of Bonds is sold to the Authority (or any Prior Bonds are held by the Authority), the Sinking Fund, containing the Bond and Interest Account and Debt Service Reserve Account, and/or the Acquisition/Construction Account shall be held by a financial institution acceptable to the Authority, pursuant to terms acceptable to the Authority. If the Sinking Fund and the accounts therein are held in trust, the Town shall transfer the monthly required amounts of Net Revenues to the Bond and Interest Account and the Debt Service Reserve Account in accordance with this Section 11, and the financial institution holding such funds in trust shall be instructed to pay the required payments in accordance with the payment schedules for the Town's outstanding bonds. The President of the Town Council and Clerk-Treasurer are hereby authorized to execute and deliver an agreement with a financial institution to reflect this trust arrangement for the Sinking Fund and/or the Acquisition/Construction Account. The financial institution selected to serve in this role may also serve as Registrar and Paying Agent for any outstanding bonds of the Town.

(c) Bond and Interest Account. There shall be credited on or before the last day of each calendar month to the Bond and Interest Account ("**Bond and Interest Account**") previously established and continued hereby, an amount of Net Revenues equal to the sum of one-sixth (1/6) of the interest on all then outstanding bonds of the Waterworks payable on the then next succeeding Interest Payment Date, and one-sixth (1/6) of the amount of principal payable on the next principal payment date on all then outstanding bonds of the Waterworks which will be payable on the then next succeeding principal payment date, until the amount of

interest and principal payable on the next succeeding respective principal and interest payment dates shall have been so credited; provided that such fractional amounts shall be appropriately increased to provide for the first interest and first principal payments. There shall similarly be credited to the account the amount necessary to pay the bank fiscal agency charges, if any, for paying principal and interest on outstanding bonds of the Waterworks as the same become payable. The Town shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owners of the outstanding bonds of the Waterworks or to the bank fiscal agency sufficient moneys to pay the principal and interest on the due dates thereof together with the amount of any bank fiscal agency charges.

(d) Debt Service Reserve Account. On or before the last day of each calendar month, after making the credits to the Bond and Interest Account, there shall be credited from available Net Revenues to the Debt Service Reserve Account ("**Debt Service Reserve Account**") previously established and continued hereby in amounts sufficient to produce, in equal monthly installments over a sixty (60) month period, an amount equal to the maximum annual debt service on the Prior Bonds, the Bonds, and any additional parity bonds issued in the future pursuant to Section 17 of this Ordinance ("**Future Parity Bonds**") of the Waterworks ("**Reserve Requirement**"); provided, however, that the Clerk-Treasurer, with the advice of the Town's Financial Advisor, may elect to satisfy all or a portion of the Reserve Requirement on the date of issuance of the Bonds from Bond proceeds or other available funds of the Town. Said credits to the Debt Service Reserve Account shall continue until the balance therein shall equal the Reserve Requirement. The Reserve Requirement may be satisfied with cash, a debt service reserve surety bond ("**surety bond**") or a combination thereof. The surety bond must be issued by an insurance company rated in the highest rating category by Standard & Poor's Rating Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, with such rating being assessed as of the date of delivery of the Bonds, and not on any date thereafter except as otherwise required by the terms of any FAA applicable to any Bonds or Prior Bonds. If such a surety bond is purchased, the Town Council President and the Clerk-Treasurer are hereby authorized to execute and deliver all agreements with the provider of the surety bond to the extent necessary to comply with the terms of such surety bond and the commitment to issue such policy. Such agreements shall be deemed a part of this Ordinance for all purposes and are hereby incorporated herein by reference. The Debt Service Reserve Account shall constitute the margin for safety as a protection against default in the payment of principal of and interest on the Bonds, the Prior Bonds and any Future Parity Bonds, and the moneys in the Debt Service Reserve Account shall be used to pay current principal and interest on the Bonds, the Prior Bonds and any other bonds of the Town payable from the Net Revenues of the Waterworks, to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. Any deficiencies in credits to the Debt Service Reserve Account shall be promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account. In the event moneys in the Debt Service Reserve Account are transferred to the Bond and Interest

Account to pay principal and interest on the Prior Bonds, the Bonds, or any Future Parity Bonds, then such depletion of the balance in the Debt Service Reserve Account shall be made up from the next available Net Revenues after the credits into the Bond and Interest Account hereinbefore provided for. Any moneys in the Debt Service Reserve Account in excess of the Reserve Requirement shall be transferred to the Waterworks Improvement Fund, and in no event shall such excess moneys be held in the Debt Service Reserve Account.

Section 12. Waterworks Improvement Fund. After making all required payments into the Operation and Maintenance Fund and the Sinking Fund, then any excess Net Revenues may be credited to the Waterworks Improvement Fund ("**Waterworks Improvement Fund**") previously established and continued hereby. Said fund shall be used for (a) improvements, replacements, additions and extensions of the Waterworks or for any other lawful purpose that is related to the Waterworks and (b) for payments in lieu of property taxes subject to any FAA applicable to any Bonds or Prior Bonds and provided that if any of the Bonds or Prior Bonds are owned by the Authority as part of the IFA Program, unless otherwise approved by the prior written consent of the Authority, such payments in lieu of property taxes, shall only be made (i) no more frequently than semiannually on March 2 and September 2 and (ii) if all monthly deposits required by this Ordinance are current and held as of such dates in the Operation and Maintenance Fund and the Sinking Fund. Other than payments in lieu of property taxes, no moneys derived from the revenues of the Waterworks shall be transferred to the General Fund of the Town or be used for any purpose not connected with the Waterworks. Moneys in the Waterworks Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds, or if necessary to eliminate any deficiencies in credits to or minimum balances in the Debt Service Reserve Account. Moneys in the Improvement Fund also may be transferred to the Operation and Maintenance Fund to meet unforeseen contingencies in the operation, repair and maintenance of the Waterworks.

Section 13. Investment of Funds. All of the amounts in the funds and accounts created pursuant to this Ordinance shall be deposited in lawful depositories of the State and shall be continuously held and secured or invested as provided by the laws of Indiana relating to the depositing, securing, holding and investing of public funds, including particularly Indiana Code 5-13-9, as supplemented by Indiana Code 5-1.2-1 through Indiana Code 5-1.2-4, 5-1.2-10, 5-1.2-11, 5-1.2-14 and Indiana Code 5-1.2-14.5. The Sinking Fund shall be deposited in and maintained as a separate bank account or accounts from all other accounts of the Town, including, without limitation, any funds or accounts relating to any other utility of the Town beyond the Waterworks. The Operation and Maintenance Fund and the Waterworks Improvement Fund may be maintained in a single bank account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the Town (including, without limitation, any funds or accounts relative to any other utility of the

Town beyond the Waterworks) and apart from the Sinking Fund account or accounts. Nothing in this section or elsewhere in this Ordinance shall be construed to require that separate bank accounts be established and maintained for the funds and accounts created by this Ordinance except that (a) the Sinking Fund and the Acquisition-Construction Account shall be maintained as separate bank accounts from the other funds and accounts of the Waterworks, and (b) the other funds and accounts of the Waterworks shall be maintained as separate bank accounts from the other funds and accounts of the Town, including, without limitation, any other funds and accounts for any other utility of the Town beyond the Waterworks.

Section 14. Books of Records and Accounts. The Town shall keep proper books of records and accounts, separate from all of its other records and accounts, in which completed and correct entries shall be made and showing all revenues collected from said Waterworks and deposited in said funds, and all disbursements made therefrom on account of the operation of the works, and to meet the requirements of the Sinking Fund and all other financial transactions relating to said works. There shall be furnished, upon written request, to any owner of the Bonds, the most recent audit report of the Waterworks prepared by the State Board of Accounts. There shall be prepared and furnished upon written request, to any owner of the Bonds or BANs at the time then outstanding, not more than ninety (90) days after the close of each fiscal year, complete financial statements of the Waterworks, covering the preceding fiscal year, which annual statements shall be certified by the Clerk-Treasurer, or by licensed independent public accountants employed for that purpose. Copies of all such statements and reports shall be kept on file in the office of the Clerk-Treasurer. Any owner or owners of at least five percent (5%) of the Bonds or BANs then outstanding shall have the right at all reasonable times to inspect the Waterworks and all records, accounts and data of the Town relating thereto. Such inspections may be made by representatives duly authorized by written instrument.

If the Bonds or BANs are sold to the Authority through the IFA Program, the Town shall establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) and the Waterworks in accordance with (i) generally accepted governmental accounting standards for utilities, on an accrual basis, as promulgated by the Government Accounting Standards Board and (ii) the rules, regulations and guidance of the State Board of Accounts.

Section 15. Rates and Charges. The Town, to the fullest extent permitted by law, shall establish, fix, maintain, and collect reasonable and just rates and charges for the use of and the services rendered by the Waterworks so that such rates and charges shall produce revenues, provided that System Development Charges shall be excluded, to the extent permitted by law, when determining if such rates and charges are sufficient so long as the Bonds are outstanding and owned by the Authority as part of its IFA Program, at least sufficient in each year to (a) (i) pay all the legal and other necessary expenses incident to the operation of the Waterworks,

including maintenance costs, operating charges, upkeep, repairs, depreciation and interest charges on bonds or other obligations, including leases, or (ii) when any series of Bonds or Prior Bonds are held by the Authority, pay for the proper Operation and Maintenance (as defined in an FAA) of the Waterworks; (b) provide a sinking fund for the liquidation of bonds or other obligations, including leases; (c) provide a debt service reserve on bonds or other obligations, including leases, as required by the terms of such obligations; (d) provide adequate money for working capital; (e) provide adequate money for making extensions and replacements; and (f) provide money for the payment of any taxes that may be assessed against the Waterworks.

So long as any of the Bonds are outstanding, none of the facilities and services afforded by the Waterworks shall be furnished without a reasonable and just charge being made therefor. The reasonable cost and value of any facility or service rendered to the Town, or to any department, agency, or instrumentality thereof by the Waterworks by furnishing water for public purposes or by maintaining hydrants and other facilities for fire protection shall be (i) charged against the Town; and (ii) paid for in monthly installments as the service accrues, out of the current revenues of the Town, collected or in the process of collection, and the tax levy of the Town made by it to raise money to meet its necessary current expenses. The revenue so received shall be deemed to be revenue derived from the operation of the Waterworks and shall be used and accounted for in the same manner as other revenues derived from the operation of the Waterworks.

Section 16. Defeasance. If, when the Bonds issued hereunder shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds then outstanding shall be paid; or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds issued hereunder shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the Town's Waterworks.

Section 17. Additional BANs and Bonds. The Town reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs so long as the interest is payable only on the same Interest Payment Dates as the original BANs and the principal is payable solely from the Bond proceeds. The Town also reserves the right to authorize and issue Future Parity Bonds, payable out of the Net Revenues of its Waterworks, ranking on a parity

with the Bonds authorized by this Ordinance, for the purpose of financing the cost of future additions, extensions, and improvements to the Waterworks, or to refund bonds of the Waterworks, subject to the following conditions:

(a) All required payments into the Sinking Fund shall have been made in accordance with the provisions of this Ordinance, and the interest on and principal of all bonds payable from the revenues of the Waterworks shall have been paid to date in accordance with the terms thereof. The Reserve Requirement shall be satisfied for the Future Parity Bonds either at the time of delivery of the Future Parity Bonds or over a five (5) year or shorter period, in a manner which is commensurate with the requirements established in Section 11(d) of this Ordinance.

(b) The Net Revenues of the Waterworks in the fiscal year immediately preceding the issuance of any such Future Bonds (provided, within the 90-day period following the end of such preceding fiscal year, if such year's accounting records are not final as of the sale date of the Future Parity Bonds, the fiscal year preceding such year may be used in lieu of the immediately preceding fiscal year) shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the Future Parity Bonds; or, prior to the issuance of said Future Parity Bonds, the water rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous fiscal year's operations would have produced net operating revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the Future Parity Bonds. In addition, for purposes of this subsection, with respect to any Future Parity Bonds hereafter issued while the Bonds remain outstanding and owned by the Authority as part of its IFA Program, Net Revenues may not include any revenues from the System Development Charges unless the Authority provides its consent to include all or some portion of the System Development Charges as part of the Net Revenues or otherwise consents to the issuance of such Future Parity Bonds without satisfying this subsection (b). For purposes of this subsection, the records of the Waterworks shall be analyzed and all showings shall be prepared by an independent certified public accountant or other financial consultant employed by the Town for that purpose.

(c) The principal of and interest on said Future Parity Bonds shall be payable semiannually on March 1 and September 1 in the years in which such principal and interest are payable.

(d) If any series of Bonds is sold to the Authority and so long as such Bonds are outstanding, (i) the Town obtains the consent of the Authority, (ii) the Town has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in this ordinance and the Financial Assistance Agreement for the Bonds and any

series of Bonds sold to the Authority, and (iii) the Town is in compliance with its waterworks permits, except for non-compliance for which purpose the Future Parity Bonds are issued, including refunding bonds issued prior to, but part of the overall plan to eliminate such non-compliance.

Section 18. Additional Covenants of the Town. For the purpose of further safeguarding the interests of the owners of the Bonds and BANs herein authorized, it is specifically provided as follows:

(a) The Town shall at all times maintain its Waterworks in good condition and operate the same in an efficient manner and at a reasonable cost.

(b) So long as any of the BANs or Bonds herein authorized are outstanding, the Town shall maintain insurance on the insurable parts of the system, of a kind and in an amount such as is usually carried by private corporations engaged in a similar type of business. If the Bonds are sold to the Authority and for so long as the Bonds or BANs are outstanding, the insurance shall be acceptable to the Authority. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. All insurance proceeds and condemnation awards shall be used either (i) in replacing or restoring the property destroyed or damaged or (ii) shall be deposited in the Sinking Fund; provided, that if the Bonds are sold to Authority as part of the IFA Program, the Authority must consent to a use of such proceeds or awards pursuant to such clause (ii).

(c) So long as any of the BANs or Bonds herein authorized are outstanding, the Town shall not mortgage, pledge or otherwise encumber the Waterworks, or any part thereof, nor shall it sell, lease or otherwise dispose of any portion thereof except to replace equipment which may become worn out or obsolete; provided, that if such outstanding BANs or Bonds have been sold to the Authority as part of the IFA Program, such exception shall only apply if the Authority provides its prior written consent.

(d) If the BANs or Bonds are sold to the sold to Authority as part of the IFA Program and for so long as such Bonds or BANs are outstanding, the Town shall not without the prior written consent of the Authority (i) enter into any lease, contract or agreement or incur any other liabilities in connection with the Waterworks other than for normal operating expenditures, or (ii) borrow any money (including without limitation any loan from other utilities operated by the Town) in connection with the Waterworks.

(e) Except as hereinbefore provided in Section 17 hereof, so long as any of the Bonds herein authorized are outstanding, no Future Parity Bonds or other obligations pledging any portion of the revenues of the Waterworks shall be authorized, executed or issued by the Town

except such as shall be made subordinate and junior in all respects to the bonds herein authorized, unless all of the Bonds herein authorized are redeemed, retired or defeased pursuant to Section 16 hereof coincidentally with the delivery of such Future Parity Bonds or other obligations.

(f) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the Bonds and BANs herein authorized for the uses and purposes herein set forth, and the owners of the Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and of said governing Act. The provisions of this Ordinance shall also be construed to create a trust in the portion of the Net Revenues herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of said fund as in this Ordinance set forth. The owners of said Bonds shall have all of the rights, remedies and privileges set forth under Indiana law in the event of default in the payment of the principal of or interest on any of the Bonds herein authorized or in the event of default in respect to any of the provisions of this Ordinance or the Act, including the right to have a receiver appointed to administer the utility in the event the Town shall fail or refuse to fix and collect sufficient rates and charges for those purposes, or shall fail or refuse to operate and maintain said utility and to apply properly the revenues derived from the operation thereof, or if there be a default in the payment of the interest on or principal of the Bonds or any BANs.

(g) The provisions of this Ordinance shall constitute a contract by and between the Town and the owners of the Bonds and BANs herein authorized, all the terms of which shall be enforceable by any bondholder by any and all appropriate proceedings in law or in equity. After the issuance of the Bonds or BANs, this Ordinance shall not be repealed, amended or modified in any respect which will adversely affect the rights of the owners of said Bonds or BANs, nor shall the Town Council or any other body of the Town adopt any law, ordinance or resolution in any way adversely affecting the rights of the bondholders so long as any of said Bonds, BANs or the interest thereon, remain outstanding or unpaid. Except in the case of changes described in Section 21 (a)-(g), this Ordinance may be amended, however, without the consent of BAN or bond owners, if the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the BANs or Bonds; provided, however, that if the Bonds or BANs are sold to the Authority, the Town shall obtain the prior written consent of the Authority.

(h) For purpose this Section 18, the term "lease" shall include any lease, contract, or other instrument conferring a right upon the Town to use property in exchange for a periodic payments made from the revenues of the Waterworks, whether the Town desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease,

financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

Section 19. Permitted Actions Relating to Preservation of Exclusion of Interest from Federal Gross Income. (a) The Clerk-Treasurer is hereby authorized to invest moneys pursuant to the provisions of this Ordinance (subject to applicable requirements of federal law to insure such yield is then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds and BANs, or the tax-exempt status of interest on the Bonds and BANs, under federal law.

(b) The Clerk-Treasurer shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts created or referenced herein. In order to comply with the provisions of the Ordinance, the Clerk-Treasurer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the Town as to requirements of federal law to preserve the tax exclusion or exemption.

Section 20. Tax Covenants. In order to preserve the exclusion of interest on the Bonds and BANs from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds and BANs, the Town represents, covenants and agrees that:

(a) No person or entity, other than the Town or another state or local governmental unit, will use proceeds of the Bonds or BANs or property financed by the Bond or BAN proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by the Bond or BAN proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as take-or-pay or output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(b) No Bond or BAN proceeds will be loaned to any entity or person. No Bond or BAN proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond or BAN proceeds.

(c) The Town will not take, or cause to permit to be taken by it or by any party under its control, or fail to take or cause or permit to fail to be taken by it or by any party under its control, any action with respect to the Bonds or BANs that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds or BANs pursuant to Section 103 of the Code, nor will the Town act in any other manner which would adversely affect such exclusion. The Town further covenants that it will not make any

investment or do any other act or thing during the period that any Bond or BAN is outstanding hereunder which would cause any Bond or BAN to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto as in effect on the date of delivery of the Bonds or BANs.

(d) The Town will, to the extent necessary to preserve the exclusion of interest on the Bonds and BANs from gross income for federal income tax purposes, rebate all required arbitrage profits on Bond and BAN proceeds or other moneys treated as Bond or BAN proceeds to the federal government and will set aside such moneys in a Rebate Account to be held by the Clerk-Treasurer in trust for such purpose.

(e) All officials, officers, members, employees and agents of the Town are hereby authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Town as of the date that the Bonds are issued, and to make covenants on behalf of the Town evidencing the commitments made herein and to do all such other acts necessary or appropriate to carry out this Ordinance. In particular and without limiting the foregoing, any and all appropriate officials, officers, members, employees and agents of the Town are authorized to certify and/or enter into covenants on behalf of the Town regarding (i) the facts and circumstances and reasonable expectations of the Town as of the date that the Bonds are issued and (ii) the commitments made herein by the Town regarding the amount and use of the proceeds of the Bonds.

(f) The Clerk-Treasurer is hereby authorized to employ consultants and attorneys from time to time to advise the Town with respect to the requirements under federal law for the continuing preservation of the exclusion of interest on the Bonds and BANs from gross income for purposes of federal income taxation, as described in this Section 20.

Section 21. Supplemental Ordinances. Without notice to or consent of the owners of the Bonds herein authorized, the Town may, from time to time and at any time, adopt an ordinance or ordinances supplemental hereto (which supplemental ordinance or ordinances shall thereafter form a part hereof) for any of the following purposes:

(i) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance or to make any other change authorized herein;

(ii) To grant to or confer upon the owners of the Bonds herein authorized any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds herein authorized or to make any change which, in the judgment of the Town, is not to the prejudice of the owners of the Bonds herein authorized;

(iii) To modify, amend or supplement this Ordinance to permit the qualification of the Bonds herein authorized for sale under the securities laws of the United States of America or of any of the states of the United States of America or to obtain or maintain bond insurance with respect to payments of principal of and interest on Bonds herein authorized;

(iv) To provide for the refunding of the Bonds herein authorized;

(v) To procure a rating on the Bonds herein authorized from a nationally recognized securities rating agency or agencies designated in such supplemental ordinance if such supplemental ordinance will not adversely affect the owners of the Bonds herein authorized; and

(vi) Any other purpose which, in the judgment of the Town, does not adversely affect the interests of the owners of the Bonds herein authorized;

provided, however, that if the Bonds or BANs are sold to the Authority, the Town shall obtain the prior written consent of the Authority.

Subject to the terms and provisions contained in this Section 21, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds issued pursuant to this Ordinance and then outstanding shall have the right, from time to time, anything contained in this Ordinance to the contrary notwithstanding, to consent to and approve the adoption by the Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this Ordinance, or in any supplemental ordinance; provided, however, that if the Bonds or BANs are sold to the Authority through the IFA Program, the Town shall obtain the prior written consent of the Authority; and provided further, that nothing herein contained shall permit or be construed as permitting without the consent of the owner of each Bond:

(a) An extension of the maturity of the principal of or interest on any bond issue pursuant to this Ordinance; or

(b) A reduction in the principal amount of any bond or the redemption premium or the rate of interest thereon; or

(c) The creation of a lien upon or a pledge of the revenues of the Waterworks ranking prior to the pledge thereof created by this Ordinance; or

- (d) A preference or priority of any Bond or Bonds issued pursuant to this Ordinance over any other Bond or Bonds issued pursuant to the provisions of this Ordinance; or
- (e) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance; or
- (f) The extension of mandatory sinking fund redemption dates, if any; or
- (g) A reduction in the Reserve Requirement

The owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk-Treasurer. No owner of any bond issued pursuant to this Ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Town or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the Town and all owners of Bonds issued pursuant to the provisions of this Ordinance then outstanding, shall thereafter be determined, exercised and enforced in accordance with this Ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this Ordinance, the rights and obligations of the Town and of the owners of the Bonds authorized by this Ordinance, and the terms and provisions of the Bonds and this Ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the Bonds issued pursuant to this Ordinance then outstanding.

Section 22. Repeal of Conflicting Ordinances. All Prior Ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that this Ordinance shall not be deemed in any way to repeal the Prior Ordinances nor be construed as adversely affecting the rights of any of the holders of the Prior Bonds.

Section 23. Compliance with Tax Sections. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance ("Tax Sections") which are designed to preserve the tax-exempt status of interest on the Bonds and BANs or the exclusion of interest on the Bonds and BANs from gross income under federal law ("Tax

Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 24. Not Private Activity Bonds. The Town represents that the Bonds and the BANs are not private activity bonds as defined in Section 141 of the Code.

Section 25. Reimbursement. The Town reasonably expects to reimburse the Waterworks Net Revenues or general property tax revenues of the Town or local income taxes, as applicable, for capital expenditures made not more than sixty (60) days prior to the date of enactment of Resolution Number 2023-02 adopted by the Town Council on August 21, 2023 ("**Reimbursement Resolution**"), in connection with the Project, prior to the execution and delivery of the Bonds or BANs, from the proceeds of the Bonds or BANs, which are reasonably expected to be executed and delivered within eighteen (18) months from the later of (i) the expenditure for payment of said costs or (ii) the placing of the Project in service. The Reimbursement Resolution was intended to constitute a "declaration of official intent" pursuant to Section 1.150-2 of the Treasury Regulations promulgated under the Code. The source of payment for such capital expenditures is expected to be the Waterworks Net Revenues or the general property tax revenues of the Town or the local income tax revenues of the Town, and, upon issuance of the Bonds or BANs, proceeds thereof not to exceed the amount of such capital expenditures will be applied to reimbursement of such capital expenditures. The maximum amount of such reimbursement is \$16,500,000, and the maximum principal amount of Bonds to be issued for the Project (including costs of issuance of the Bonds and related costs) is \$17,640,000.

Section 26. Clerk-Treasurer's Certificate. The Clerk-Treasurer shall set forth in a certificate ("**Clerk-Treasurer's Certificate**") the first Interest Payment Date, the principal payment schedule for the Bonds, the percentage of par at which the Bonds shall be sold and any other matters required by this Ordinance to be provided in the Clerk-Treasurer's Certificate.

Section 27. Disclosure. If required by the Rule, as hereinafter defined and if sold to a purchaser other than the Authority or the Indiana Bond Bank, the Bonds shall be offered and sold pursuant to an Official Statement with respect to the Bonds ("**Official Statement**"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission ("**Rule**") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The Town Council hereby authorizes the Town Council President and Clerk-Treasurer (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official Statement of the Town; (b) on behalf of the Town, to designate the Preliminary Official Statement a "final" Official Statement with respect to the

Bonds, subject to completion as permitted by and otherwise pursuant to the Rule; and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and to enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement under the Rule. The Town Council President and the Clerk-Treasurer are further authorized to execute an agreement in connection with the offering of the Bonds in accordance with the Rule by which the Town agrees to undertake such continuing disclosure obligations as may be required under the Rule.

If any series of Bonds is sold to the Authority or the Indiana Bond Bank, the Town shall receive an investment letter from the Authority or the Indiana Bond Bank which satisfies any applicable state and federal securities laws. As an alternative to the preparation and distribution of an Official Statement as set forth above, the Town may accept from any purchaser of the Bonds an investment letter which satisfies any applicable state and federal securities laws.

Section 28. IURC. Prior to the issuance of the Bonds or any BAN with a maturity of more than 12 months, the Town shall obtain the approval of the IURC for the issuance of said Bonds or BANs. The Town hereby authorizes the President of the Town Council to retain legal counsel and other professional services as may be necessary to obtain said approval from the IURC and to initiate the proceedings necessary for obtaining said approval.

Section 29. Further Actions. The Town Council hereby requests, authorizes and directs the Town Council President and the Clerk-Treasurer, and each of them, for and on behalf of the Town, to prepare, execute and deliver any and all other instruments, letters, certificates, agreements and documents as are determined to be necessary or appropriate to consummate the transactions contemplated by this Ordinance, and such determination shall be conclusively evidenced by the execution thereof. The instruments, letters, certificates, agreements, and documents necessary or appropriate to consummate the transactions contemplated by this Ordinance shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations and warranties of the Town, the full performance and satisfaction of which by the Town is hereby authorized and directed.

Section 30. Payments on Holidays. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the Town or the Town in which the Registrar and Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 31. Partial Invalidity. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 32. Captions. The captions in this Ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this Ordinance.

Section 33. Effectiveness. This Ordinance shall be in full force and effect from and after its passage.

* * *

Passed and adopted by the Town Council of Chandler, Indiana, this 18th day of March, 2024.

TOWN OF CHANDLER, INDIANA

Ron Whittedge
~~Tonya Wester~~ Ron Whittedge
Vice-President, Town Council

ATTEST:

Misty R Denk
~~Brian Pace~~ Misty Denk
Clerk-Treasurer Utilities Clerk

I, the undersigned Clerk-Treasurer of the Town of Chandler, in Warrick County, Indiana, do hereby certify that above and foregoing is a full, true, and complete copy of Ordinance No. 2024-07 passed by the Town Council of Chandler, Indiana, on the 18th day of March, 2024, by a vote of 4 AYES and 0 NAYS and now remains on file and on record in my office.

Misty R Denk
~~Brian Pace~~ Misty Denk
Clerk-Treasurer Utilities Clerk

EXHIBIT A

Project Description

Project 1

Libbert Road Water Main

Replacement of approximately 3,420 lineal feet of 4-inch water main with a new 8-inch PVC main along Libbert Road from High Pointe Drive to Oak Grove Road. Installation of approximately 1,300 lineal feet of new 8-inch water main along the extension of Vann Road west from Libbert Road. The new mains will be installed in private easements to be acquired. Including valves, hydrants, erosion control and site restoration. The project includes design, permitting, land acquisition (22 parcels), construction administration, construction inspection, construction costs and contingency estimated at \$2.0 million.

Project 2

Telephone Road Water Line Relocation

Replacement of approximately 7,100 lineal feet of 8-inch water main with new 8-inch PVC and replacement of approximately 540 lineal feet of 6-inch water main with new 6-inch PVC along Telephone Road from Bell Road to Fuquay Road within the existing road right-of-way. The project is the result of Warrick County's road widening project. Including valves, hydrants, erosion control and site restoration. The project includes design, permitting, construction administration, construction inspection and construction costs and construction contingencies estimated at a total cost of \$1.84 million.

Project 3

Paradise 1.5 MG Composite Water Tower

Replacement of the existing Paradise 330,000 gallon tower and existing 240,000 gallon Frame Road stand pipe with a new 1.5 million gallon (MG) composite tower. The project includes additional land acquisition to accommodate the new tower, ALTA Survey, design, permitting, construction administration, and construction inspection, construction of the new tower, demolition of the existing towers and contingency estimated at a total cost of \$8.30 million.

Project 4

State Street Water Main Replacement

Replacement of approximately 2,443 lineal feet of water main along State Street with new 8-inch PVC, replacement of approximately 352 lineal feet of water main along East Cherry Street with new 6-inch PVC, replacement approximately 672 lineal feet of water main along Oak Street with new 6 inch PVC, replacement of approximately 303 lineal feet of water main along Maple Street with new 2-inch PVC, installation of approximately 887 lineal feet of new 6-inch water main along Greenwood Road, and installation of approximately 610 lineal feet of new 6-inch water main along West Cherry Street. The new mains will be installed in right-of-way and some private easements to be acquired. Including valves, hydrants, erosion control and site restoration. The project includes design, permitting, land acquisition (10 parcels), construction administration, construction inspection, construction costs and contingency estimated at \$1.64 million.

EXHIBIT B

Form of Bond

UNITED STATES OF AMERICA
STATE OF INDIANA
COUNTY OF WARRICK
TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 20__ [Series__]

NO. R-

[As follows if sold pursuant to a Financial Assistance Agreement:

<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Original</u> <u>Date</u>	<u>Authentication</u> <u>Date</u>	<u>CUSIP</u>
--------------------------------	--------------------------------	--------------------------------	--------------------------------------	--------------

Registered Owner: Indiana Finance Authority

Principal Sum:

The Town of Chandler, Indiana, in Warrick County, State of Indiana (the "Town"), for value received, hereby promises to pay to the Registered Owner set forth above (or registered assigns), solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above, or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the registered owner making payment for this Bond, or its assigns, on _____ and _____ in the years and in the amounts as set forth on Exhibit A attached hereto (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest thereon from the dates of payment for this Bond until the Principal Sum is paid at the rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this Bond unless this Bond is authenticated after the fifteenth day of the month next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before _____, 20__ in which case it shall bear interest from the Original Date, which interest is payable semi-annually on the first day of March and September of each year, beginning _____, 20_. Interest shall be calculated according to a three hundred sixty (360)-day calendar year containing twelve (12) thirty (30)-day months.

The principal sum of this bond is payable at the designated office of The Bank of New York Mellon Trust Company, N.A., ("Registrar" or "Paying Agent"), in the City of East Syracuse, New York. All payments of interest on this bond shall be paid by check or draft mailed one (1) business day prior to the interest payment date to the Registered Owner hereof

at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. Notwithstanding the foregoing to the contrary, if payment of this Bond is made to the Indiana Finance Authority (the "Authority") under the terms of the Financial Assistance Agreement (defined herein), all payments of principal and interest hereon shall be made by wire transfer for deposit to a financial institution as directed by the Authority as of the due date or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date to the Registered Owner hereof at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. All payments on this Bond shall be made in coin or currency of the United States of America, which on the dates of such payment shall be legal tender for the payment of public and private debts.

[As follows if not sold pursuant to a Financial Assistance Agreement:

Maturity	Interest	Original	Authentication	
<u>Date</u>	<u>Rate</u>	<u>Date</u>	<u>Date</u>	<u>CUSIP</u>

Registered Owner:

Principal Sum:

The Town of Chandler, Indiana, in Warrick County, State of Indiana (the "Town"), for value received, hereby promises to pay to the Registered Owner set forth above (or registered assigns), solely out of the special fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest thereon from the date hereof until the Principal Sum is paid at the rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this Bond unless this Bond is authenticated after the fifteenth day of the month next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____, 20__, in which case it shall bear interest from the Original Date, which interest is payable semi-annually on the first day of March and September of each year, beginning _____, 20_. Interest shall be calculated according to a three hundred sixty (360)-day calendar year containing twelve (12) thirty (30)-day months.

The principal sum of this Bond is payable at the principal office of _____ ("Registrar" or "Paying Agent"), in _____, [STATE]. All payments of interest on this Bond shall be paid by check or draft mailed or delivered one business day prior to the interest payment date to the Registered Owner hereof at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the Registered Owner. All payments on this Bond shall be

made in coin or currency of the United States of America, which on the dates of such payment shall be legal tender for the payment of public and private debts.]

THIS BOND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE TOWN WITHIN THE MEANING OF THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA, AND THE TOWN SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST THEREON EXCEPT FROM THE SPECIAL FUND PROVIDED FROM THE NET REVENUES DESCRIBED HEREIN.

This Bond is one (1) of an authorized issue of bonds of the Town, of like date, tenor and effect, except as to numbering, interest rates and dates of maturity, in the aggregate amount of \$_____ numbered from __R-1 up, issued for the purpose of providing funds to pay the costs of improving the Town's municipal waterworks utility, and to pay incidental expenses, as authorized by an ordinance adopted by the governing body of the Town on the ___ day of _____, 20__ (the "Ordinance"), entitled "An ordinance authorizing the acquisition of land and the acquisition, construction and installation by the Town of Chandler, Indiana, of certain improvements and extensions to the Town's Waterworks, the issuance and sale of revenue bonds to provide funds for the permanent financing of all or a portion of the costs thereof, the issuance and sale of bond anticipation notes in anticipation of the issuance and sale of such bonds, and the collection, segregation and distribution of the revenues of such waterworks and other related matters" ("Ordinance"), and in strict compliance with the provisions of Indiana Code 5-1, Indiana Code 8-1.5-2 and -3 and other applicable laws relating to the issuance of revenue bonds, as amended (collectively, "Act").

Pursuant to the provisions of the Act and the Ordinance, the principal and interest on this Bond and all other Bonds of the issue and any bonds heretofore issued on a parity basis therewith, are payable solely from the Waterworks Sinking Fund (continued by the Ordinance) to be provided from the Net Revenues (hereinafter defined as the gross revenues of the Waterworks remaining after the payment of the reasonable expenses of operation, repair, and maintenance excluding transfers for payments in lieu of property taxes) of the utility, including the utility financed by the use of the proceeds of this Bond and all additions and improvements thereto and replacements thereof subsequently constructed or acquired.

[As follows if sold pursuant to a Financial Assistance Agreement:

Reference is hereby made to the Financial Assistance Agreement ("**Financial Assistance Agreement**") between the Town and the Authority as to certain terms and covenants pertaining to the Waterworks project and this Bond.

The Town irrevocably pledges the entire Net Revenues (as defined in the Ordinance) of the utility to the prompt payment of the principal of and interest on the Bonds authorized by the Ordinance, of which this is one, and any bonds ranking on a parity basis therewith (including the Prior Bonds as described in the Ordinance), and covenants that it will cause to be

established, fixed, maintained and collected reasonable and just rates and charges for the use of and the services rendered by the Waterworks so that such rates and charges shall produce revenues at least sufficient in each year to (a) pay for the proper Operation and Maintenance (as defined in Financial Assistance Agreement) of the Waterworks; (b) provide a sinking fund for the liquidation of bonds or other obligations, including leases; (c) provide a debt service reserve on bonds or other obligations, including leases, as required by the terms of such obligations; (d) provide adequate money for working capital; (e) provide adequate money for making extensions and replacements; and (f) provide money for the payment of any taxes that may be assessed against the Waterworks. In the event the Town or the proper officers or officials thereof shall fail or refuse to so fix, maintain or collect such rates or charges, or if there be a default in payment of the interest on or principal of this Bond, the owner of this Bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the Waterworks and to charge and collect rates sufficient to provide for the payment of this Bond and the interest hereon.]

[As follows if not sold pursuant to a Financial Assistance Agreement:

The Town irrevocably pledges the entire Net Revenues (as defined in the Ordinance) of the Waterworks to the prompt payment of the principal of and interest on the Bonds authorized by the Ordinance, of which this is one, and any bonds ranking on a parity basis therewith (including the Prior Bonds as described in the Ordinance), and covenants that it will cause to be established, fixed, maintained and collected reasonable and just rates and charges for the use of and the services rendered by the waterworks so that such rates and charges shall produce revenues at least sufficient in each year to (a) pay all the legal and other necessary expenses incident to the operation of the Waterworks, including maintenance costs, operating charges, upkeep, repairs, depreciation and interest charges on bonds or other obligations, including leases; (b) provide a sinking fund for the liquidation of bonds or other obligations, including leases; (c) provide a debt service reserve on bonds or other obligations, including leases, as required by the terms of such obligations; (d) provide adequate money for working capital; (e) provide adequate money for making extensions and replacements; and (f) provide money for the payment of any taxes that may be assessed against the waterworks. In the event the Town or the proper officers or officials thereof shall fail or refuse to so fix, maintain or collect such rates or charges, or if there be a default in payment of the interest on or principal of this Bond, the owner of this Bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the waterworks and to charge and collect rates sufficient to provide for the payment of this Bond and the interest hereon.]

[As follows if sold pursuant to a Financial Assistance Agreement:

The Bonds of this issue maturing on _____, 20__ or thereafter, are redeemable at the option of the Town on _____, 20__ or any date thereafter, on not less than sixty (60) days' notice, in whole or in part, in inverse order of maturity and by lot within a maturity, at face value together with the following premiums (expressed in percentage of face value):

2% if redeemed on _____, 20__ or thereafter before _____, 20__;

1% if redeemed on _____, 20__ or thereafter before _____, 20__;

0% if redeemed on _____, 20_ or thereafter;

plus in each case accrued interest to the date fixed for redemption; provided, however, if the Bonds are sold to the sold to Authority as part of the IFA Program and registered in the name of the Authority, the Bond shall not be redeemable at the option of the Town unless and until consented to by the Authority.]

[As follows if not sold pursuant to a Financial Assistance Agreement:

The Bonds of this issue maturing on _____, 20__, or thereafter, are redeemable at the option of the Town on _____ or any date thereafter, on not less than thirty (30) days' notice, in whole or in part, in order of maturity as determined by the Town and by lot within a maturity, at face value plus accrued interest to the date fixed for redemption.]

[As follows if sold subject to mandatory sinking fund redemption:

The Bonds maturing on _____, 20__ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

Date	Amount
------	--------

*Final Maturity

If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.]

[As follows if sold pursuant to a Financial Assistance Agreement:

Notice of such redemption shall be mailed to the address of the Registered Owner as shown on the registration record of the Town not less than sixty (60) days prior to the date fixed for redemption unless such redemption notice is waived by the owners of the bond or bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the bonds called for redemption. The place of redemption may be determined by the Town. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named and when the bonds shall be presented for redemption.]

[As follows if not sold pursuant to a Financial Assistance Agreement:

Notice of such redemption shall be mailed to the address of the Registered Owner as shown on the registration record of the Town not less than thirty (30) days prior to the date fixed for redemption unless such redemption notice is waived by the owners of the bond or bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the bonds called for redemption. The place of redemption may be determined by the Town. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named and when the bonds shall be presented for redemption.]

If this Bond shall not be presented for payment or redemption on the date fixed therefor, the Town may deposit in trust with its depository bank an amount sufficient to pay such Bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with the bank for payment and the Town shall have no further obligation or liability in respect thereto.

This Bond is subject to defeasance prior to redemption or payment as provided in the Ordinance and the owner of this Bond, by the acceptance hereof, hereby agrees to all the terms and provisions contained in the Ordinance.

This Bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the office of the Registrar, or its successor, by the Registered Owner hereof in person, or by such owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the Registered Owner or such owner's attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The Town, the Registrar and any paying agent for this Bond may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

[As follows if sold pursuant to a Financial Assistance Agreement:

The Bonds maturing in any one (1) year are issuable only in fully registered form in the denomination of One Dollar (\$1.00) or any integral multiple thereof not exceeding the aggregate principal amount of the bonds maturing in such year.]

[As follows if not sold pursuant to a Financial Assistance Agreement:

The Bonds maturing in any one (1) year are issuable only in fully registered form in the

denomination of One Dollar (\$1.00) or any integral multiple thereof not exceeding the aggregate principal amount of the bonds maturing in such year.]

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete execution, issuance and delivery of this Bond have been done and performed in regular and due form as provided by law.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Town of Chandler, in Warrick County, State of Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of the duly elected, qualified, and acting President of the Town Council, its corporate seal to be hereunto affixed, imprinted, or impressed by any means and attested manually or by facsimile by its duly appointed, qualified and acting Clerk-Treasurer, all as of the date set forth above.

TOWN OF CHANDLER, INDIANA

By: _____
Tonya Wester, Town Council President

[Seal]

ATTEST:

Brian Pace, Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Town of Chandler, Indiana, Waterworks Revenue Bonds of 20__, described in the within-mentioned Ordinance.

[NAME OF REGISTRAR],
as Registrar

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (insert name and address) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

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

Signature Guarantee:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

Exhibit A
Principal Maturity Schedule

[to be inserted]

(End of Bond Form)

APPENDIX E

_____, 2026

Town of Chandler, Indiana
Chandler, Indiana

Re: \$ _____ Town of Chandler, Indiana
Waterworks Utility Revenue Bonds of 2026

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the Town of Chandler, Indiana (the “Issuer”) of its \$ _____ Waterworks Utility Revenue Bonds of 2026 (the “Bonds”), dated the date hereof.

The Bonds are being issued pursuant to Indiana Code 8-1.5, as amended, and in accordance with Ordinance No. 2024-07, enacted by the Town Council of the Issuer (the “Town Council”) on March 18, 2024, as amended (the “Ordinance”), and are subject to all the terms and conditions of the Ordinance. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein.

The Bonds are being issued for the purposes of (i) financing the cost of design and construction costs of the Project; (ii) paying the outstanding principal of and interest on the Town of Chandler, Indiana Waterworks Utility Revenue Bond Anticipation Notes of 2024; and (iii) paying the costs of issuance of the Bonds and related costs.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Ordinance and in the certified proceedings and other certifications of certain public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer pertaining to tax matters set forth in the Ordinance and in certain certificates delivered in connection with the issuance of the Bonds, we are of the opinion, under existing law, that:

1. The Issuer is a duly constituted municipal corporation of the State of Indiana, validly existing under the constitution and statutes of the State of Indiana and has the power and authority to carry out and consummate all transactions to issue the Bonds. Neither the corporate existence nor the title of any of the Issuer officers to their respective offices is being contested.

2. All actions and ordinances adopted by the Town Council relating to the Bonds, including, without limitation, the Ordinance and all related proceedings, comply with all laws of the State of Indiana, including without limitation, the Indiana Open Door Law (Indiana Code 5-14-1.5), and all applicable ordinances, bylaws, rules, and regulations of the Town and the Town

Council. The Ordinance was duly adopted by the Town Council and is enforceable in accordance with the terms and the provisions thereof.

3. The Bonds have been duly authorized, issued, executed and delivered by the Issuer and are valid, legally enforceable and binding special obligations of the Issuer. Principal and interest on the Bonds shall be payable from the Net Revenues of the Waterworks, which are pledged thereto, and are on a parity with the Prior Bonds.

4. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the “Code”) and (b) is not an item of tax preference for purposes of the federal alternative minimum tax; however, with respect to certain corporations, interest on the Bonds is taken into account in determining the “annual adjusted financial statement” income for the purpose of computing the alternative minimum tax. Except as stated in this opinion, we express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

The opinions set forth in the preceding paragraph are subject to the condition that the Issuer comply with all requirements of the Code and the certifications, representations and covenants of the Town which are set forth in the Ordinance and in the Tax Certificate of the Issuer dated as of the date hereof that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon may be and continue to be excludable from gross income for federal income tax purposes. Noncompliance with any of such requirements could result in the inclusion of interest on the Bonds in gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

5. The interest on the Bonds is exempt from taxation in the State of Indiana for all purposes except the Indiana financial institutions tax.

It is understood that the rights of the holders of the Bonds and the enforceability of the Ordinance and the Bonds may be subject to bankruptcy, insolvency, reorganization, rearrangement, receivership, moratorium and other similar laws and matters of public policy affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that the enforcement of the Ordinance and the Bonds may also be subject to the exercise of judicial discretion and general principles of equity in appropriate cases.

Very truly yours,

JACKSON KELLY PLLC

APPENDIX F

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Agreement”), dated as of _____, 2026, is executed and delivered by and between the Town of Chandler, Indiana (the “Obligor”) in connection with the issuance of the \$ _____ Town of Chandler, Indiana Waterworks Utility Revenue Bonds of 2026 (the “Bonds”). The Bonds are being issued pursuant to the Town of Chandler Ordinance No. 2024-07 enacted by the Obligor on March 18, 2024, as supplemented (the “Ordinance”). The Obligor covenants and agrees as follows:

SECTION 1. Purpose of Agreement. 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. This Agreement is being executed and delivered by the Obligor for the benefit of the holders and Beneficial Owners of the Bonds and the Underwriter in order to evidence the requirement of the Underwriter in complying with SEC Rule 15c2-12(b)(5). In the event of any conflict between the Rule and this Agreement, this Agreement shall be interpreted and/or modified, as appropriate, so that it complies with and is consistent with the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Financial Information” shall mean the financial information, which shall be based on financial statements prepared in accordance with the requirements of the Indiana State Board of Accounts (the “ISBOA”), and Operating Data with respect to the Obligor, provided at least annually, which Annual Financial Information shall include Audited or Examined Financial Statements if available on the Due Date (defined herein), and, if not then available, unaudited financial statements.

“Audited or Examined Financial Statements” shall mean the Town of Chandler, Indiana’s annual financial statements, prepared in accordance with ISBOA requirements, which financial statements shall have been audited or examined by a firm of independent certified public accountants or by the ISBOA.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Disclosure Representative” shall mean the current Clerk-Treasurer of the Obligor.

“Dissemination Agent” shall mean the Obligor any or Dissemination Agent designated in writing by the Obligor and which has filed with the Obligor a written acceptance of such designation.

“EMMA” shall mean the Electronic Municipal Market Access System described in the 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

“Financial Obligation” shall mean a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation,

or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Agreement.

“National Repository” shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule, effective as of July 1, 2009.

“Operating Data” shall mean the operating data of the type included in the Official Statement, if any, as reflected in the “Form of Filing of Operating Data” attached hereto as EXHIBIT B. The Obligor may amend and/or modify the Form of Filing of Operating Data one or more times prior to the maturity of the Bonds if such amendment or modification, in the reasonable opinion of the Obligor, at its sole discretion, provides either more information, or additional clarity with respect to information being provided.

“Repository” shall mean each National Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Indiana.

SECTION 3. Provision of Annual Reports.

The Obligor shall not later than 180 days immediately following the end of each fiscal year of the Obligor (presently December 31) (the “Due Date”), commencing with the report for the Fiscal Year ending December 31, 2026, provide to EMMA Annual Financial Information, which is consistent with the requirements of Section 4 of this Agreement. The Annual Financial Information may be submitted as a single document or as separate documents comprising a package and, may cross-reference other information as provided in Section 4 of this Agreement. If the Obligor’s fiscal year changes, the Obligor shall give notice of such change in the same manner as for a Listed Event under Section 5.

SECTION 4. Content of Annual Financial Information.

(a) The Annual Financial Information of the Obligor for the prior fiscal year shall contain or include by reference (i) the Obligor’s Audited or Examined Financial Statements for the preceding Fiscal Year if available on the due date set forth herein, and if not then available, unaudited financial statements with the Obligor’s Audited or Examined Financial Statements to be provided promptly upon becoming available and in any event no later than sixty (60) days after receipt thereof from the Obligor’s auditors; and (ii) the Operating Data of the Obligor for such preceding Fiscal Year, prepared from the records of the Obligor, specifically and in the form attached as EXHIBIT B hereto, consisting of updates to the tables set forth therein.

(b) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Obligor or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement it must be available from the Municipal Securities Rulemaking Board. The Obligor shall clearly identify each other such documents included by reference.

(c) If any information described in Section 4(a) above can no longer be generated because the operations to which such information relates have been materially changed or discontinued, a statement to that effect shall satisfy the obligations of the Obligor under this Section 4; provided, however, that the Obligor shall, to the greatest extent feasible, provide in lieu thereof similar information with respect to any substitute or replacement operations.

SECTION 5. Reporting of Significant Events.

Pursuant to the provisions of this Section 5, the Obligor shall give, or cause to be given, notice:

(a) within ten (10) business days of the occurrence of any of the following events, with respect to the Bonds, if material (which determination of materiality shall be made by the Obligor in accordance with the standards established by federal securities laws):

1. Non-payment related defaults;
2. Modifications to rights of Bondholders;
3. Bond calls (other than mandatory, scheduled redemptions, not otherwise contingent upon the occurrence of an event, the terms of which redemptions are set forth in detail in the Final Official Statement);
4. Release, substitution or sale of property securing repayment of the Bonds;
5. The consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and
6. Appointment of a successor or additional trustee or the change of name of a trustee;
7. Incurrence of a Financial Obligation of the Obligated Person or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Obligated Person, any of which affect Bondholders.

(b) within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, regardless of materiality:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or events affecting the tax-exempt status of the security;
6. Defeasances;
7. Rating changes;

8. The issuance by the IRS 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;

9. Tender offers;

10. Bankruptcy, insolvency, receivership or similar events of any Obligated Person; and

11. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

SECTION 6. Manner of Filing. All filings made with the National Repository as provided in this Agreement shall be made in an electronic format as prescribed by the National Repository and shall be accompanied by identifying information as prescribed by the National Repository.

SECTION 7. Termination of Reporting Obligation. The Obligor's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Obligor shall give notice of such termination in the same manner as for any of the Listed Events under Section 5.

SECTION 8. Dissemination Agent. The Obligor may, from time to time, at its sole discretion, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Obligor pursuant to this Agreement.

SECTION 9. Amendment, Waiver. Notwithstanding any other provision of this Agreement, the Obligor may amend this Agreement, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3, 4 or 5, it may only be 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Agreement, the Obligor shall describe such amendment in the next Annual Financial Information and Audited or Examined Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Obligor. In addition, if the amendment

relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5, and (ii) the Annual Financial Information and Audited or Examined Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. Additional Information. Nothing in this Agreement shall be deemed to prevent the Obligor from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited or Examined Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by this Agreement. If the Obligor chooses to include any information in any Annual Financial Information and Audited or Examined Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by this Agreement, the Obligor shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information and Audited or Examined Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 11. Limitation of Rights. Nothing expressed or implied in this Agreement is intended to give, or shall give, to the Obligor or any Obligated Person, or any underwriters, brokers or dealers, or any other person, other than the Obligor 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 Obligor and each Bondholder.

SECTION 12. Remedies.

(a) The sole and exclusive remedy for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be the remedy of specific performance by the Obligor of such obligation. No Bondholder shall have any right to monetary damages or any other remedy for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement, except the remedy of specific performance by the Obligor of such obligation.

(b) No breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall constitute a breach or violation of or default under the Bonds or the Ordinance.

(c) Any action, suit or other proceeding for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be instituted, prosecuted and maintained only in a court of competent jurisdiction in Warrick County, Indiana.

(d) No action, suit or other proceeding for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be instituted, prosecuted or maintained by any Bondholder unless, prior to instituting such action, suit or other proceeding: (i) such Bondholder has given the Obligor notice of such breach or violation and demand for performance; and (ii) the Obligor has failed to cure such breach or violation within sixty (60) days after such notice.

SECTION 13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement, and the Obligor agrees to the extent allowed by State law to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses

(including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Obligor under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 14. Notices. Any notices or communications to or among any of the parties to this Agreement may be given as follows:

To the Obligor: Town of Chandler, Indiana
 401 E Lincoln Avenue
 Chandler, Indiana 47610
 Attention: Clerk-Treasurer

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 15. Beneficiaries. This Agreement shall inure solely to the benefit of the Obligor, and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Fees. The Obligor agrees to pay all fees and expenses of the Dissemination Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Dissemination Agent's duties.

SECTION 18. Right to Resign. The Dissemination Agent may resign at any time by providing thirty (30) days' written notice to the Obligor.

SECTION 19. Right to Counsel. The Dissemination Agent shall have the right to consult with counsel in carrying out its duties under this Agreement and to rely upon an opinion of counsel.

[Remainder of this page intentionally left blank; signature page follows.]

[SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT]

The Obligor has caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

TOWN OF CHANDLER, INDIANA

By: _____

Its: President, Town Council

By: _____

Its: Clerk-Treasurer

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Town of Chandler, Indiana
Name of Bond Issue: \$_____ Town of Chandler, Indiana Waterworks Utility Revenue Bonds of 2026
Name of Obligated Person: Town of Chandler, Indiana
Date of Issuance: _____, 2026

Notice is hereby given that the Town of Chandler, Indiana (the "Obligor") has not provided an Annual Report with respect to the above-named Bonds as required by its covenant made in connection with the above-referenced bond issue. The Obligor anticipates that the Annual Report will be filed by _____.

Dated this _____.

_____, as dissemination agent on behalf of the Town of Chandler, Indiana

By: _____
Its: _____

EXHIBIT B

FORM OF FILING OF OPERATING DATA

This report is prepared and delivered pursuant to the Continuing Disclosure Agreement dated as of _____, 2026, of the Town of Chandler, Indiana.

**Operating Data for
Fiscal Year ended:**

December 31, 20__.

Name of Issuer:

Town of Chandler, Indiana

Name of Bond Issue:

\$_____ Town of Chandler, Indiana Waterworks Utility
Revenue Bonds of 2026

Name of Obligated Person:

Town of Chandler, Indiana

Date of Issuance:

_____, 2026

The Obligor hereby undertakes to provide the following to the MSRB in an electronic format as prescribed by the MSRB, either directly or indirectly through a Registrar or designated agent, for the Obligor:

(i) Beginning with the Fiscal Year ending on or after December 31, 2026, the following financial information and operating data for such Obligated Person:

(A) Within one hundred eighty (180) days after the close of each Fiscal Year of the Obligated Person, the unaudited financial statements of the Obligated Person in the form of the Obligated Person's City Town Annual Financial Report (CTAR) (except to the extent audited financial statements for such Fiscal Year are then available); and

(B) within one hundred eighty (180) days after the close of each Fiscal Year of the Obligated Person, the operating data of the type provided under the subheading "Large Users" in Appendix A of the Final Official Statement.

(ii) If not submitted as part of the Annual Financial Information, then when and if available, the annual financial statements of the Obligor, as prepared and examined by the State Board of Accounts for each twelve (12) month period ending December 31, together with the opinion of such accountants and all notes thereto, within sixty (60) days of receipt from the State Board of Accounts.

APPENDIX G

AUDIT REPORT FOR THE PERIOD JANUARY 1, 2024 – DECEMBER 31, 2024

The Town's above-referenced Audit Report may be accessed on the Municipal Securities Rulemaking Board's (MSRB) Electronic Municipal Market Access (EMMA) website, located [here](#).

APPENDIX H

APPENDIX H

This Appendix H is based on Alternative II (Hold-the-Offering-Price Rule May Apply if Competitive Sale Requirements are Not Satisfied) contained in the Model Issue Price Documents published by SIFMA on May 1, 2017. The Town of Chandler, Indiana (the "Issuer") intends that in the event the competitive sale requirements are not satisfied, the issue price will be determined by one or more of the following: (1) as of the date and time of the award, certification by the bidder as to maturities that meet the 10% test (as defined below) or (2) on the date of Closing, certification by the bidder as to maturities that meet the hold-the-offering-price rule (as defined below).

(a) By submitting a bid, a winning bidder agrees to assist the Issuer in establishing the issue price of the Revenue Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Revenue Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Schedule I, with respect to Revenue Bonds that satisfy the competitive sale requirements (as described below) or Schedule II, with respect to Revenue Bonds that do not satisfy the competitive sale requirements, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and Bond Counsel.

All actions to be taken by the Issuer to establish the issue price of the Revenue Bonds may be taken on behalf of the Issuer by the Issuer's municipal advisor identified in the Official Statement and any notice or report to be provided to the Issuer may be provided to the Issuer's financial advisor.

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Revenue Bonds) will apply to the initial sale of the Revenue Bonds (the "competitive sale requirements") because:

- (1) the Issuer shall disseminate the Notice of Intent to Sell Bonds (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;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Revenue Bonds to the bidder who submits a firm offer to purchase the Revenue Bonds at the highest price (or lowest interest cost), as set forth in the Notice.

(c) Any bid submitted pursuant to the Notice shall be considered a firm offer for the purchase of the Revenue Bonds, as specified in the bid. In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of each maturity of the Revenue Bonds (the "10% test") is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Revenue Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Issuer if any maturity of the Revenue Bonds satisfies the 10% test as of the date and time of the award of the Revenue Bonds. The Issuer shall promptly advise the winning bidder, at or before the time of award of the Revenue Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Revenue Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Revenue Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Revenue Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Revenue Bonds. Upon confirmation between the winning bidder and the Issuer of which maturities will meet the 10% test and which will be subject to the hold-the-offering-price rule, the winning bidder and the Issuer will execute and deliver a certificate substantially in the form attached

hereto as Schedule III. Such certificate will be delivered by the Issuer as soon as practicable following the award and the winning bidder shall execute and deliver the same back to the Issuer no later than the close of business on the day of the award.

(d) By submitting a bid, the winning bidder shall confirm that the underwriters have offered or will offer the Revenue Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder. The winning bidder further shall agree, on behalf of the underwriters participating in the purchase of the Revenue Bonds, that the underwriters will neither offer nor sell unsold Revenue Bonds of any maturity to which the hold-the-offering-price rule shall apply 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 underwriters have sold at least 10% of that maturity of the Revenue Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Issuer promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of that maturity of the Revenue Bonds to the public at a price that is no higher than the initial offering price to the public.

(e) The Issuer acknowledges that, in making representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Revenue Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Revenue Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Revenue Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Revenue Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Revenue Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Revenue Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Revenue Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Revenue Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Revenue Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Revenue Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Revenue Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Revenue Bonds.

(f) By submitting a bid, each bidder 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 Revenue 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, to (A) (i) report the prices at which it sells to the public the unsold Revenue Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Revenue Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Revenue Bonds of that maturity provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon the request of the winning bidder; and (ii) comply with the hold-the-offering-price

rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (B) to promptly notify the winning bidder of any sales of Revenue 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 Revenue Bonds to the Public, and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder 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 selling group agreement relating to the initial sale of the Revenue 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 Revenue Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Revenue Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Revenue Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Revenue Bonds of that maturity 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 or bond counsel and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

(g) Sales of any Revenue Bonds to any person that is a related party to an underwriter participating in the initial sale of the Revenue Bonds to the Public or dealer shall not constitute sales to the public for purposes of the Notice. Further, for purposes of this Exhibit: "public" means any person other than an underwriter or a related party,

- (i) "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 Revenue 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 Revenue 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 Revenue Bonds to the public),
- (ii) a purchaser of any of the Revenue 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), and
- (iii) "sale date" means the date that the Revenue Bonds are awarded by the Issuer to the winning bidder.
- (iv) "Closing" and "Closing Date" mean the day the Revenue Bonds are delivered to the successful bidder and payment is made thereon to the Issuer.

Schedule I
\$15,155,000*
TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 2026

FORM OF 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 obligations (the "Revenue Bonds").

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

(a) As of the Sale Date, the reasonably expected initial offering prices of the Revenue 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 Revenue Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Revenue Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Revenue Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.¹

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Revenue Bonds.

1. ***Defined Terms.***

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

(e) *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.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Revenue Bonds. The Sale Date of the Revenue Bonds is anticipated to be February 26, 2026.

(g) *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 Revenue 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 Revenue 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 Revenue Bonds to the Public).

*Preliminary, subject to change.

¹ Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

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 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 with respect to certain of the representations set forth in the Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Revenue Bonds, and by Bond Counsel, in connection with rendering its opinion that the interest on the Revenue Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the Issuer from time to time relating to the Revenue Bonds.

[UNDERWRITER]

By: _____

Name: _____

Title: _____

Dated: _____, 2026

Schedule II
\$15,155,000*
TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 2026

FORM OF 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 "Revenue Bonds").

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: Sale of the Revenue Bonds. As of the date of this certificate, for each Maturity of the Revenue Bonds, the first price at which at least 10% of such Maturity of the Revenue 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 Revenue Bonds was sold to the Public is the respective price listed in Schedule A.]]

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

(a) [Alternative 13 – All Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Revenue 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 Revenue Bonds is attached to this certificate as Schedule B.] [Alternative 24 – Select Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF 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 Revenue 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 bid award, [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Revenue Bonds, [it][they] would neither offer nor sell any of the Revenue 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 Revenue Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Revenue Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the 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 Revenue Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price

*Preliminary, subject to change.

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

⁴ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

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 Revenue Bonds during the Holding Period.

3. **Defined Terms.**

(a) *General Rule Maturities* means those Maturities of the Revenue Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Revenue 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 (anticipated to be February 26, 2026), 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 Town of Chandler, Indiana.

(e) *Maturity* means Revenue Bonds with the same credit and payment terms. Revenue Bonds with different maturity dates, or Revenue 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 Revenue Bonds. The Sale Date of the Revenue Bonds is anticipated to be February 26, 2026.

(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 Revenue 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 Revenue 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 Revenue Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDERWRITING 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 with respect to certain of the representations set forth in the Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Revenue Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Revenue Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Revenue Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Title: _____

Dated: _____, 2026

Schedule III
\$15,155,000*
TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 2026

**[FORM OF] CERTIFICATE OF INVOCATION OF HOLD THE PRICE RULE AND
CONFIRMATION OF BID**

The Issuer hereby notifies _____, as the winning bidder (the "Purchaser") for the \$ _____ Town of Chandler, Indiana Waterworks Utility Revenue Bonds of 2026 (the "Revenue Bonds") that the Issuer has determined to apply the hold-the-price rule (as described in the Preliminary Official Statement for the Revenue Bonds, dated _____, 2026) to the Revenue Bonds maturing _____, _____ and _____ (the "Hold the Price Maturities"). The Purchaser shall affirmatively confirms its bid and agree to comply with the hold-the-price rule by executing and e-mailing the confirmation.

Town of Chandler, Indiana

By: _____

Name: _____

Title: _____

(Remainder of page intentionally left blank)

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 Revenue Bonds and agrees to comply with the hold-the-price rule with respect to the Hold the Price Maturities.

[UNDERWRITER]

By: _____

Name: _____

Title: _____

APPENDIX I

BIDDING INFORMATION

\$15,155,000*
TOWN OF CHANDLER, INDIANA
WATERWORKS UTILITY REVENUE BONDS OF 2026
(the "Revenue Bonds")

Date of Sale: Upon 24 hours' notice. Anticipated to take place on February 26, 2026

Time of Sale: 11:00 a.m. (EST)

Location of Sale: Baker Tilly Municipal Advisors, LLC
9229 Delegates Row, Suite 400
Indianapolis, Indiana 46240

Method of Bidding: Electronic bidding by PARITY® or traditional bidding.

Maximum Interest Rate: 6.00% **Minimum Purchase Price**:** 99% (\$15,003,450*)

Multiples: 1/8 or 1/100 of 1%,

Anticipated Closing Date: March 12, 2026

Principal and Interest: Principal will be paid semiannually on March 1 and September 1. Interest will be payable semiannually on March 1 and September 1, beginning September 1, 2026.

Denominations: The Revenue Bonds are being issued in the denomination of \$5,000 or integral multiple thereof (or in such other denominations as requested by the winning bidder.

Registrar, Trustee and/or Paying Agent: The Bank of New York Mellon Trust Company, N.A., located in Indianapolis, Indiana

Good Faith Deposit: \$151,550* certified or cashier's check or wire transfer submitted by the winning bidder no later than 3:30 p.m. EST on the business day following the award.

Basis of Award: Net Interest Cost (NIC)

Redemption Provisions The Revenue Bonds are subject to optional redemption prior to maturity. The Revenue Bonds may be issued as term bonds at the discretion of the Underwriter (as hereinafter defined) and, in such case, will be subject to mandatory sinking fund redemption as more fully described herein.

The Revenue 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 Jackson Kelly PLLC, Evansville, Indiana, Bond Counsel. Certain legal matters will be passed on by Jackson Kelly PLLC, Evansville, Indiana, as Attorney for the Town. The Revenue Bonds are expected to be available for delivery to DTC in New York, New York, on or about March 12, 2026.

*Preliminary, subject to change. The Town reserves the right to adjust individual maturity amounts to achieve its financial objectives.

** Minimum Purchase Price shall mean the par amount of the Revenue 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 Issuer, and adding any amortizable bond premium.

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