

ORDINANCE NO. 8081-38

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF \$350,000 AGGREGATE PRINCIPAL AMOUNT OF INDUSTRIAL REVENUE BONDS, SERIES 1980 (HAL COMMUNICATIONS PROJECT) OF THE CITY OF URBANA, ILLINOIS, FOR THE PURPOSE OF PROVIDING FUNDS TO FINANCE THE COST OF AN ECONOMIC DEVELOPMENT PROJECT TO BE OWNED BY A LAND TRUST AND LEASED TO HAL COMMUNICATIONS CORP., AN ILLINOIS CORPORATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN, MORTGAGE AND SECURITY AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT RELATING TO THE SALE OF THE BONDS TO THE PURCHASERS NAMED OR REFERRED TO THEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF THE REVENUES AND RECEIPTS DERIVED UNDER THE LOAN, MORTGAGE AND SECURITY AGREEMENT; AND AUTHORIZING OTHER MATTERS PERTAINING TO THE BONDS.

WHEREAS, the City of Urbana, Illinois (the "Issuer"), a home rule unit of the State of Illinois, pursuant to Section 6(a) of Article VII of the Constitution of the State of Illinois, is authorized by Ordinance No. 7475-3, passed and approved May 20, 1974, as supplemented and amended (the "Act"), to issue revenue bonds for the purposes set forth in the Act and to expend the proceeds thereof to finance, among other things, the cost of acquiring, constructing and improving "economic development projects" as defined in the Act, and to sell such bonds to others;

WHEREAS, in furtherance of the purposes set forth in the Act, the Issuer has adopted certain proceedings indicating its intention to finance, by means of the sale and issuance of its industrial revenue bonds, the costs of acquiring, constructing and improving certain facilities to be located in the City of Urbana, Illinois (collectively referred to as the "Project") to be owned by a land trust (and leased to HAL Communications Corp., an Illinois Corporation) (the "Borrower"), and in furtherance of its intention to authorize such actions as might be required to accomplish such financing;

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Issuer is now prepared to proceed to issue and sell its \$350,000 aggregate principal amount of Industrial Development Revenue Bonds, Series 1980 (HAL Communications Project) (the "Bonds") to loan the proceeds of the Bonds to the Borrower in connection therewith to finance such costs, such Bonds to be secured by a Note, a Loan, Mortgage and Security Agreement and an Indenture of Trust (all as hereinafter defined) and to be payable solely from revenues derived under said Loan, Mortgage and Security Agreement, said Note and from other funds pledged under said Indenture of Trust;

WHEREAS, the Note is to be secured by the Loan, Mortgage and Security Agreement;

WHEREAS, the Bonds will be sold pursuant to a Bond Purchase Agreement (hereinafter defined) to the Purchasers named or referred to therein; and

WHEREAS, copies of the forms of Loan, Mortgage and Security Agreement, Indenture of Trust, Note and Bond Purchase Agreement have been presented to and are before this meeting; and

WHEREAS, the Land Trustee has made necessary arrangements to lease the project to HAL Communications Corp., an Illinois Corporation.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, as follows:

Section 1. The following words and terms as used in this Bond Ordinance shall have the following meanings unless the context clearly indicates another or different meaning or intent:

"Act" means Ordinance No. 7475-3, enacted by the governing body of the Issuer on May 20, 1974, as amended.

"Agreement" means the Loan, Mortgage and Security Agreement dated as of September 1, 1980 between the Issuer and the Land Trustee and HAL Communications Corp., as approved by this Bond Ordinance and as the same may be supplemented and amended from time to time in accordance with its terms.

"Bond Ordinance" means this ordinance.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement between the Issuer and Busey First National Bank, Urbana, Illinois (the "Purchaser"), dated September 1, 1980, pertaining to the sale of the Bonds, as approved by this Bond Ordinance and as the same may be supplemented and amended from time to time in accordance with its terms.

"Bonds" means \$350,000 aggregate principal amount of Industrial Revenue Bonds, Series 1980 (HAL Communications Project) of the Issuer authorized to be issued hereunder and under the Indenture.

"Borrower" means The Commercial Bank of Champaign, A Corporation of Illinois, as Trustee under Agreement dated October 21, 1974, known as Trust Number 43211 (also sometimes referred to as the "Land Trustee"), and HAL Communications, an Illinois Corporation, and any surviving, resulting or transferee entity as provided in the Agreement. The Land Trustee's obligations and undertakings are limited as provided in Section 8.11 of the Agreement and Section 11.5 of the Indenture.

"Indenture" means the Indenture of Trust dated as of September 1, 1980 between the Issuer and the Trustee, as approved by this Bond Ordinance and as the same may be supplemented and amended from time to time in accordance with its terms.

"Issuer" means the City of Urbana, Champaign County, Illinois.

"Note" means the \$350,000 principal amount First Mortgage Note dated as of September 1, 1980 from the Borrower to the Issuer.

"Project" means the economic development project described and defined as the Project in the Agreement.

"Trustee" means the Trustee under the Indenture Busey First National Bank, Urbana, Illinois, its successors and assigns, or any successor trustee appointed pursuant to the Indenture.

Section 2. The Issuer does hereby authorize the loaning of the proceeds of the Bonds to the Land Trustee and HAL Communications Corp. to finance the costs of the acquisition, construction and installation of the Project as contemplated by the Agreement and does hereby determine that such financing is in furtherance of the public purposes set forth in the Act.

Section 3. To provide for the financing of the costs of acquisition, construction and installation of the Project, the Issuer does hereby authorize the issuance of industrial revenue bonds of the Issuer pursuant to the Act, to be designated "City

of Urbana, Champaign County, Illinois, Industrial Revenue Bonds, Series 1980 (HAL Communications Project)," in the aggregate principal amount of \$350,000, to have such terms and provisions as are provided in the Indenture.

Section 4. The Bonds shall be issuable as fully registered Bonds in the denomination of \$5,000 and any multiple thereof. The Bonds shall be lettered R and shall be numbered separately from 1 upward.

The Bonds shall be dated as of September 1, 1980, and shall mature as provided in the Indenture, and shall bear interest at the rate of ten percent (10%), all as set forth in the Indenture.

The Bonds (i) shall be executed in such manner as is provided in the Indenture, (ii) shall be limited obligations of the Issuer and shall never constitute nor give rise to a pecuniary liability of such Issuer or a charge against its general credit or taxing powers and (iii) are payable solely from the payments to be made by the Borrower pursuant to the Agreement and the Note otherwise as provided in the Indenture.

The Bonds shall be subject to redemption prior to maturity, shall be payable in such medium of payment at such place or places at such times and shall have such other terms, covenants, conditions and provisions as are provided in the Indenture.

Section 5. Pursuant to the Agreement, the Borrower is obligated to pay an amount necessary in each year to pay principal of, premium, if any, and interest on the Bonds. The maintenance and repair costs of the Project, all taxes in connection therewith and other charges, and all costs of maintaining proper insurance, all as specified in the Indenture, will be assumed and paid by the Borrower, and, accordingly, the Issuer has no obligation with respect thereto and all such costs, expenses, taxes and charges shall be paid by the Borrower as provided in the Indenture.

Section 6. The Indenture and the Agreement, in substantially the forms submitted to this meeting, are hereby authorized and approved; the Mayor of the Issuer is hereby authorized and directed to execute and deliver the Agreement and the Indenture and the City Clerk of the Issuer is authorized and directed to attest such execution and to affix the seal of the Issuer to such instruments, both with such changes therein as are not inconsistent with this Bond Ordinance and as are approved by the Mayor, the execution or acceptance thereof, as the case may be, to constitute conclusive evidence of such approval.

Section 7. The sale of the Bonds pursuant to the terms and provisions of the Bond Purchase Agreement to the purchasers named or referred to therein at a price of at least 100% of the aggregate principal amount thereof, plus accrued interest from September 1, 1980 to the date of delivery thereof to the purchaser of the Bonds is hereby authorized and approved, and the Mayor is hereby authorized and directed to execute and deliver the Bond Purchase Agreement and the City Clerk is authorized and directed to attest such execution and to affix the seal of the Issuer to such instrument, with such changes therein as are not inconsistent with this Bond Ordinance and as are approved by the Mayor, the execution thereof to constitute conclusive evidence of such approval.

Section 8. The Mayor and City Clerk of the Issuer are hereby authorized and directed to execute and deliver the Bonds in accordance with the Indenture and the Bond Purchase Agreement and to execute and deliver all other documents and instruments which may be required under the Bond Purchase Agreement, the Agreement, the Indenture, the Bonds, or otherwise, in order to give effect to this Bond Ordinance.

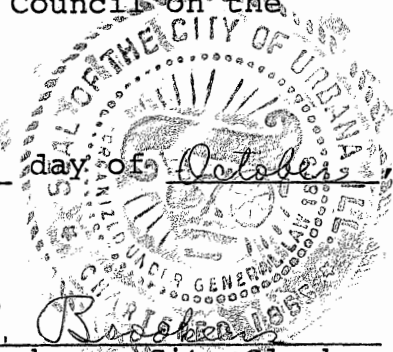
Section 9. That all acts and doings of the officers of the Issuer which are in conformity with the purposes and intent of this Bond Ordinance and in furtherance of the issuance and sale of the Bonds, in the aggregate principal amount of \$350,000, the acquisition, construction and installation of the Project, and the loaning of the proceeds of the Bonds to the Borrower be, and the same hereby are, in all respects, approved and confirmed.

Section 10. That the provisions of this Bond Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 11. That all ordinances, resolutions, orders and any parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 12. This Bond Ordinance shall be effective immediately upon its passage and approval. This ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the Members of the Council of the City of Urbana, Illinois, at a regular meeting of said Council on the 6th day of October, A.D. 1980.

1980. PASSED by the City Council this 6th day of October,



Ruth S. Brookens
Ruth S. Brookens, City Clerk

1980. APPROVED by the Mayor this 14th day of October,

Jeffrey T. Markland
Jeffrey T. Markland, Mayor

Ayes: Castle, Cheverud, Edstrom, Johnson, Maloney, Peterson, Scott, Wascher, Whelan, Wort

Nays: None

Absent: Moore and Stake