RECORD OF ORDINANCES

BEAR GRAPHICS 800-325-8094 FORM NO. 30043

Ordinance No. **ORDINANCE E-26** *Passed* _____, *20*____

An Ordinance authorizing the issuance and sale of not to exceed $3,200,000 taxable land acquisition nontax revenue notes of the City of Orrville, Ohio under Section 13, Article VIII of the Ohio Constitution and Chapter 165 of the Ohio Revised Code to pay costs of a "Project" as defined in Section 165.01 of the Ohio Revised Code, for the purpose of creating or preserving jobs and employment opportunities and improving the economic welfare of the City and its residents and the State of Ohio; providing for the pledge for that purpose of certain nontax revenues; establishing an account or fund of the City; approving related documents; and declaring an Emergency.

WHEREAS, the City of Orrville is authorized by virtue of the laws of the State of Ohio, including, without limitation, Section 13 of Article VIII, Ohio Constitution, and Chapter 165 of the Ohio Revised Code (the "Act"), among other things, to (i) issue bonds, and notes in anticipation of those bonds, to acquire, construct, equip, or improve a "project" as defined in Section 165.01 of the Ohio Revised Code, for the purpose of creating or preserving jobs and employment opportunities and improving the economic welfare of the City and its residents and of the State of Ohio, and (ii) secure such notes and bonds by a pledge of nontax revenues, as provided herein; and

WHEREAS, to create and preserve jobs and employment opportunities, the City has determined to issue its land acquisition nontax revenue bond anticipation notes (the "Notes") pursuant to the Act to pay the City's direct and indirect costs of purchasing certain property (the "Property"), which Property is to be used for the furthering of economic development of the City (the "Project");

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ORRVILLE, COUNTY OF WAYNE, STATE OF OHIO:

Section 1. Definitions. In addition to the words and terms elsewhere defined in this Ordinance, the following words and terms as used in this Ordinance shall have the meanings set forth below.

"Certificate of Award" means the certificate authorized by Section 3 to be signed by the Director of Finance, setting forth and determining those terms or other matters pertaining to the Notes and their issuance, sale and delivery as this Ordinance requires or authorizes to be set forth or determined therein.

"Closing Date" means the date of physical delivery of, and payment of the purchase price for, the Notes.

"Debt charges" means the principal of and interest on the Notes.

"Debt Retirement Fund" means the Debt Retirement Fund established pursuant to Section 9.

"Nontax Revenues" means all money of the City that is not money raised by taxation, to the extent available for deposit in the Debt Retirement Fund as provided in this Ordinance, including, but not limited to the following: (a) grants from the United States of America and the State of Ohio; (b) payments in lieu of taxes now or hereafter authorized by State statute to the extent not pledged to pay debt charges on other City indebtedness; (c) fines and forfeitures that are deposited in the City's General Fund; (d) fees deposited in the City's General Fund from properly imposed licenses and permits; (e) investment earnings on the City's General Fund and that are credited to the City's General Fund; (f) investment earnings on other funds of the City that are credited to the City's General Fund; (g) proceeds from the sale of assets that are deposited in the City's General Fund; (h) rental income that is deposited in the City's General Fund; (i) gifts and donations; and (j) Project Revenues.

"Notes" means the City's land acquisition nontax revenue bond anticipation notes described in and the issuance of which is authorized by Section 2.

"Original Purchaser" means the original purchaser designated by the Director of Finance in the Certificate of Award.

"Parity Obligations" means any bonds, notes or other obligations of or guaranties by the City payable from Nontax Revenues on a parity with or prior to the Notes.

"Pledged Nontax Revenues" means (i) all Project Revenues, (ii) proceeds of the Notes otherwise to be available to pay debt charges on the Notes, (iii) proceeds of Bonds issued to retire the Notes, (iv) all money in the Debt Retirement Fund and (v) all income and profit from the investment of the foregoing money.

"Project Revenues" means any revenues, payments, repayments, and moneys derived from the Project, including any proceeds from the sale of all or a portion of the Property.

"Year" means the calendar year, unless otherwise specified.

The captions and headings in this Ordinance are solely for convenience of reference and do not define, limit or describe the scope or intent of any provisions or Sections of this Ordinance.

Unless otherwise indicated, any reference to a Section is a reference to a Section of this Ordinance.

Section 2. Determinations by City Council. This City Council finds and determines that:

(a) The Project is a "project" as defined in the Act and is consistent with the purposes of Section 13, Article VIII of the Ohio Constitution and the utilization of the Project is in furtherance of the purposes of the Act and will benefit the people of the City and of the State by creating and preserving jobs and employment opportunities and improving the economic welfare of the people of the City and of the State.

(b) It is necessary and proper and in the best interest of the City to, and the City shall, issue the Bonds to retire the Notes, the proceeds of which will be issued to pay direct and indirect costs of the Project. The Bonds shall be dated approximately May 1, 2027, shall bear interest payable semiannually on June 1 and December 1 of each year, at the estimated rate of 8% per year, and shall be payable as to principal in no more than 30 installments on December 1 of each year, commencing December 1, 2027, in such amounts that the debt charges on the Bonds due in each year that principal is payable are substantially equal, or such other dates and methods as then determined by Council and the Director of Finance.

(c) This Council also determines it to be necessary to issue, and the City shall, issue, sell and deliver, as provided and authorized herein the Notes, in anticipation of the issuance of Bonds, in an aggregate principal amount not to exceed $3,200,000 for the purpose of paying all or a portion of the costs of the Project. The Notes shall be designated "Taxable Land Acquisition Nontax Revenue Notes, Series 2026", or as otherwise designated by the Director of Finance in the Certificate of Award. The Notes may be combined with any other series of similar notes of the City into one sale and issue.

The Notes shall be dated the date of issuance and shall mature one year from the date of issuance; provided that the Director of Finance may, if it is determined to be necessary or advisable to the sale of the Notes, establish a maturity date that is any date up to one year from the date of issuance by setting forth that maturity date in the Certificate of Award. The Notes shall bear interest at a rate not to exceed 7% per year (computed on the basis of a 360 day year consisting of 12 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. The aggregate principal amount of and rate of interest on the Notes shall be determined by the Director of Finance in the Certificate of Award.

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Section 3. Sale of Notes. The Notes are offered at a purchase price, not less than par, as shall be determined by the Director of Finance, to the Treasury Investment Board of the City, comprised of the Mayor, the Director of Finance and the Director of Law pursuant to Section 135.01 of the Revised Code, for investment under Section 731.56 of the Revised Code. Notes not so purchased shall be sold at not less than par at private sale by the Director of Finance in accordance with law and the provisions of this Ordinance. The Director of Finance shall determine the principal amount of the Notes to be issued and the interest rate the Notes shall bear, shall make the other designations authorized herein to the extent required, shall sign a Certificate of Award (the Certificate of Award) awarding and selling the Notes and evidencing those designations and shall cause the Notes to be prepared, signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes, to the Original Purchaser upon payment of the purchase price. The Mayor, the Director of Finance, the Director of Law, the Clerk of Council and other City officials, as appropriate, each are authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

Section 4. Payment of Debt Charges; Paying Agent. The debt charges on the Notes shall be payable in lawful money or Federal Reserve funds of the United States of America, and shall be payable, without deduction for services of the City's paying agent, at the office of the Director of Finance (as defined in Section 6) (the "Paying Agent"). If the interest on the Notes is due other than at maturity, interest shall be payable on each interest payment date by check mailed to the person in whose name the Bond was registered on the 15th day of the calendar month next preceding that interest payment date.

Section 5. Execution of Notes. The Notes shall be signed by the Mayor and the Director of Finance, in the name of the City and in their official capacities, provided that both of those signatures may be facsimiles. The Notes shall be issued in the denominations and numbers as requested by the Original Purchaser and approved by the Director of Finance in the Certificate of Award; provided no Note shall be issued in a denomination less than $100,000. The entire principal amount may be represented by a single note and may be issued as fully registered securities for which the Director of Finance, or a bank or trust company designated by the Director of Finance, may serve as note registrar and in book entry or other uncertificated form in accordance with Section 9.96 of the Revised Code if it is determined by the Director of Finance that issuance of fully registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Director of Finance and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance.

Section 6. Application of Note Proceeds. The proceeds from the sale of the Notes shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. The par value to be received from the sale of the Notes and any excess funds resulting from the issuance of the Notes shall, to the extent necessary, be used to pay the debt charges on the Notes and are pledged for that purpose.

Section 7. Retention of Bond Counsel. The legal services of Squire Patton Boggs (US) LLP, as bond counsel, be and are hereby retained. The legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Notes and the rendering of the necessary legal opinion upon the delivery of the Notes. In rendering those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of the City in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, the City or any other political subdivision, or the execution of public trusts. That firm shall be paid just and reasonable compensation for those legal services and shall be reimbursed for the actual out-of-pocket expenses it incurs in rendering those legal services. The Director of Finance is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm. The amounts necessary to pay

those fees and any reimbursement are hereby appropriated from the proceeds of the Notes, if available, and otherwise from available moneys in the General Fund.

Section 8. Nontax Revenues; Debt Retirement Fund. The Notes and the Bonds shall be special obligations of the City, and the debt charges on the Notes, and the debt charges on any Bonds issued to retire the Notes, shall be payable solely from the Nontax Revenues, and such payment is secured by a pledge of the Pledged Nontax Revenues pursuant to this Ordinance. The Notes and any Bonds issued to retire the Notes are not and shall not be secured by an obligation or pledge of any money raised by taxation. The Notes and any Bonds issued to retire the Notes do not and shall not represent or constitute a debt or pledge of the faith and credit or taxing power of the City, and the owners thereof have and shall have no right to have taxes levied by the City for the payment of debt charges on the Notes. The Notes shall contain a statement to that effect and to the effect that they are payable solely from the Nontax Revenues and are not secured by an obligation or pledge of any money raised by taxation.

The City will, solely from the proceeds of the Notes, the Bonds issued to retire the Notes, or from Nontax Revenues, pay or cause to be paid the debt charges on the Notes on the dates, at the places and in the manner provided herein and in the Notes. For that purpose, this City Council, after providing for the payment of debt charges payable on the City's general obligation securities in that year from sources available for that purpose, will appropriate and maintain Nontax Revenues at such times and in such amounts as will be sufficient, together with other funds available for the purpose, including but not limited to the proceeds of Bonds issued to retire the Notes, to pay the debt charges on the Notes as if the Notes had been issued without the prior issuance of the Notes, which Nontax Revenues are hereby selected by the City pursuant to Section 165.12 of the Revised Code as moneys that are not raised by taxation. Further, this City Council will give effect to such appropriations in all ordinances it passes thereafter in that year appropriating money for expenditure and encumbrance and limit the other appropriations of Nontax Revenues in that year to the amount available after deducting the amount required for the payment of debt charges payable on the City's general obligation securities and to pay those debt charges on the Notes.

There is hereby created by the City a separate fund or account designated as the "Land Acquisition Nontax Revenue Debt Retirement Fund", or such other designation that may be provided pursuant to Section 13 hereof (the "Debt Retirement Fund"), into which shall be deposited (i) any Project Revenues upon receipt, (ii) proceeds of any Bonds to retire the Notes, and (iii) other Nontax Revenues on or prior to the date on which any debt charges on the Notes are due in an amount sufficient to pay those debt charges.

Nothing herein shall be construed as requiring the City to use or apply to the payment of debt charges on the Notes any funds or revenues from any source other than Nontax Revenues. Nothing herein, however, shall be deemed to prohibit the City, of its own volition, from using, to the extent that it is authorized by law to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of this Ordinance or of the Notes.

Section 9. Additional Covenants of the City. In addition to other representations and warranties of the City contained in this Ordinance, the City covenants and agrees that:

(a) Parity Obligations. So long as any of the Notes are outstanding, the City shall not issue any Parity Obligations unless, prior to passage of the ordinance authorizing such Parity Obligations, the Director of Finance shall have certified to this City Council that the average annual Nontax Revenues received by the City during the preceding two years, adjusted to reflect, if necessary, changes in the rates or charges resulting in the Nontax Revenues, aggregate in amount not less than 100% of the highest amount of (a) Bond debt charges and (b) required payments on such proposed Parity Obligations and any outstanding Parity Obligations due in any succeeding calendar year.

(b) Performance of Covenants and City Actions. The City will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions to be performed on its part under this Ordinance and the Notes and under all

proceedings of this City Council pertaining thereto. The City represents that (i) it is a municipal corporation, duly organized and existing under and by virtue of the laws of the State; (ii) it is, and upon delivery of the Notes covenants that it will be, duly authorized by the Constitution and laws of the State including particularly and without limitation the Act, to issue the Notes and to provide the security for payment of the debt charges on the Notes in the manner and to the extent set forth herein and in the Notes; (iii) all actions on its part for the issuance of the Notes have been or will be taken duly and effectively; and (iv) the Notes will be valid and enforceable special obligations of the City according to their terms. Each obligation of the City required to be undertaken pursuant to the Ordinance and the Notes is binding upon the City, and upon each officer or employee of the City as may from time to time have the authority under law to take any action on behalf of the City as may be necessary to perform all or any part of such obligation, as a duty of the City and of each of those officers and employees resulting from an office, trust or station within the meaning of Section 2731.01 of the Revised Code, providing for enforcement by writ of mandamus.

(c) Inspection of Project Books. All non-privileged books and documents in the City's possession relating to the Project and the Nontax Revenues shall be open at all times during the City's regular business hours to inspection by such accountants or other agents of the owners of the Notes as they may from time to time designate.

(d) Transcript of Proceedings. The Clerk of the City Council, or another appropriate officer or designee of the City, shall furnish to the Original Purchaser a true transcript of all proceedings had with reference to the issuance of the Notes along with such information from the records as is necessary to determine the validity of the issuance of the Notes.

Section 10. Taxable Status of Notes. The City does not intend or represent that the interest on the Notes will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and the City is not and shall not be obligated to take any action to attempt to secure or maintain any such exclusion.

Section 11. Discharge of Covenants. If the City shall pay or cause to be paid and discharged the Notes, the covenants, agreements and other obligations of the City hereunder and in the Notes shall be discharged and satisfied.

Section 12. Satisfaction of Conditions for Note Issuance. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding special obligations of the City have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 13. Severability. Each section of this Ordinance and each subdivision or paragraph of any section thereof is declared to be independent and the finding or holding of any section or any subdivision or paragraph of any section thereof to be invalid or void shall not be deemed or held to affect the validity of any other section, subdivision or paragraph of this Ordinance.

Section 14. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law.

Section 15. Declaration of Emergency; Effective Date. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of the City, and for the further reason that this Ordinance is required to be immediately effective in order to enable the City to sell the Notes, which is

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necessary to create jobs and employment opportunities and improve the economic welfare of the people of the City and the State; wherefore, this Ordinance shall be in full force and effect immediately upon its passage.

Passed this 6th day of July, 2026.

President of Council

Attest:

Clerk of Council

Approved:

Mayor

I, Jeanne Gault, Clerk of Council of the City of Orrville do
hereby certify this legislation

adopted on _____ was duly posted on _____
within 10 days as required by the Charter of said City.