

AN ORDINANCE AUTHORIZING, EMPOWERING AND DIRECTING ISSUANCE
OF INDUSTRIAL REVENUE BOND IN THE PRINCIPAL AMOUNT OF \$2,250,000.00
FOR AN INDUSTRIAL PROJECT TO BE DEVELOPED BY ILLINI DAIRY QUEEN, INC.
AT 300 NORTH MAIN STREET IN THE VILLAGE OF CHATHAM, ILLINOIS

WHEREAS, the Industrial Project Revenue Bond Act, Chapter 24, Illinois Revised Statutes, as amended (the "Act"), authorizes and empowers municipalities to acquire, improve, maintain, equip, furnish, own, lease, finance and dispose of industrial projects to the end that such municipalities may be able to encourage the increase of industry and trade by inducing enterprises to locate in or remain in Illinois and further authorizes such municipalities to finance, sell or lease any or all of its projects, to issue its bonds for the purpose of carrying out any of its powers, to mortgage and pledge any or all of its projects, whether then owned or thereafter acquired, as security for the payment of the principal of, premium, if any, and interest on any such bonds and any agreements made in connection therewith and to pledge the revenues and receipts from such projects or from any other source to the payment of such bonds; and

WHEREAS, the Village of Chatham, Illinois (the "Village") is a municipality within the meaning of the Act; and

WHEREAS, the Village has made the necessary arrangements with Illini Dairy Queen, Inc., a Delaware corporation (the "Company"), for the acquisition, construction, improvement and equipping of a certain shopping center facility; and

WHEREAS, the acquisition of such facilities, and the construction, improvement and equipping of the facility will constitute an "Industrial Project" within the meaning of the Act (the "Project") and will be of the character and will accomplish the purposes of the Act; and

WHEREAS, to finance the estimated cost of the acquisition, construction, improvement and equipping of the Project, including necessary expenses incidental thereto, the Village has determined to issue its Industrial Project Revenue Bond in a principal amount of Two Million

Two Hundred Fifty Thousand Dollars (\$2,250,000.00) (the "Series 1981 Bond");
and

WHEREAS, there has been prepared and presented to this meeting the form of the following documents, which the Village proposes to enter into to carry out the transactions described above, copies of which documents shall be filed with the records of the Village:

1. The form of the Financing Agreement relating to the Project, dated as of December 1, 1981 (the "Agreement"), between the Village and the Company; and

2. The form of Indenture of Trust, dated as of December 1, 1981 (the "Indenture"), between the Village and Springfield Marine Bank as Trustee (the "Trustee"), pursuant to which the Series 1981 Bond will be issued and the Village's interest in the Agreement and the Note contemplated thereby will be assigned to the Trustee for the benefit of Bondholders; and

3. The form of Bond Purchase Agreement, dated as of December 1, 1981 (the "Bond Purchase Agreement"), between the Village, the Company and Springfield Marine Bank providing for the sale of Series 1981 Bond; and

4. The form of Guaranty Agreement, dated as of December 1, 1981 (the "Guaranty") between the Village and Gilbert N. Stein and Frances G. Stein (collectively the "Guarantor");
and

5. The Assignment dated as of December 1, 1981 (the "Assignment") between the Village and the Trustee providing for the assignment of all of the Village's interest in and to the Mortgage with respect to the Project dated as of December 1, 1981, executed by the Company and the Security Agreement with respect to the Project dated as of December 1, 1981, executed by the Company; and

WHEREAS, it appears that each of the documents above referred to, which are now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the Village for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees (the "Board") of the VILLAGE OF CHATHAM, ILLINOIS (the "Village"), as follows:

Section 1: That the Project to be financed by the issuance of this Village's Industrial Project Revenue Bond shall consist of the acquisition of real estate and construction and equipping of a shopping center facility, all located in the 300 block of North Main Street, Village of Chatham, Sangamon County, Illinois.

Section 2: That the form, terms and provisions of the proposed Agreement be, and they hereby are, in all respects approved, and that the President or any member of the Board and the Clerk of the Village be, and they hereby are authorized, empowered and directed to execute, acknowledge and deliver the Agreement in the name and on behalf of the Village, and thereupon to cause the Agreement to be delivered to the Company; that the Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Village executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Agreement now before this meeting; and that from and after the execution and delivery of the Agreement, the officers, agents and employees of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

Section 3: That the form, terms and provisions of the proposed Indenture be, and they hereby are, in all respects approved, and that the President or any member of the Board and the Clerk of the Village be, and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Indenture in the name and on behalf of the Village, and thereupon to cause the Indenture to be executed, acknowledged and delivered by the Trustee, and pursuant to the Indenture the Village will assign to the Trustee its interest in the Agreement and the Note contemplated thereby; that the Indenture is to be in substantially the form now before this meeting and hereby approved, or with such changes

therein as shall be approved by the officers of the Village executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Indenture now before this meeting; and that from and after the execution and delivery of the Indenture, the officers, agents and employees of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 4: That the form, terms and provisions of the Bond Purchase Agreement be, and it hereby is, in all respects approved, and that after the due execution thereof by the Company, the President or any member of the Board and the Clerk of the Village be, and they hereby are, authorized, empowered and directed to execute and deliver the Bond Purchase Agreement in the name and on behalf of the Village, and thereupon to cause the Bond Purchase Agreement to be delivered to Springfield Marine Bank; that the Bond Purchase Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Village executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form thereof now before this meeting; and that from and after the execution and delivery of the Bond Purchase Agreement, the officers, agents and employees of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 5: That the form, terms and provisions of the Guaranty be, and it hereby is, in all respects approved, and that after the due execution thereof by the Guarantor, the President or any member of the Board and the Clerk of the Village be, and they hereby are, authorized, empowered and directed to execute and deliver the Guaranty in the name and on behalf of the Village, and pursuant to the Indenture the Village will assign to the Trustee its interests in the Guaranty; that the

Guaranty is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Village executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form thereof now before this meeting; and that from and after the execution and delivery of the Guaranty, the officers, agents and employees of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Guaranty as executed.

Section 6: That the President or any member of the Board and the Clerk of the Village be and they are hereby authorized, empowered and directed to cause to be prepared the Series 1981 Bond of the Village in the principal amount of \$2,250,000.00, bearing interest at the rate of 65% of the Prime Rate of Interest of Springfield Marine Bank, said principal and interest to be paid in 292 equal monthly installments as follows: \$22,500.00 on the first day of September, 1982, and a like amount on the first day of each month thereafter until final payment on December 1, 2006, or until the entire principal of, premium, if any, and interest on the Bond shall have been fully paid, together with such additional sums as are necessary to pay the accrued interest owing on the unpaid principal, commencing January 1, 1982, and monthly thereafter on the first day of each and every month until September 1, 1982, an amount equal to the respective monthly increment of accrued interest on the unpaid principal; that said Bond shall be executed in the name of the Village with the manual or facsimile signature of its President or any member of the Board and the manual or facsimile signature of the Clerk of the Village and the seal of the Village or a facsimile thereof shall be impressed or printed thereon.

Section 7: That the form of the Series 1981 Bond which appears in the Indenture, subject to appropriate insertion and revision in order to comply with the provisions of the Indenture, be, and the same hereby are, approved and adopted as and for the form of Series 1981 Bond of the Village.

Section 8: That the President or any member of the Board and the Clerk of the Village be and are hereby authorized, empowered and directed to issue said Series 1981 Bond, and when said Bond shall have been executed as above provided, to cause said Bond to be delivered to the Trustee for authentication as in the Indenture provided, and when said Series 1981 Bond shall have been so authenticated, to sell the \$2,250,000.00 principal amount Bond to Springfield Marine Bank, at a price of 100% of its aggregate face principal amount of \$2,250,000.00, said Series 1981 Bond to be issued in the form of bonds registered in the name of the above-mentioned purchaser of the Bond.

Section 9: That the proper officers, members of the Board, agents and employees of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary, desirable, convenient, or proper to carry out and comply with the provisions of the foregoing resolutions or the documents hereinabove authorized.

Section 10: That all acts and doings of the officers of the Village which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Series 1981 Bond, the acquisition, construction, improvement and equipping of the Project, and the financing of the Project, be, and the same hereby are, in all respects approved and confirmed.

Section 11: This Ordinance shall be effective upon passage and approval as provided by law.

PASSED Dec. 18, 1981

APPROVED Dec. 18, 1981



President, Board of Trustees
Village of Chatham

ATTEST:

Donna J. Widdinger
Village Clerk