

ORDINANCE NO.2007-10

AUTHORIZING THE ISSUANCE OF \$8,000,000 CITY OF MASON, OHIO VARIABLE RATE INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES 2007 (CRANE PLASTICS COMPANY LLC PROJECT) FOR THE PURPOSE OF MAKING A LOAN TO ASSIST CRANE PLASTICS COMPANY LLC IN THE FINANCING OF COSTS OF A "PROJECT" WITHIN THE MEANING OF CHAPTER 165, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT PERTAINING TO THE PROJECT AND A TRUST INDENTURE SECURING THE PAYMENT OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT FOR THE SALE AND PLACEMENT OF THE BONDS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX COMPLIANCE AGREEMENT AND CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

WHEREAS, the City of Mason, a municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Ohio, is authorized and empowered, by virtue of the laws of the State of Ohio, including without limitation, Section 13 of Article VIII, Ohio Constitution, and Chapter 165, as amended, Ohio Revised Code (the "Act"), (a) to issue its revenue bonds for the purpose of making a loan to assist in the financing of costs of the acquisition, renovation, installation and equipping of a "project" as defined in Chapter 165, as amended, Ohio Revised Code, excluding any work not related to the actual building and equipping of any structures related to such project, such as land development and improvement, excavation, or landscaping, (b) to enter into a loan agreement and to provide for "revenues" sufficient to pay the principal of and interest and any premium on those revenue bonds, (c) to secure those revenue bonds by a trust indenture, as provided herein, and (d) to enact this Bond Legislation and to enter into the Indenture, the Agreement, the Tax Compliance Agreement, and the Bond Purchase Agreement, all as defined herein, upon the terms and conditions provided herein and therein; and

WHEREAS, the Mason Community Improvement Corporation (the "CIC"), a nonprofit Ohio corporation lawfully constituted and duly designated as an agent of the Issuer in accordance with the provisions of Section 1724.10 of the Ohio Revised Code, determined and certified to the Issuer that the issuance by the Issuer of industrial development revenue bonds pursuant to the Act to assist Crane Plastics Company LLC (the "Borrower") in financing the costs of the acquisition, renovation, installation and equipping of an approximately 215,000 square foot industrial building to be leased to Crane Fencing Solutions Ltd., an Ohio limited partnership and affiliate of the Borrower and used in the production vinyl fencing, located at 4074 Bethany Road, Mason, Ohio (the "Project") owned by the Borrower within the boundaries of the Issuer, would be in accordance with the plans for development of the Issuer prepared by the CIC and approved by the Issuer pursuant to Chapter 1724.10 of the Ohio Revised Code; and

WHEREAS, the Borrower has requested that the Issuer issue revenue bonds pursuant to the Act to assist the Borrower in financing the costs of the acquisition, renovation, installation and equipping the Project;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Mason, Ohio, that:

Section 1. Definitions. All words and terms used herein as defined words and terms but not otherwise defined herein shall have the respective meanings given to them in the Trust Indenture with respect to the Bonds (the "Indenture") between the Issuer and U.S. Bank National Association, Columbus, Ohio and its successors in trust, as trustee (the "Trustee") the substantially final form of which is on file with this Council (the "Issuing Authority").

Any reference herein to the Issuer or the Issuing Authority or to any officers, employees or members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms "hereof," "hereby," "hereto," "hereunder," and similar terms, mean this Bond Legislation.

Section 2. Determinations. This Issuing Authority determines, based on the representations of the Borrower contained in its application to the Issuer and in the Agreement, that:

- (a) The Project constitutes a "project" within the meaning of that term as defined in Chapter 165(H), Ohio Revised Code;
- (b) The Project is consistent with the purposes of Section 13 of Article VIII, Ohio Constitution, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State of Ohio; and
- (c) Provision of the loan to finance costs of the Project, including without limitation, the financing thereof, will require the issuance, sale and delivery of the Bonds, and hereafter may require the Issuer's best efforts to issue, sell and deliver Additional Bonds as provided in the Indenture.

Section 3. Authorization of Bonds. It is hereby determined to be necessary to, and the Issuer shall, issue, sell and deliver, as provided herein and in the Indenture and pursuant to the authority of the Act, the Bonds in the principal amount of \$8,000,000 for the purpose of making a loan to assist the Borrower in financing the costs of acquiring, constructing, renovating, equipping and installing the Project. The Bonds initially shall be issued in fully registered book entry only form and shall be designated "City of Mason, Ohio Variable Rate Industrial Development Revenue Bonds, Series 2007 (Crane Plastics Company LLC Project)." The Bonds shall be secured by a letter of credit (the "Letter of Credit") to be issued by U.S. Bank National Association (the "Bank") as provided in the Indenture. The Issuer may issue, sell and deliver Additional Bonds for any purpose authorized by the Act, upon satisfaction of the conditions and in the manner provided in the Indenture. The final principal amount of the Bonds shall be set forth in the Indenture.

Section 4. Terms and Execution of the Bonds. The Bonds shall be issued in the forms and denominations and shall be numbered and payable as provided in the Indenture. The Bonds shall be dated as of the date or dates of their initial delivery, shall mature on the date or dates as shall be set forth in the Indenture, and shall have such terms, bear such interest (not to exceed the lesser of 10% per annum or the maximum interest rate specified in the Letter of Credit), and be subject to mandatory and optional redemption as provided in the Indenture. The Bonds shall be signed by the City Manager in his official capacity and attested to by the Clerk of Council (provided that any or all of those signatures may be facsimiles). In case any officer whose signature or a facsimile thereof appears on the Bonds shall cease to be such officer before the issuance or delivery of the Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until after that time.

The forms of the Bonds submitted to this meeting, subject to appropriate insertions and revisions in order to comply with the provisions hereof and of the Indenture, are hereby

approved, and when the same shall be executed on behalf of the Issuer by the appropriate officers thereof in the manner contemplated hereby and by the Indenture, in the maximum aggregate principal amount authorized hereby, shall represent the approved forms of Bonds.

Section 5. Sale of the Bonds. The Bonds are hereby sold at a purchase price of 100% of the principal amount thereof pursuant to the Underwriter with the understanding that the Underwriter will offer and sell the Bonds only to "accredited investors", as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, without making a public offering of the Bonds and at a minimum investment of \$100,000. The City Manager is authorized and directed to make on behalf of the Issuer the necessary arrangements with the Underwriter to establish the date or dates, location, procedure and conditions for the delivery of the Bonds, and to take all steps necessary to effect due execution and delivery of the Bonds under the terms of this Bond Legislation, the Bond Placement Agreement, the Agreement and the Indenture. The City Manager is further authorized to determine on behalf of the Issuer that the final principal amount and terms of the Bonds, and the sale thereof, all as provided in the aforesaid documents, are in the best interests of the Issuer and consistent with all legal requirements, such determination to be conclusively evidenced by the execution by such officers of those documents pursuant to Section 7 hereof. The proceeds from the sale of the Bonds shall be deposited in the Project Fund created in the Indenture and applied as provided in the Indenture and the Agreement.

Section 6. Federal Tax Matters.

(a) Arbitrage and Information Reporting Provisions. The Issuer covenants that it will restrict the use of the proceeds of any Bonds in such manner and to such extent as may be necessary so that such Bonds will not constitute arbitrage bonds under Section 148 of the Code, after taking into account reasonable expectations at the time of the delivery of and payment for such Bonds.

The City Manager, Finance Director or any other officer having responsibility for issuing the Bonds, either alone or in conjunction with the Borrower or any officer, employee, agent or consultant to the Borrower, shall give:

(i) an appropriate certificate of the Issuer for inclusion in the transcript of proceedings for the Bonds setting forth the reasonable expectations of the Issuer regarding the amount and use of the proceeds of the Bonds and the facts, estimates and circumstances on which they are based and other facts and circumstances relevant to the tax treatment of interest on the Bonds, as provided by the Borrower, all as of the date or dates of delivery of and payment for the Bonds; and

(ii) the statement setting forth the information required by Section 149(e) of the Code, which shall be based on the relevant information provided by the Borrower including an appropriate certificate, if required, setting forth information regarding the volume cap applicable to the Issuer for use in obtaining the certification required by Section 149(e)(2)(F) of the Code.

The Issuer covenants that it (i) will take, or require to be taken, all actions that may be required of it for the interest the Bonds to be and remain excluded from gross income of the registered owners thereof for federal income tax purposes, and (ii) will not take or authorize to be taken any actions that would adversely affect that exclusion under the provisions of the Code. The City Manager and Finance Director and other appropriate officers are hereby authorized and directed to take any and all actions and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

(b) Election of Capital Expenditure Limitation. The Issuer hereby elects to have the limitation on capital expenditures specified in Section 144(a)(4) of the Code apply the Bonds.

Section 7. Authorization of Agreement, Indenture, Offering Memorandum, Bond Purchase Agreement and All Other Documents to be Executed by the Issuer. In order to better secure the payment of the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable, and to provide for the financing of the Project, the City Manager authorized and directed to execute, acknowledge and deliver, in the name and on behalf of the Issuer, the Agreement, the Indenture, the Tax Compliance Agreement, and the Bond Purchase Agreement, in substantially the forms submitted to and now on file with the Issuer which are hereby approved, with such changes therein not inconsistent with this Bond Legislation and not substantially adverse to the Issuer as may be permitted by the Act and approved by the officers executing the same on behalf of the Issuer. The approval of such changes by such officers, and that such are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of the Agreement, the Indenture, the Tax Compliance Agreement, and the Bond Purchase Agreement by such officers.

The Issuer has no objection to the use and distribution of an Offering Memorandum (the "Offering Memorandum"), in substantially the form submitted to and now on file with the Issuer, in connection with the issuance, sale and delivery of the Bonds. However, the Issuer has not confirmed, and assumes no responsibility for, the accuracy, completeness or fairness of any statements in the Offering Memorandum or any other written materials used in connection with the offer and sale of the Bonds or in any way relating to the Project, the Borrower, the Bank, or the Underwriter.

The City Manager and the Finance Director and other appropriate officials of the Issuer are each separately authorized to take any and all actions and to execute such financing statements, assignments, certificates and other instruments that may be necessary or appropriate in the opinion of bond counsel, in order to effect the issuance of the Bonds, the financing of the Project and the intent of this Bond Legislation.

Section 8. Covenants of Issuer. In addition to other covenants of the Issuer in this Bond Legislation, the Issuer further covenants and agrees as follows:

(a) Payment of Principal, Premium and Interest. The Issuer will, solely from the Revenues, as defined in the Indenture, pay or cause to be paid the principal of, premium, if any, and interest on each and all Bonds on the dates, at the places and in the manner provided herein, in the Indenture and in the Bonds.

(b) Performance of Covenants, Authority and Actions. The Issuer will at all times faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bonds, the Agreement, the Tax Compliance Agreement, the Bond Purchase Agreement, and the Indenture, and in all proceedings of the Issuer pertaining to the Bonds. The Issuer warrants and covenants that it is, and upon delivery of the Bonds will be, duly authorized by the laws of the State, including particularly and without limitation the Act, to issue the Bonds and to execute the Agreement, the Tax Compliance Agreement, the Bond Purchase Agreement, and the Indenture, and all other documents to be executed by it, to provide for the security for payment of the principal of, premium, if any, and interest on the Bonds in the manner and to the extent herein and in the Indenture set forth; that all actions on its part for the issuance of the Bonds and execution and delivery of the Agreement, the Tax Compliance Agreement, the Bond Purchase Agreement, the Indenture, and all other documents to be executed by it in connection with the issuance of the Bonds, have been or will be duly and effectively taken; and that the Bonds will be valid and enforceable special obligations of the Issuer according to the terms thereof.

Section 9. Transcript of Proceedings. The Clerk of the Issuing Authority, or other appropriate officer of the Issuer, shall furnish to the Underwriter a true transcript of proceedings, certified by the Clerk or other officer, of (i) all proceedings had with reference to the issuance of the Bonds and (ii) any other information from the records of the Issuer which may be necessary or appropriate to determine the regularity and validity of the issuance of the Bonds.

The Borrower shall defend, indemnify and hold harmless the Issuer, its elected officials, employees, legal counsel and representatives from any and all liability and claims, costs, losses and expenses, including reasonable attorneys fees, against the Issuer as a result of Issuer's issuance of the Bonds.

Section 10. No Debt or Tax Pledge; Indemnification of Issuer. Anything in the Bond Legislation, the Bonds or the Indenture to the contrary notwithstanding, the Bonds and the interest payable thereon do not constitute a debt or liability of the Issuer, the State or any political subdivision thereof within the meaning of the provisions of the Constitution or the statutes of the State, or a pledge of the faith and credit or the taxing power of the Issuer, the State or any political subdivision thereof, and the Bonds shall contain a statement to that effect and to the effect that the Bonds shall be payable solely from the funds pledged therefor in accordance with the Indenture.

Section 11. Prevailing Rates of Wages. As provided in Chapter 4115, Ohio Revised Code, all wages paid to laborers and mechanics employed on the Project shall be paid at not less than the prevailing rates of wages for laborers and mechanics for each class of work called for by the Project, which wages shall be determined in accordance with the requirements of Chapter 4115, Ohio Revised Code, for determination of prevailing wage rates; provided that the requirements of this section shall not apply where the federal government or any of its agencies furnished or furnishes by loan or grant all or any part of the funds used or to be used in connection with the Project and prescribed or prescribes predetermined minimum wages to be paid to such laborer and mechanics; and provided further that, if the Borrower or other nonpublic user beneficiary undertakes, as a part of the Project, construction to be performed by its regular bargaining unit employees who are covered by a collective bargaining agreement which was in existence prior to the date of adoption of this resolution, the rate of pay provided under the applicable collective bargaining agreement may be paid to such employees.

Section 12. Volume Cap. Any officer or employee of the Issuer is authorized to sign such documents as are required by the Ohio Department of Development for allocation of State ceiling to the Bonds under Section 146 of the Code and which are satisfactory to bond counsel.

Section 13. Compliance with Open Meeting Requirements. This Issuing Authority hereby finds and determines that all formal actions relative to the adoption of this Bond Legislation were taken in an open meeting of this Issuing Authority, and that all deliberations of this Issuing Authority and of its committees, which resulted in those formal actions, were in meetings open to the public in compliance with the law.

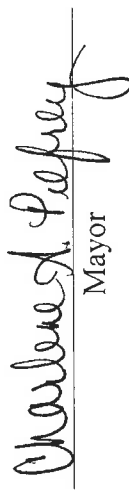
Section 14. Effective Date. This ordinance shall take effect and be in force at the earliest time permitted by law. Adopted:

Passed this 8th day of January, 2007.

Attest:



Clerk of Council



Charles A. Papey
Mayor

CERTIFICATE

The undersigned Clerk of the Council hereby certifies that the foregoing is a true copy of an Ordinance duly adopted by the Council of the City of Mason, Ohio of the 8th day of January 2007.

Clerk of the Council