

77 NOV 1978

R E S O L U T I O N

RESOLVED, that the Town of Spring Hill, Tennessee accepts the offer of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, for a loan and/or grant under the terms and conditions of the Loan Agreement and/or Grant Agreement furnished by the Farmers Home Administration, and the Mayor and Recorder are hereby authorized and directed to execute such documents.

Passed and adopted this 18TH day of DECEMBER, 1978.

Ben Andrews MD
BEN ANDREWS, MAYOR

C E R T I F I C A T E

I do hereby certify that the foregoing Resolution was adopted by the members of the Board of Mayor and Aldermen of the Town of Spring Hill on the 18TH day of DECEMBER, 1978.

John Quinn
RECORDER

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE Board of Mayor and Aldermen
OF THE Town of Spring Hill, Tennessee
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF
PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR
EXTENDING ITS sewerage system
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURIDICION TO SERVE.

WHEREAS, it is necessary for the Town of Spring Hill
(Public Body)
(herein after called association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal
amount of \$600,000.00

pursuant to the provisions of Sections 6-1601 to 6-1631, Tennessee Code Annotated
WHEREAS, the association intends to obtain assistance from the Farmers Home Administration, United States Department
of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development
Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and to purchasing of bonds
lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the association:

NOW THEREFORE, in consideration of the premises the association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds and containing such items and in such forms as are required by STATE statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form FmHA 400-4, "Nondiscrimination Agreement"; and Form FmHA 400-1, "Equal Opportunity Agreement", including an "Equal Opportunity Clause", which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government, at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the association (payable from the source of funds pledged to pay the bonds or any other legally permissible source) incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this Resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, not permit others to do so, without the prior written consent of the Government.
7. Not to borrow any money from any source, enter into any contract or agreement, or incur any other liabilities in connection with making enlargements, improvements or extensions to, or for any other purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account, in a bank, and in a manner approved by the Government.