

ORDINANCE NO. 2017-10

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF ROCKPORT, INDIANA, APPROVING THE REOFFERING OF THE CITY'S "POLLUTION CONTROL REVENUE REFUNDING BONDS (INDIANA MICHIGAN POWER COMPANY PROJECT), SERIES 2002 A," AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO.

WHEREAS, the City of Rockport, Indiana (the "Issuer") is authorized by Indiana Code 36-7-11.9 and 36-7-12, as amended (collectively, the "Act"), and by Indiana Code 5-1-5, as amended, to issue revenue bonds for the financing of pollution control facilities and to issue revenue bonds to refund and refinance such revenue bonds; and

WHEREAS, Indiana Michigan Power Company (formerly Indiana & Michigan Electric Company) (the "Company") previously initiated the acquisition, construction, installation and equipping of certain pollution control facilities (the "Project") at the Company's Rockport Generating Station, and a portion of the Project was financed and refinanced through the currently outstanding Fifty Million Dollars (\$50,000,000) City of Rockport, Indiana, Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A (the "Series 2002 A Bonds"); and

WHEREAS, the Company has advised the Issuer that the Company proposes to remarket and reoffer the Series 2002 A Bonds as "Term Rate" (*i.e.*, long-term rate) bonds under the Amended and Restated Seventh Supplemental Indenture of Trust dated as of June 1, 2007 (the "Seventh Supplemental Indenture"), between the Issuer and Wells Fargo Bank, N.A., as trustee; and

WHEREAS, in connection with the proposed reoffering of the Series 2002 A Bonds, the Company has requested certain amendments to the Seventh Supplemental Indenture; and

WHEREAS, it would appear that such reoffering of the Series 2002 A Bonds would be of public benefit to the health, safety and general welfare of the Issuer and its citizens and complies with the purposes and provisions of the Act and Indiana Code 5-1-5; and

WHEREAS, substantially final forms of a First Amendment to Amended and Restated Seventh Supplemental Indenture of Trust (which would amend the Seventh Supplemental Indenture), and a form of Series 2002 A Bond (hereinafter collectively referred to as the "Financing Documents"), all relating to the reoffering of the Series 2002 A Bonds in the principal amount of Fifty Million Dollars (\$50,000,000), have been presented to the Issuer at this meeting;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF ROCKPORT, INDIANA:

SECTION 1. It is hereby found that the financing referred to in the Financing Documents consisting of the reoffering of the Series 2002 A Bonds as "Term Rate" bonds will be of benefit to the health and general welfare of the Issuer and its citizens and does comply with the purposes and provisions of the Act.

SECTION 2. The forms of the Financing Documents are hereby approved and all such documents shall be inserted in the minutes of the Common Council of the Issuer (the "Common Council") and kept on file by the Clerk-Treasurer of the Issuer (the "Clerk-Treasurer"). Two (2) copies of the Financing Documents are on file in the office of the Clerk-Treasurer for public inspection.

SECTION 3. The Series 2002 A Bonds are payable as to principal, premium, if any, interest and purchase price solely from payments made by the Company under an Agreement of Sale dated as of December 1, 1984, between the Issuer and the Company, as amended, and the

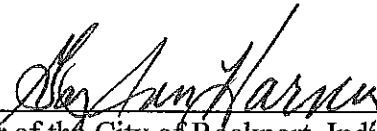
Series 2002 A Bonds shall never constitute a general obligation of, an indebtedness of, or charge against the general credit of the Issuer.

SECTION 4. The Mayor and the Clerk-Treasurer are authorized and directed to execute those Financing Documents approved herein which require the signature of the Mayor and the Clerk-Treasurer and any other document which may be necessary or desirable to consummate the transaction, and their execution is hereby confirmed, on behalf of the City of Rockport. The signatures of the Mayor and the Clerk-Treasurer on the Series 2002 A Bonds may be facsimile signatures. The Mayor and the Clerk-Treasurer may approve changes to the forms of the Financing Documents, with their execution thereof being conclusive evidence of their approval of such changes. To the extent that the amendments set forth in the Financing Documents cause the Series 2002 A Bonds to be "reissued" for federal income tax purposes, such "reissuance" is hereby authorized and approved for all purposes. In such event, the Mayor and the Clerk-Treasurer and all other officers of the Issuer shall be authorized to take such actions and to execute such documents, in the manner described herein, to effectuate such "reissuance" for federal income tax purposes.

SECTION 5. The provisions of this Ordinance and the Financing Documents shall constitute a contract binding between the Issuer and the holder or holders of the Series 2002 A Bonds and after the reoffering of said Series 2002 A Bonds this Ordinance shall not be repealed or amended in any respect which would adversely affect the right of such holder or holders so long as said Series 2002 A Bonds or the interest thereon remains unpaid.


SECTION 6. This Ordinance shall be in full force and effect upon adoption and compliance with Indiana Code 36-4-6-14.

The foregoing was passed by the Common Council this 27th day of November, 2017, at 5:00 p.m.



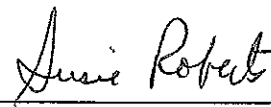
Mayor of the City of Rockport, Indiana

ATTEST:



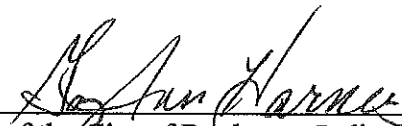
Clerk-Treasurer

Presented by me to the Mayor this 27th day of November, 2017, at 5:00 p.m.



Clerk-Treasurer of the City of Rockport, Indiana

Approved and signed by me this 27th day of November, 2017.



Mayor of the City of Rockport, Indiana

No. R-3

\$50,000,000

THIS BOND IS SUBJECT TO MANDATORY TENDER FOR PURCHASE AT THE TIME AND IN THE MANNER HEREINAFTER DESCRIBED AND MUST BE SO TENDERED OR WILL BE DEEMED TO HAVE BEEN SO TENDERED UNDER CERTAIN CIRCUMSTANCES AS DESCRIBED HEREIN.

UNITED STATES OF AMERICA
STATE OF INDIANA
CITY OF ROCKPORT, INDIANA
POLLUTION CONTROL REVENUE REFUNDING BOND
(INDIANA MICHIGAN POWER COMPANY PROJECT)
SERIES 2002 A

MATURITY DATE: June 1, 2025 CUSIP: 773835 BP7
DATE OF ORIGINAL ISSUANCE June 3, 2002
REGISTERED OWNER: Cede & Co.
PRINCIPAL AMOUNT: FIFTY MILLION DOLLARS

Type of Rate Period if other than Commercial Paper: Term Rate Period

Last Day of Commercial Paper Rate Period* _____ Interest Rate* _____

Number of Days in Period* _____ Interest Due at End of Period* _____

* Complete only for Bonds accruing interest at Commercial Paper Rates.

The City of Rockport, a municipal corporation and political subdivision of the State of Indiana ("Issuer"), for value received, hereby promises to pay, solely from the source and as hereinafter provided, to the registered owner stated above, or registered assigns, on the maturity date stated above or upon earlier redemption hereof upon the presentation and surrender hereof, the principal amount stated above together with interest on said principal amount at the rate determined as herein provided from the most recent Interest Payment Date (hereinafter described) to which interest has been paid or duly provided for or from the date of authentication hereof if such date is on an Interest Payment Date to which interest has been paid or duly provided for, or from June 3, 2002 if no interest has been paid or duly provided for, such payments of interest to be made on each Interest Payment Date until payment of said principal sum. The principal of this Bond is payable to the registered owner hereof in immediately available funds upon presentation and surrender hereof at the principal office of Wells Fargo Bank, N.A., or its successor, as paying agent ("Paying Agent") under the Amended and Restated Seventh Supplemental Indenture of Trust dated as of June 1, 2007 between the Issuer and Wells

Fargo Bank, N.A., formerly Wells Fargo Bank Indiana, N.A., or its successor, as trustee ("Seventh Supplemental Indenture"). All payments of interest shall be paid to the registered owner hereof whose name appears in the Series 2002 A Bond Register kept by the Series 2002 A Bond Registrar as of the applicable Regular or Special Record Dates in immediately available funds by wire transfer to a bank within the continental United States as directed by the registered owner in writing (A) prior to the time of payment with respect to Bonds accruing interest at a Commercial Paper Rate or (B) five Business Days prior to the Interest Payment Date with respect to Bonds accruing interest at Daily, Weekly, Term or Auction Rates. Interest accrued during any Commercial Paper Rate Period or due at maturity or redemption shall be paid only upon presentation and surrender of the Bond. The "Regular Record Date" for any Interest Payment Date is the close of business on the day (whether or not a Business Day) immediately preceding the Interest Payment Date, except that, while this Bond accrues interest at an Auction Rate, the Regular Record Date is the close of business on the Second Business Day preceding an Interest Payment Date therefor and except that while this Bond accrues interest at the Term Rates (as described herein), the Regular Record Date is the close of business on the 15th day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date and within any applicable grace period (herein called "Defaulted Interest") shall cease to be payable to the registered owner hereof on the relevant Regular Record Date by virtue of having been such registered owner, and such Defaulted Interest shall be paid to the person in whose name the Bond is registered at the close of business on a "Special Record Date" to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. A "Business Day" is any day of the week other than Saturday, Sunday or other day (a) on which commercial banks located in the cities in which the principal offices of the Trustee, the Remarketing Agent or the Paying Agent are located are required or authorized by law to close or (b) on which The New York Stock Exchange, Inc. is closed. Capitalized terms not otherwise defined herein shall have the meanings specified therefor in the Indenture.

All acts, conditions and things required to happen exist or be performed precedent to the issuance of this Bond have happened, exist and have been performed.

This Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee or its Authenticating Agent shall have executed the Certificate of Authentication appearing hereon.

This Bond and the issue of which it is a part and the interest thereon are limited obligations of the Issuer payable solely from the revenues and receipts derived from the Agreement of Sale (except to the extent paid out of money attributable to Bond proceeds or the proceeds of any instrument of credit enhancement which may afford additional security for the Bonds), which revenues and receipts have been pledged and assigned to the Trustee to secure payment thereof. The Bonds and the interest thereon shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of Indiana or any political subdivision thereof other than the Issuer, whose obligations in respect of the Bonds and the interest thereon are limited as set forth herein and in the Indenture. Neither the Issuer, the State of Indiana nor any other political subdivision thereof shall be obligated to pay the principal or purchase price of the Bonds, the premium, if any, or the interest thereon or other costs incident thereto except from the

revenues and receipts pledged therefor. Neither the faith and credit nor the taxing power of the Issuer or the State of Indiana or any other political subdivision thereof is pledged to the payment of the principal or purchase price of the Bonds, the premium, if any, or the interest thereon or other costs incident thereto.

This Bond is one of an issue of \$50,000,000 City of Rockport, Indiana Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A ("Bonds"), of like date and tenor, except as to number and principal amount, authorized and issued pursuant to Indiana Code 36-7-11.9 and Indiana Code 36-7-12, for the purpose of refunding Floating Rate Weekly Demand Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project) Series 1985 A, which were previously issued by the Issuer for the purpose of refunding other bonds previously issued by the Issuer for the purpose of acquiring, constructing, installing, equipping and financing, in part, the portion of certain air and water pollution abatement or control facilities, including sewage or solid waste disposal facilities ("Project") at the Rockport Generating Station ("Plant") owned by Indiana Michigan Power Company, a corporation organized and existing under the laws of the State of Indiana ("Company"), as tenant in common without right of partition with AEP Generating Company, a corporation organized and existing under the laws of the State of Ohio and duly qualified to do business as a foreign corporation in the State of Indiana, and selling the same to the Company pursuant to an Agreement of Sale dated as of December 1, 1984 ("1984 Agreement"), as amended by the First Amendment to Agreement of Sale dated as of July 1, 1985 ("First Amendment Agreement"), the Second Amendment to Agreement of Sale dated as of February 1, 1995 ("Second Amendment Agreement"), and the Third Amendment to Agreement of Sale dated as of June 1, 1995 ("Third Amendment Agreement"), the Fourth Amendment to Agreement of Sale, dated as of June 1, 2002 ("Fourth Amendment Agreement"), the Fifth Amendment to Agreement of Sale, dated as of May 1, 2006 ("Fifth Amendment Agreement") and as to be amended by the Sixth Amendment to Agreement of Sale, to be dated as of June 1, 2007 ("Sixth Amendment Agreement"), (such 1984 Agreement, as amended by the First Amendment Agreement, the Second Amendment Agreement, the Third Amendment Agreement, the Fourth Amendment Agreement, the Fifth Amendment Agreement, and the Sixth Amendment Agreement being herein referred to as the "Agreement of Sale"), between the Issuer and the Company. The Bonds are issued under an Indenture of Trust dated as of December 1, 1984, as supplemented and amended by a First Supplemental Indenture of Trust dated as of July 1, 1985 ("First Supplemental Indenture"), a Second Supplemental Indenture of Trust dated as of July 1, 1985 ("Second Supplemental Indenture"), a Third Supplemental Indenture of Trust dated as of July 1, 1985 ("Third Supplemental Indenture"), a Fourth Supplemental Indenture of Trust dated as of June 1, 1990 ("Fourth Supplemental Indenture"), a Fifth Supplemental Indenture of Trust dated as of February 1, 1995 ("Fifth Supplemental Indenture"), a Sixth Supplemental Indenture dated as of June 1, 1995 as amended and restated, the Seventh Supplemental Indenture, dated as of June 1, 2007, as amended and restated and the Eighth Supplemental Indenture of Trust dated as of May 1, 2006 (the Indenture of Trust, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture and the Eighth Supplemental Indenture being referred to herein as the "Indenture"), between the Issuer and the Trustee which assigns to the Trustee, as security for the Bonds, the Issuer's rights under the Agreement of Sale (except for payment of Issuer expenses and for indemnification of the Issuer). Reference is hereby made to

the Indenture, the Agreement of Sale and to all amendments and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer and the Trustee and the rights of the holders of the Bonds and the terms upon which the Bonds are issued and secured.

Interest on the Bonds

The Bonds accrued interest at a Term Rate of 4.625% per annum for a Term Rate Period from June 1, 2007 to the Maturity Date (the "Initial Term Rate Period"), provided that the Bonds are being converted to a Weekly Rate Period on June 1, 2017, and will be subject to further conversion as herein provided. The rate of interest applicable to any Rate Period shall be determined in accordance with the applicable provisions of the Indenture and may not exceed 18% per annum. The amount of interest so payable on any Interest Payment Date shall be computed (a) on the basis of a 365- or 366-day year for the number of days actually elapsed during Daily Rate Periods; (b) on the basis of a 365- or 366-day year for the number of days actually elapsed based on the calendar year in which the Commercial Paper Rate Period or the Weekly Rate Period commences, during Commercial Paper Rate Periods or Weekly Rate Periods; (c) on the basis of a 360-day year for the number of days actually elapsed during any Auction Rate Period except that interest during an Auction Period of longer than 91 days shall be calculated on the basis of a 360-day year composed of twelve 30-day months; and (d) on the basis of a 360-day year of twelve 30-day months during Term Rate Periods.

"Rate Period" shall mean, when used with respect to any particular rate of interest determined as hereinafter provided, the period from and including the effective date of such rate to (but not including) the effective date of the rate of interest next determined as hereinafter provided. The rates of interest for the Bonds, which will be determined by the Remarketing Agent, are as follows:

Commercial Paper Rate

While the Bonds accrue interest at Commercial Paper Rates, the interest rate for each particular Bond will be determined by the Remarketing Agent as the minimum rate of interest necessary, in the judgment of the Remarketing Agent, to enable the Remarketing Agent to sell such Bond on that day at a price equal to the principal amount thereof, and with respect to Commercial Paper Rates, the Remarketing Agent shall determine the Commercial Paper Rate and the Commercial Paper Rate Period for each Bond at such rate and for such period as it deems advisable in order to minimize the net interest cost on the Bonds, taking into account prevailing market conditions, and will remain in effect from and including the commencement date of the Commercial Paper Rate Period selected for that Bond by the Remarketing Agent to, but not including, the last date thereof. While the Bonds accrue interest at Commercial Paper Rates, Bonds may have successive Commercial Paper Rate Periods and any Bond may accrue interest at a rate and for a period different from any other Bond. No Commercial Paper Rate Period may be established which (i) is less than one day or exceeds 270 days; (ii) extends beyond the day preceding the earliest of the Maturity Date, the optional or extraordinary optional redemption date or the mandatory tender date; (iii) if the Remarketing Agent has given or received notice of any conversion to a Term Rate Period, exceeds the remaining

number of days prior to the Conversion Date or, if the Remarketing Agent has given or received notice of any conversion to a Daily Rate or Weekly Rate, exceeds (A) the period that shall enable the Commercial Paper Rate Periods for all Bonds to end on the day before the Conversion Date, or (B) the period that, based on the Remarketing Agent's judgment, will best promote an orderly transition to the next Rate Period.

Daily Rate

While the Bonds accrue interest at a Daily Rate, the interest rate established for the Bonds will be effective from day to day until changed by the Remarketing Agent in accordance with the Indenture.

Weekly Rate

While the Bonds accrue interest at a Weekly Rate, the rate of interest on the Bonds will be determined weekly by the Remarketing Agent in accordance with the Indenture with such interest rate commencing on Wednesday of the week of such determination and ending on Tuesday of the following week. (The length of the period, the day of commencement and the last day of the period may vary in the event of a conversion to or from a Weekly Rate.)

Term Rate

While the Bonds accrue interest at a Term Rate, the interest rate will be determined by the Remarketing Agent in accordance with the Indenture and will remain in effect for a term selected by the Company. The Rate Period established will remain in effect until changed by the Company, in accordance with the Indenture.

Auction Rates

During an Auction Period, the Bonds shall bear interest at Auction Rates established for 35-day Auction Periods unless the Company changes the length of the Auction Period to a longer Auction Period in accordance with the Auction Procedures then in effect. The Auction Rate to be applicable to the Auction Rate Securities during each Auction Period shall be determined by the Auction Agent and notice thereof shall be given, all as provided in the Auction Procedures then in effect.

Authorized Denominations

Bonds which accrue interest at Commercial Paper Rates will be issued in the denominations of \$100,000 and any integral multiple of \$1,000 in excess thereof. Bonds which accrue interest at a Daily or Weekly Rate will be issued in denominations of \$100,000 or whole multiples thereof. Bonds which accrue interest at an Auction Rate will be issued in the denominations of \$25,000 or whole multiples thereof. Bonds which accrue interest at a Term Rate will be issued in the denominations of \$5,000 or whole multiples thereof.

Optional Tenders

While this Bond accrues interest at a Daily or Weekly Rate, the registered owner of this Bond has the right to tender this Bond for purchase at 100% of the principal amount hereof plus accrued interest as follows: (i) during a Daily Rate Period on any Business Day upon irrevocable written or electronic notice to the Paying Agent prior to 11:00 a.m., New York City time, on the Purchase Date; and (ii) during a Weekly Rate Period on any Business Day upon irrevocable written or Electronic notice to the Paying Agent prior to 5:00 p.m., New York City time, on a Business Day not fewer than 7 days prior to the Purchase Date. If this Bond is also subject to mandatory tender on such date, the provisions of the next section shall govern the purchase.

Mandatory Tenders

While this Bond accrues interest at a Commercial Paper Rate, this Bond is subject to mandatory tender on each Interest Payment Date applicable to this Bond at a Purchase Price equal to 100% of the principal amount thereof plus interest accrued during the related Commercial Paper Rate Period.

This Bond is subject to mandatory tender on the effective date of a conversion from one Rate Period to a different Rate Period (except for conversions from a Daily Rate to a Weekly Rate or from a Weekly Rate to a Daily Rate) or a conversion from a Term Rate Period to another Term Rate Period at a Purchase Price equal to 100% of the principal amount thereof plus accrued interest; provided that the Purchase Price for Bonds converted from a Term Rate Period on a date when such Bonds are also subject to optional redemption at a premium shall include an amount equal to the premium that would be payable if such Bonds were redeemed on such date.

BY ACCEPTANCE OF THIS BOND, THE REGISTERED OWNER HEREOF AGREES THAT THIS BOND WILL BE PURCHASED, WHETHER OR NOT SURRENDERED, ON THE PURCHASE DATE AS DESCRIBED ABOVE. IN SUCH EVENT, THE REGISTERED OWNER OF THIS BOND SHALL NOT BE ENTITLED TO RECEIVE ANY FURTHER INTEREST HEREON, SHALL HAVE NO FURTHER RIGHTS UNDER THIS BOND OR THE INDENTURE EXCEPT TO RECEIVE PAYMENT OF THE PURCHASE PRICE HELD THEREFOR, AND SHALL THEREAFTER HOLD THIS BOND AS AGENT FOR THE PAYING AGENT.

Written Notice of Rate Period Change

The Trustee shall give notice, by first class mail, to the registered owners of all Bonds of the proposed conversion from one Rate Period to another Rate Period at least 15 days before the proposed conversion date while the Bonds accrue interest at Commercial Paper, Daily or Weekly Rates, at least 20 days before the proposed conversion date while the Bonds accrue interest at an Auction Rate and at least 30 days before the proposed conversion date while the Bonds accrue interest at a Term Rate.

Interest Payment Dates

While this Bond accrues interest at a Commercial Paper Rate, interest is payable on the day after the last day of each Commercial Paper Rate Period. While this Bond accrues interest at Daily or Weekly Rates, interest is payable on the first Business Day of each calendar month following a month in which interest at such rate has accrued. While this Bond accrues interest at an Auction Rate, interest is payable on: (i) the Business Day immediately following each Auction Period, and (ii) in addition, for an Auction Period of more than 91 days, each 13th Wednesday after the first day of such Auction Period. During any Term Rate Period, interest is payable on the first day of the sixth calendar month following the month in which this Bond is originally issued and, in the case of a conversion to the Term Rate from a different Rate Period, the first day of the sixth calendar month following the months in which the Term Rate Conversion Date occurs and the first day of each sixth month thereafter to which interest at such rate has accrued, except that the last Interest Payment Date for any Term Rate Period is the earlier of the commencement date of the following Term Rate Period or the Conversion Date on which a different Rate Period becomes effective. The final Interest Payment Date for this Bond is the Maturity Date.

Redemption

The Bonds shall not be subject to optional redemption prior to maturity.

Purchase in Lieu of Redemption. As provided in the Indenture, the Company has the right to purchase Bonds in lieu of the optional redemption described above.

Mandatory Redemption. In the event that the Company is a party to any Reorganization to which the Bond Insurer has not consented, the Series 2002 A Bonds shall be subject to mandatory redemption prior to maturity, as a whole, at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, without a premium. The Company will give notice to the Issuer and the Trustee in writing of the date selected for such redemption not later than 35 days before the effective date of such Reorganization, such redemption date to be not later than one 2002 A Business Day before the effective date of such Reorganization. "Reorganization means any (i) merger, consolidation, reorganization or conversion of the Company, or (ii) sale or other disposition of any assets of the Company, as a result of either of which the Company ceases to be a public utility regulated by the appropriate state regulatory body or the Federal Energy Regulatory Commission.

The optional redemption dates and redemption prices set forth above may be changed by a supplemental indenture approved by the Company, filed with the Trustee and provided to the Remarketing Agent, provided that any such supplemental indenture shall be accompanied by a Favorable Opinion of Series 2002 A Bond Counsel.

If any of the Bonds or portions thereof are called for redemption, the Trustee shall cause a notice thereof identifying the Bonds to be redeemed to be sent by registered or certified mail to the registered owner of each such Bond to be redeemed at his address as it appears on the registration books not less than 30 nor more than 60 days prior to the redemption date. If a

portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender hereof.

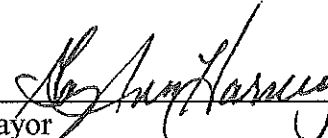
Transfer of Bonds

This Bond is transferable by the registered owner hereof at the designated office of the Series 2002 A Bond Registrar, upon surrender of this Bond accompanied by a duly executed instrument of transfer in form and with guaranty of signature satisfactory to the Series 2002 A Bond Registrar, subject, to such reasonable regulations as the Issuer or the Series 2002 A Bond Registrar may prescribe, and upon payment of any tax or other governmental charge incident to such transfer. Upon any such transfer, a new Bond or Bonds in the same aggregate principal amount will be issued to the transferee. Except as set forth in this Bond and as otherwise provided in the Indenture, the person in whose name this Bond is registered shall be deemed the owner hereof for all purposes, and, the Issuer, any Paying Agent, the Series 2002 A Bond Registrar, the Remarketing Agent, the Authenticating Agent and the Trustee shall not be affected by any notice to the contrary.

The owner of this Bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before their stated maturities, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.


IN WITNESS WHEREOF, the City of Rockport, Indiana has caused this Bond to be signed by the manual or facsimile signature of its Mayor, its seal to be affixed hereto or a facsimile thereof to be printed hereon and attested by the manual or facsimile signature of its Clerk-Treasurer.

CITY OF ROCKPORT, INDIANA

By 
Mayor

(SEAL)

Attest:


Clerk-Treasurer

(CERTIFICATE OF AUTHENTICATION)

This Bond is one of the Bonds described in the within-mentioned Indenture.

WELLS FARGO BANK, N.A.
as Trustee

By _____
Authorized Officer

Date: _____

FORM OF ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	-	-	as tenants in common
TEN ENT	-	-	as tenants by the entireties
JT TEN	-	-	as jointtenants with right of survivorship and not as tenants in common
UNIF TRNF MIN ACT	-	-	_____ Custodian _____ (Cust) _____ (Minor)
			Under Uniform Transfer to Minors Act _____ (State)

Additional abbreviations may also be used though not in list above.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please insert Social Security or taxpayer identification number of assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Bond, and all rights thereunder, and hereby does irrevocably constitute and appoint _____ Attorney to transfer the within Bond on the books kept for the registration thereof, with full power of substitution in the premises.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

**FIRST AMENDMENT TO AMENDED AND RESTATED
SEVENTH SUPPLEMENTAL INDENTURE OF TRUST**

between

CITY OF ROCKPORT, INDIANA

and

WELLS FARGO BANK, N.A., as Trustee

**CITY OF ROCKPORT, INDIANA,
POLLUTION CONTROL REVENUE REFUNDING BONDS
(INDIANA MICHIGAN POWER COMPANY PROJECT), SERIES 2002 A**

Dated as of December 1, 2017

**FIRST AMENDMENT TO AMENDED AND RESTATED
SEVENTH SUPPLEMENTAL INDENTURE OF TRUST**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED SEVENTH SUPPLEMENTAL INDENTURE OF TRUST ("First Amendment"), made and entered into as of December 1, 2017, by and between the CITY OF ROCKPORT, INDIANA, a municipal corporation and political subdivision of the State of Indiana (the "Issuer"), and WELLS FARGO BANK, N.A., a national banking association, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States, as successor trustee (the "Trustee"),

WITNESSETH:

WHEREAS, the Issuer has issued \$110,000,000 aggregate principal amount of its Pollution Control Revenue Bonds (Indiana & Michigan Electric Company Project), Series 1984 A (the "Series A Bonds"), pursuant to Indiana Code 36-7-11.9 and Indiana Code 36-7-12 (collectively, the "Act") and an Indenture of Trust dated as of December 1, 1984 (the "1984 Indenture"), between the Issuer and the Trustee for the purpose of acquiring, constructing, installing, equipping and financing the portion of certain facilities designed for the abatement or control of atmospheric and water pollution, including collection of sewage or disposal of solid waste (the "Project"), at the Rockport Generating Station owned by Indiana Michigan Power Company (the "Company") as tenant in common without right of partition with AEP Generating Company, which facilities were sold to the Company pursuant to an Agreement of Sale dated as of December 1, 1984, as amended (the "Agreement"), between the Issuer and the Company; and

WHEREAS, the Issuer has issued simultaneously (a) \$50,000,000 aggregate principal amount of its Floating Rate Weekly Demand Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Series 1985 A Bonds"), pursuant to a First Supplemental Indenture of Trust, dated as of July 1, 1985 (the "First Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985; (b) \$50,000,000 aggregate principal amount of its Adjustable Rate Tender Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Adjustable Series 1985 A Bonds"), pursuant to a Second Supplemental Indenture of Trust, dated as of July 1, 1985 (the "Second Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985; and (c) \$50,000,000 aggregate principal amount of its Fixed Rate Pollution Control Revenue Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Fixed Rate Series 1985 A Bonds"), pursuant to a Third Supplemental Indenture of Trust, dated as of July 1, 1985 (the "Third Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985 and as Additional Bonds pursuant to Section 2.10 of the 1984 Indenture to

finance a portion of the estimated Cost of Construction, as defined in the Agreement, of the Project not theretofore paid by application of the Series A Bond proceeds; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 1995 A (the "Series 1995 A Bonds"), pursuant to the Fifth Supplemental Indenture of Trust, dated as of February 1, 1995 (the "Fifth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Fixed Rate Series 1985 A Bonds; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 1995 B (the "Series 1995 B Bonds"), pursuant to the Sixth Supplemental Indenture of Trust, dated as of July 1, 1995 (the "Original Sixth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Adjustable Series 1985 A Bonds at their redemption on August 1, 1995 pursuant to the Act; and

WHEREAS, the Issuer and the Trustee amended and restated the Original Sixth Supplemental Indenture to add thereto provisions relating to an Auction Rate interest-rate setting mechanism, to make certain other modifications to, and to restate the Original Sixth Supplemental Indenture (as amended and restated, the "Sixth Supplemental Indenture"); and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A (the "Series 2002 A Bonds"), pursuant to the Seventh Supplemental Indenture of Trust, dated as of June 1, 2002 (the "Original Seventh Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Series 1985 A Bonds at their redemption on June 3, 2002 pursuant to the Act; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2006 A (the "Series 2006 A Bonds"), pursuant to the Eighth Supplemental Indenture, dated as of May 1, 2006 (the "Eighth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Series 1995 A Bonds; and

WHEREAS, the Issuer and the Trustee amended and restated the Original Seventh Supplemental Indenture to add thereto provisions relating to the addition of bond insurance, to modify certain redemption provisions relating to the Series 2002 A Bonds, and to make certain other modifications to, and to restate the Original Seventh Supplemental Indenture (as amended and restated, the "Seventh Supplemental Indenture") (the 1984 Indenture, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture of Trust dated as of June 1, 1990, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, and the Eighth Supplemental Indenture, shall hereinafter be referred to as the "Indenture"); and

WHEREAS, the Company has requested the Issuer and the Trustee to supplement and amend the Seventh Supplemental Indenture in order to modify certain redemption provisions

relating to the Series 2002 A Bonds, and to make certain other amendments to the Seventh Supplemental Indenture, as more particularly described and provided for herein; and

WHEREAS, the Indenture provides that the Issuer and the Trustee may supplement or amend the Indenture without notice to or consent of any bondholder, but with any other consents as may be required by the Indenture, to make any changes to the Indenture that take effect as to any or all remarketed Series 2002 A Bonds following a mandatory tender; and

WHEREAS, the Indenture provides that any supplemental indenture affecting the rights of the Company shall not become effective unless and until the Company shall have consented to the execution and delivery of such supplemental indenture; and

WHEREAS, the Company has consented to this First Amendment, such consent being evidenced by the Company's acknowledgment and approval of this First Amendment; and

WHEREAS, all things necessary have been done and performed to constitute this First Amendment a valid and binding agreement;

NOW, THEREFORE, THIS FIRST AMENDMENT WITNESSETH:

That the Issuer (acting at the direction of the Company), in consideration of the premises and of the confirmation of the Trustee of the trust created by the Indenture, as amended hereby, and for other good and valuable consideration, the receipt of which is hereby acknowledged, states and confirms that the pledge, transfer, assignment and lien of the Indenture, as amended hereby, are in all respects hereby ratified and confirmed and the parties hereto do hereby agree to amend and supplement the Indenture, in the manner herein specified:

ARTICLE I

DEFINITIONS; NEW TERM RATE PERIOD

Section 1.01. Definitions.

For all purposes of this First Amendment, unless the context requires otherwise, words or terms used herein and defined in the preamble and recitals of this First Amendment shall have the meanings specified therein. Any capitalized terms used herein for which no definition is provided shall have the meanings set forth in the Indenture.

Section 1.02. Effective Date and Delivery of Replacement Bonds.

(a) This First Amendment shall be effective as of December 1, 2017 and is being entered into in connection with a conversion to a new Term Rate Period commencing on December 1, 2017 through the final maturity of the Series 2002 A Bonds, as directed by the Company pursuant to the Seventh Supplemental Indenture and a mandatory tender of the Series 2002 A Bonds as a result of such change. The terms of this First Amendment shall only apply after such mandatory tender.

(b) The Trustee shall replace the existing Series 2002 A Bonds with a new Series 2002 A Bond in substantially the form attached to the Seventh Supplemental Indenture, with such modifications as may be appropriate to reflect the amendments set forth in this First Amendment, upon the effective date specified above. On the Effective Date, the Trustee is hereby authorized to authenticate and deliver one Series 2010A Bond, in the form attached hereto as Exhibit A.

ARTICLE II

REMOVAL OF BOND INSURANCE PROVISIONS

Section 2.01. Removal of Bond Insurance Provisions

The Issuer and the Trustee acknowledge that the Municipal Bond Insurance Policy (as defined in the Seventh Supplemental Indenture) was canceled on and as of June 1, 2017. As such, as of June 1, 2017 and thereafter, all provisions contained in the Seventh Supplemental Indenture or in the Series 2002 A Bonds related to the Municipal Bond Insurance Policy or the Bond Insurer (including all provisions relating to rights of the Bond Insurer with respect to the Series 2002 A Bonds) have no force or effect and do not apply to the Series 2002 A Bonds.

ARTICLE III

AMENDMENTS TO INDENTURE

Section 3.01. No Optional Redemption of Series 2002 A Bonds.

Section 3.01 of the Seventh Supplemental Indenture is hereby amended by deleting such Section in its entirety and inserting in lieu thereof the following:

"The Series 2002 A Bonds shall not be subject to optional redemption prior to maturity."

Section 3.02. No Extraordinary Optional Redemption of Series 2002 A Bonds.

Section 3.02 of the Seventh Supplemental Indenture is hereby amended by deleting such Section in its entirety and inserting in lieu thereof the following:

"The Series 2002 A Bonds shall not be subject to extraordinary option redemption prior to maturity."

ARTICLE IV

MISCELLANEOUS

Section 4.01. Application of Provisions of Indenture.

The provisions of this First Amendment are intended to supplement and amend those of the Indenture, as amended and as in effect immediately prior to the execution and delivery hereof. The amendments described in this First Amendment shall be effective as of December 1, 2017. The Indenture, as heretofore amended, shall remain in full force and effect, except to the extent modified or amended by the terms of this First Amendment. The Indenture and this First Amendment shall be read, taken and construed as one and the same instrument.

ORDINANCE NO. 2017-10

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF ROCKPORT, INDIANA, APPROVING THE REOFFERING OF THE CITY'S "POLLUTION CONTROL REVENUE REFUNDING BONDS (INDIANA MICHIGAN POWER COMPANY PROJECT), SERIES 2002 A," AND APPROVING AND AUTHORIZING OTHER ACTIONS IN RESPECT THERETO.

WHEREAS, the City of Rockport, Indiana (the "Issuer") is authorized by Indiana Code 36-7-11.9 and 36-7-12, as amended (collectively, the "Act"), and by Indiana Code 5-1-5, as amended, to issue revenue bonds for the financing of pollution control facilities and to issue revenue bonds to refund and refinance such revenue bonds; and

WHEREAS, Indiana Michigan Power Company (formerly Indiana & Michigan Electric Company) (the "Company") previously initiated the acquisition, construction, installation and equipping of certain pollution control facilities (the "Project") at the Company's Rockport Generating Station, and a portion of the Project was financed and refinanced through the currently outstanding Fifty Million Dollars (\$50,000,000) City of Rockport, Indiana, Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A (the "Series 2002 A Bonds"); and

WHEREAS, the Company has advised the Issuer that the Company proposes to remarket and reoffer the Series 2002 A Bonds as "Term Rate" (*i.e.*, long-term rate) bonds under the Amended and Restated Seventh Supplemental Indenture of Trust dated as of June 1, 2007 (the "Seventh Supplemental Indenture"), between the Issuer and Wells Fargo Bank, N.A., as trustee; and

WHEREAS, in connection with the proposed reoffering of the Series 2002 A Bonds, the Company has requested certain amendments to the Seventh Supplemental Indenture; and

WHEREAS, it would appear that such reoffering of the Series 2002 A Bonds would be of public benefit to the health, safety and general welfare of the Issuer and its citizens and complies with the purposes and provisions of the Act and Indiana Code 5-1-5; and

WHEREAS, substantially final forms of a First Amendment to Amended and Restated Seventh Supplemental Indenture of Trust (which would amend the Seventh Supplemental Indenture), and a form of Series 2002 A Bond (hereinafter collectively referred to as the "Financing Documents"), all relating to the reoffering of the Series 2002 A Bonds in the principal amount of Fifty Million Dollars (\$50,000,000), have been presented to the Issuer at this meeting;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF ROCKPORT, INDIANA:

SECTION 1. It is hereby found that the financing referred to in the Financing Documents consisting of the reoffering of the Series 2002 A Bonds as "Term Rate" bonds will be of benefit to the health and general welfare of the Issuer and its citizens and does comply with the purposes and provisions of the Act.

SECTION 2. The forms of the Financing Documents are hereby approved and all such documents shall be inserted in the minutes of the Common Council of the Issuer (the "Common Council") and kept on file by the Clerk-Treasurer of the Issuer (the "Clerk-Treasurer"). Two (2) copies of the Financing Documents are on file in the office of the Clerk-Treasurer for public inspection.

SECTION 3. The Series 2002 A Bonds are payable as to principal, premium, if any, interest and purchase price solely from payments made by the Company under an Agreement of Sale dated as of December 1, 1984, between the Issuer and the Company, as amended, and the

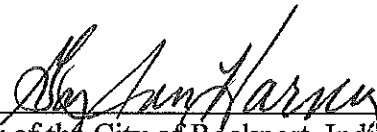
Series 2002 A Bonds shall never constitute a general obligation of, an indebtedness of, or charge against the general credit of the Issuer.

SECTION 4. The Mayor and the Clerk-Treasurer are authorized and directed to execute those Financing Documents approved herein which require the signature of the Mayor and the Clerk-Treasurer and any other document which may be necessary or desirable to consummate the transaction, and their execution is hereby confirmed, on behalf of the City of Rockport. The signatures of the Mayor and the Clerk-Treasurer on the Series 2002 A Bonds may be facsimile signatures. The Mayor and the Clerk-Treasurer may approve changes to the forms of the Financing Documents, with their execution thereof being conclusive evidence of their approval of such changes. To the extent that the amendments set forth in the Financing Documents cause the Series 2002 A Bonds to be "reissued" for federal income tax purposes, such "reissuance" is hereby authorized and approved for all purposes. In such event, the Mayor and the Clerk-Treasurer and all other officers of the Issuer shall be authorized to take such actions and to execute such documents, in the manner described herein, to effectuate such "reissuance" for federal income tax purposes.

SECTION 5. The provisions of this Ordinance and the Financing Documents shall constitute a contract binding between the Issuer and the holder or holders of the Series 2002 A Bonds and after the reoffering of said Series 2002 A Bonds this Ordinance shall not be repealed or amended in any respect which would adversely affect the right of such holder or holders so long as said Series 2002 A Bonds or the interest thereon remains unpaid.


SECTION 6. This Ordinance shall be in full force and effect upon adoption and compliance with Indiana Code 36-4-6-14.

The foregoing was passed by the Common Council this 27th day of November, 2017, at 5:00 p.m.



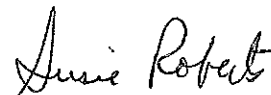
Mayor of the City of Rockport, Indiana

ATTEST:



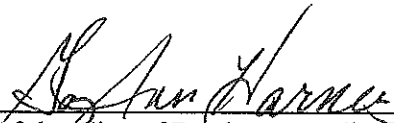
Clerk-Treasurer

Presented by me to the Mayor this 27th day of November, 2017, at 5:00 p.m.



Clerk-Treasurer of the City of Rockport, Indiana

Approved and signed by me this 27th day of November, 2017.



Mayor of the City of Rockport, Indiana

No. R-3

\$50,000,000

THIS BOND IS SUBJECT TO MANDATORY TENDER FOR PURCHASE AT THE TIME AND IN THE MANNER HEREINAFTER DESCRIBED AND MUST BE SO TENDERED OR WILL BE DEEMED TO HAVE BEEN SO TENDERED UNDER CERTAIN CIRCUMSTANCES AS DESCRIBED HEREIN.

UNITED STATES OF AMERICA
STATE OF INDIANA
CITY OF ROCKPORT, INDIANA
POLLUTION CONTROL REVENUE REFUNDING BOND
(INDIANA MICHIGAN POWER COMPANY PROJECT)
SERIES 2002 A

MATURITY DATE: June 1, 2025 CUSIP: 773835 BP7
DATE OF ORIGINAL ISSUANCE June 3, 2002
REGISTERED OWNER: Cede & Co.
PRINCIPAL AMOUNT: FIFTY MILLION DOLLARS

Type of Rate Period if other than Commercial Paper: Term Rate Period

Last Day of Commercial Paper Rate Period* _____ Interest Rate* _____

Number of Days in Period* _____ Interest Due at End of Period* _____

* Complete only for Bonds accruing interest at Commercial Paper Rates.

The City of Rockport, a municipal corporation and political subdivision of the State of Indiana ("Issuer"), for value received, hereby promises to pay, solely from the source and as hereinafter provided, to the registered owner stated above, or registered assigns, on the maturity date stated above or upon earlier redemption hereof upon the presentation and surrender hereof, the principal amount stated above together with interest on said principal amount at the rate determined as herein provided from the most recent Interest Payment Date (hereinafter described) to which interest has been paid or duly provided for or from the date of authentication hereof if such date is on an Interest Payment Date to which interest has been paid or duly provided for, or from June 3, 2002 if no interest has been paid or duly provided for, such payments of interest to be made on each Interest Payment Date until payment of said principal sum. The principal of this Bond is payable to the registered owner hereof in immediately available funds upon presentation and surrender hereof at the principal office of Wells Fargo Bank, N.A., or its successor, as paying agent ("Paying Agent") under the Amended and Restated Seventh Supplemental Indenture of Trust dated as of June 1, 2007 between the Issuer and Wells

Fargo Bank, N.A., formerly Wells Fargo Bank Indiana, N.A., or its successor, as trustee ("Seventh Supplemental Indenture"). All payments of interest shall be paid to the registered owner hereof whose name appears in the Series 2002 A Bond Register kept by the Series 2002 A Bond Registrar as of the applicable Regular or Special Record Dates in immediately available funds by wire transfer to a bank within the continental United States as directed by the registered owner in writing (A) prior to the time of payment with respect to Bonds accruing interest at a Commercial Paper Rate or (B) five Business Days prior to the Interest Payment Date with respect to Bonds accruing interest at Daily, Weekly, Term or Auction Rates. Interest accrued during any Commercial Paper Rate Period or due at maturity or redemption shall be paid only upon presentation and surrender of the Bond. The "Regular Record Date" for any Interest Payment Date is the close of business on the day (whether or not a Business Day) immediately preceding the Interest Payment Date, except that, while this Bond accrues interest at an Auction Rate, the Regular Record Date is the close of business on the Second Business Day preceding an Interest Payment Date therefor and except that while this Bond accrues interest at the Term Rates (as described herein), the Regular Record Date is the close of business on the 15th day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date and within any applicable grace period (herein called "Defaulted Interest") shall cease to be payable to the registered owner hereof on the relevant Regular Record Date by virtue of having been such registered owner, and such Defaulted Interest shall be paid to the person in whose name the Bond is registered at the close of business on a "Special Record Date" to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. A "Business Day" is any day of the week other than Saturday, Sunday or other day (a) on which commercial banks located in the cities in which the principal offices of the Trustee, the Remarketing Agent or the Paying Agent are located are required or authorized by law to close or (b) on which The New York Stock Exchange, Inc. is closed. Capitalized terms not otherwise defined herein shall have the meanings specified therefor in the Indenture.

All acts, conditions and things required to happen exist or be performed precedent to the issuance of this Bond have happened, exist and have been performed.

This Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Indenture or be valid until the Trustee or its Authenticating Agent shall have executed the Certificate of Authentication appearing hereon.

This Bond and the issue of which it is a part and the interest thereon are limited obligations of the Issuer payable solely from the revenues and receipts derived from the Agreement of Sale (except to the extent paid out of money attributable to Bond proceeds or the proceeds of any instrument of credit enhancement which may afford additional security for the Bonds), which revenues and receipts have been pledged and assigned to the Trustee to secure payment thereof. The Bonds and the interest thereon shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of Indiana or any political subdivision thereof other than the Issuer, whose obligations in respect of the Bonds and the interest thereon are limited as set forth herein and in the Indenture. Neither the Issuer, the State of Indiana nor any other political subdivision thereof shall be obligated to pay the principal or purchase price of the Bonds, the premium, if any, or the interest thereon or other costs incident thereto except from the

revenues and receipts pledged therefor. Neither the faith and credit nor the taxing power of the Issuer or the State of Indiana or any other political subdivision thereof is pledged to the payment of the principal or purchase price of the Bonds, the premium, if any, or the interest thereon or other costs incident thereto.

This Bond is one of an issue of \$50,000,000 City of Rockport, Indiana Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A ("Bonds"), of like date and tenor, except as to number and principal amount, authorized and issued pursuant to Indiana Code 36-7-11.9 and Indiana Code 36-7-12, for the purpose of refunding Floating Rate Weekly Demand Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project) Series 1985 A, which were previously issued by the Issuer for the purpose of refunding other bonds previously issued by the Issuer for the purpose of acquiring, constructing, installing, equipping and financing, in part, the portion of certain air and water pollution abatement or control facilities, including sewage or solid waste disposal facilities ("Project") at the Rockport Generating Station ("Plant") owned by Indiana Michigan Power Company, a corporation organized and existing under the laws of the State of Indiana ("Company"), as tenant in common without right of partition with AEP Generating Company, a corporation organized and existing under the laws of the State of Ohio and duly qualified to do business as a foreign corporation in the State of Indiana, and selling the same to the Company pursuant to an Agreement of Sale dated as of December 1, 1984 ("1984 Agreement"), as amended by the First Amendment to Agreement of Sale dated as of July 1, 1985 ("First Amendment Agreement"), the Second Amendment to Agreement of Sale dated as of February 1, 1995 ("Second Amendment Agreement"), and the Third Amendment to Agreement of Sale dated as of June 1, 1995 ("Third Amendment Agreement"), the Fourth Amendment to Agreement of Sale, dated as of June 1, 2002 ("Fourth Amendment Agreement"), the Fifth Amendment to Agreement of Sale, dated as of May 1, 2006 ("Fifth Amendment Agreement") and as to be amended by the Sixth Amendment to Agreement of Sale, to be dated as of June 1, 2007 ("Sixth Amendment Agreement"), (such 1984 Agreement, as amended by the First Amendment Agreement, the Second Amendment Agreement, the Third Amendment Agreement, the Fourth Amendment Agreement, the Fifth Amendment Agreement, and the Sixth Amendment Agreement being herein referred to as the "Agreement of Sale"), between the Issuer and the Company. The Bonds are issued under an Indenture of Trust dated as of December 1, 1984, as supplemented and amended by a First Supplemental Indenture of Trust dated as of July 1, 1985 ("First Supplemental Indenture"), a Second Supplemental Indenture of Trust dated as of July 1, 1985 ("Second Supplemental Indenture"), a Third Supplemental Indenture of Trust dated as of July 1, 1985 ("Third Supplemental Indenture"), a Fourth Supplemental Indenture of Trust dated as of June 1, 1990 ("Fourth Supplemental Indenture"), a Fifth Supplemental Indenture of Trust dated as of February 1, 1995 ("Fifth Supplemental Indenture"), a Sixth Supplemental Indenture dated as of June 1, 1995 as amended and restated, the Seventh Supplemental Indenture, dated as of June 1, 2007, as amended and restated and the Eighth Supplemental Indenture of Trust dated as of May 1, 2006 (the Indenture of Trust, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture and the Eighth Supplemental Indenture being referred to herein as the "Indenture"), between the Issuer and the Trustee which assigns to the Trustee, as security for the Bonds, the Issuer's rights under the Agreement of Sale (except for payment of Issuer expenses and for indemnification of the Issuer). Reference is hereby made to

the Indenture, the Agreement of Sale and to all amendments and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer and the Trustee and the rights of the holders of the Bonds and the terms upon which the Bonds are issued and secured.

Interest on the Bonds

The Bonds accrued interest at a Term Rate of 4.625% per annum for a Term Rate Period from June 1, 2007 to the Maturity Date (the "Initial Term Rate Period"), provided that the Bonds are being converted to a Weekly Rate Period on June 1, 2017, and will be subject to further conversion as herein provided. The rate of interest applicable to any Rate Period shall be determined in accordance with the applicable provisions of the Indenture and may not exceed 18% per annum. The amount of interest so payable on any Interest Payment Date shall be computed (a) on the basis of a 365- or 366-day year for the number of days actually elapsed during Daily Rate Periods; (b) on the basis of a 365- or 366-day year for the number of days actually elapsed based on the calendar year in which the Commercial Paper Rate Period or the Weekly Rate Period commences, during Commercial Paper Rate Periods or Weekly Rate Periods; (c) on the basis of a 360-day year for the number of days actually elapsed during any Auction Rate Period except that interest during an Auction Period of longer than 91 days shall be calculated on the basis of a 360-day year composed of twelve 30-day months; and (d) on the basis of a 360-day year of twelve 30-day months during Term Rate Periods.

"Rate Period" shall mean, when used with respect to any particular rate of interest determined as hereinafter provided, the period from and including the effective date of such rate to (but not including) the effective date of the rate of interest next determined as hereinafter provided. The rates of interest for the Bonds, which will be determined by the Remarketing Agent, are as follows:

Commercial Paper Rate

While the Bonds accrue interest at Commercial Paper Rates, the interest rate for each particular Bond will be determined by the Remarketing Agent as the minimum rate of interest necessary, in the judgment of the Remarketing Agent, to enable the Remarketing Agent to sell such Bond on that day at a price equal to the principal amount thereof, and with respect to Commercial Paper Rates, the Remarketing Agent shall determine the Commercial Paper Rate and the Commercial Paper Rate Period for each Bond at such rate and for such period as it deems advisable in order to minimize the net interest cost on the Bonds, taking into account prevailing market conditions, and will remain in effect from and including the commencement date of the Commercial Paper Rate Period selected for that Bond by the Remarketing Agent to, but not including, the last date thereof. While the Bonds accrue interest at Commercial Paper Rates, Bonds may have successive Commercial Paper Rate Periods and any Bond may accrue interest at a rate and for a period different from any other Bond. No Commercial Paper Rate Period may be established which (i) is less than one day or exceeds 270 days; (ii) extends beyond the day preceding the earliest of the Maturity Date, the optional or extraordinary optional redemption date or the mandatory tender date; (iii) if the Remarketing Agent has given or received notice of any conversion to a Term Rate Period, exceeds the remaining

number of days prior to the Conversion Date or, if the Remarketing Agent has given or received notice of any conversion to a Daily Rate or Weekly Rate, exceeds (A) the period that shall enable the Commercial Paper Rate Periods for all Bonds to end on the day before the Conversion Date, or (B) the period that, based on the Remarketing Agent's judgment, will best promote an orderly transition to the next Rate Period.

Daily Rate

While the Bonds accrue interest at a Daily Rate, the interest rate established for the Bonds will be effective from day to day until changed by the Remarketing Agent in accordance with the Indenture.

Weekly Rate

While the Bonds accrue interest at a Weekly Rate, the rate of interest on the Bonds will be determined weekly by the Remarketing Agent in accordance with the Indenture with such interest rate commencing on Wednesday of the week of such determination and ending on Tuesday of the following week. (The length of the period, the day of commencement and the last day of the period may vary in the event of a conversion to or from a Weekly Rate.)

Term Rate

While the Bonds accrue interest at a Term Rate, the interest rate will be determined by the Remarketing Agent in accordance with the Indenture and will remain in effect for a term selected by the Company. The Rate Period established will remain in effect until changed by the Company, in accordance with the Indenture.

Auction Rates

During an Auction Period, the Bonds shall bear interest at Auction Rates established for 35-day Auction Periods unless the Company changes the length of the Auction Period to a longer Auction Period in accordance with the Auction Procedures then in effect. The Auction Rate to be applicable to the Auction Rate Securities during each Auction Period shall be determined by the Auction Agent and notice thereof shall be given, all as provided in the Auction Procedures then in effect.

Authorized Denominations

Bonds which accrue interest at Commercial Paper Rates will be issued in the denominations of \$100,000 and any integral multiple of \$1,000 in excess thereof. Bonds which accrue interest at a Daily or Weekly Rate will be issued in denominations of \$100,000 or whole multiples thereof. Bonds which accrue interest at an Auction Rate will be issued in the denominations of \$25,000 or whole multiples thereof. Bonds which accrue interest at a Term Rate will be issued in the denominations of \$5,000 or whole multiples thereof.

Optional Tenders

While this Bond accrues interest at a Daily or Weekly Rate, the registered owner of this Bond has the right to tender this Bond for purchase at 100% of the principal amount hereof plus accrued interest as follows: (i) during a Daily Rate Period on any Business Day upon irrevocable written or electronic notice to the Paying Agent prior to 11:00 a.m., New York City time, on the Purchase Date; and (ii) during a Weekly Rate Period on any Business Day upon irrevocable written or Electronic notice to the Paying Agent prior to 5:00 p.m., New York City time, on a Business Day not fewer than 7 days prior to the Purchase Date. If this Bond is also subject to mandatory tender on such date, the provisions of the next section shall govern the purchase.

Mandatory Tenders

While this Bond accrues interest at a Commercial Paper Rate, this Bond is subject to mandatory tender on each Interest Payment Date applicable to this Bond at a Purchase Price equal to 100% of the principal amount thereof plus interest accrued during the related Commercial Paper Rate Period.

This Bond is subject to mandatory tender on the effective date of a conversion from one Rate Period to a different Rate Period (except for conversions from a Daily Rate to a Weekly Rate or from a Weekly Rate to a Daily Rate) or a conversion from a Term Rate Period to another Term Rate Period at a Purchase Price equal to 100% of the principal amount thereof plus accrued interest; provided that the Purchase Price for Bonds converted from a Term Rate Period on a date when such Bonds are also subject to optional redemption at a premium shall include an amount equal to the premium that would be payable if such Bonds were redeemed on such date.

BY ACCEPTANCE OF THIS BOND, THE REGISTERED OWNER HEREOF AGREES THAT THIS BOND WILL BE PURCHASED, WHETHER OR NOT SURRENDERED, ON THE PURCHASE DATE AS DESCRIBED ABOVE. IN SUCH EVENT, THE REGISTERED OWNER OF THIS BOND SHALL NOT BE ENTITLED TO RECEIVE ANY FURTHER INTEREST HEREON, SHALL HAVE NO FURTHER RIGHTS UNDER THIS BOND OR THE INDENTURE EXCEPT TO RECEIVE PAYMENT OF THE PURCHASE PRICE HELD THEREFOR, AND SHALL THEREAFTER HOLD THIS BOND AS AGENT FOR THE PAYING AGENT.

Written Notice of Rate Period Change

The Trustee shall give notice, by first class mail, to the registered owners of all Bonds of the proposed conversion from one Rate Period to another Rate Period at least 15 days before the proposed conversion date while the Bonds accrue interest at Commercial Paper, Daily or Weekly Rates, at least 20 days before the proposed conversion date while the Bonds accrue interest at an Auction Rate and at least 30 days before the proposed conversion date while the Bonds accrue interest at a Term Rate.

Interest Payment Dates

While this Bond accrues interest at a Commercial Paper Rate, interest is payable on the day after the last day of each Commercial Paper Rate Period. While this Bond accrues interest at Daily or Weekly Rates, interest is payable on the first Business Day of each calendar month following a month in which interest at such rate has accrued. While this Bond accrues interest at an Auction Rate, interest is payable on: (i) the Business Day immediately following each Auction Period, and (ii) in addition, for an Auction Period of more than 91 days, each 13th Wednesday after the first day of such Auction Period. During any Term Rate Period, interest is payable on the first day of the sixth calendar month following the month in which this Bond is originally issued and, in the case of a conversion to the Term Rate from a different Rate Period, the first day of the sixth calendar month following the months in which the Term Rate Conversion Date occurs and the first day of each sixth month thereafter to which interest at such rate has accrued, except that the last Interest Payment Date for any Term Rate Period is the earlier of the commencement date of the following Term Rate Period or the Conversion Date on which a different Rate Period becomes effective. The final Interest Payment Date for this Bond is the Maturity Date.

Redemption

The Bonds shall not be subject to optional redemption prior to maturity.

Purchase in Lieu of Redemption. As provided in the Indenture, the Company has the right to purchase Bonds in lieu of the optional redemption described above.

Mandatory Redemption. In the event that the Company is a party to any Reorganization to which the Bond Insurer has not consented, the Series 2002 A Bonds shall be subject to mandatory redemption prior to maturity, as a whole, at a redemption price equal to the principal amount thereof, plus interest accrued to the redemption date, without a premium. The Company will give notice to the Issuer and the Trustee in writing of the date selected for such redemption not later than 35 days before the effective date of such Reorganization, such redemption date to be not later than one 2002 A Business Day before the effective date of such Reorganization. "Reorganization means any (i) merger, consolidation, reorganization or conversion of the Company, or (ii) sale or other disposition of any assets of the Company, as a result of either of which the Company ceases to be a public utility regulated by the appropriate state regulatory body or the Federal Energy Regulatory Commission.

The optional redemption dates and redemption prices set forth above may be changed by a supplemental indenture approved by the Company, filed with the Trustee and provided to the Remarketing Agent, provided that any such supplemental indenture shall be accompanied by a Favorable Opinion of Series 2002 A Bond Counsel.

If any of the Bonds or portions thereof are called for redemption, the Trustee shall cause a notice thereof identifying the Bonds to be redeemed to be sent by registered or certified mail to the registered owner of each such Bond to be redeemed at his address as it appears on the registration books not less than 30 nor more than 60 days prior to the redemption date. If a

portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender hereof.

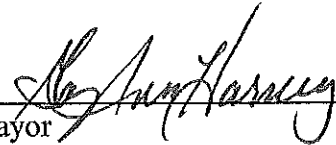
Transfer of Bonds

This Bond is transferable by the registered owner hereof at the designated office of the Series 2002 A Bond Registrar, upon surrender of this Bond accompanied by a duly executed instrument of transfer in form and with guaranty of signature satisfactory to the Series 2002 A Bond Registrar, subject, to such reasonable regulations as the Issuer or the Series 2002 A Bond Registrar may prescribe, and upon payment of any tax or other governmental charge incident to such transfer. Upon any such transfer, a new Bond or Bonds in the same aggregate principal amount will be issued to the transferee. Except as set forth in this Bond and as otherwise provided in the Indenture, the person in whose name this Bond is registered shall be deemed the owner hereof for all purposes, and, the Issuer, any Paying Agent, the Series 2002 A Bond Registrar, the Remarketing Agent, the Authenticating Agent and the Trustee shall not be affected by any notice to the contrary.

The owner of this Bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before their stated maturities, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.


IN WITNESS WHEREOF, the City of Rockport, Indiana has caused this Bond to be signed by the manual or facsimile signature of its Mayor, its seal to be affixed hereto or a facsimile thereof to be printed hereon and attested by the manual or facsimile signature of its Clerk-Treasurer.

CITY OF ROCKPORT, INDIANA

By 
Mayor

(SEAL)

Attest:


Clerk-Treasurer

(CERTIFICATE OF AUTHENTICATION)

This Bond is one of the Bonds described in the within-mentioned Indenture.

WELLS FARGO BANK, N.A.
as Trustee

By _____
Authorized Officer

Date: _____

FORM OF ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	-	-	as tenants in common
TEN ENT	-	-	as tenants by the entirety
JT TEN	-	-	as jointtenants with right of survivorship and not as tenants in common
UNIF TRANF MIN ACT	-	-	_____ Custodian _____ (Cust) (Minor)
			Under Uniform Transfer to Minors Act _____ (State)

Additional abbreviations may also be used though not in list above.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please insert Social Security or taxpayer identification number of assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Bond, and all rights thereunder, and hereby does irrevocably constitute and appoint

Attorney to transfer the within Bond on the books
kept for the registration thereof, with full power of substitution in the premises.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union, or Savings Association who is a member of a medallion program approved by The Securities Transfer Association, Inc.

**FIRST AMENDMENT TO AMENDED AND RESTATED
SEVENTH SUPPLEMENTAL INDENTURE OF TRUST**

between

CITY OF ROCKPORT, INDIANA

and

WELLS FARGO BANK, N.A., as Trustee

**CITY OF ROCKPORT, INDIANA,
POLLUTION CONTROL REVENUE REFUNDING BONDS
(INDIANA MICHIGAN POWER COMPANY PROJECT), SERIES 2002 A**

Dated as of December 1, 2017

**FIRST AMENDMENT TO AMENDED AND RESTATED
SEVENTH SUPPLEMENTAL INDENTURE OF TRUST**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED SEVENTH SUPPLEMENTAL INDENTURE OF TRUST ("First Amendment"), made and entered into as of December 1, 2017, by and between the CITY OF ROCKPORT, INDIANA, a municipal corporation and political subdivision of the State of Indiana (the "Issuer"), and WELLS FARGO BANK, N.A., a national banking association, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States, as successor trustee (the "Trustee"),

WITNESSETH:

WHEREAS, the Issuer has issued \$110,000,000 aggregate principal amount of its Pollution Control Revenue Bonds (Indiana & Michigan Electric Company Project), Series 1984 A (the "Series A Bonds"), pursuant to Indiana Code 36-7-11.9 and Indiana Code 36-7-12 (collectively, the "Act") and an Indenture of Trust dated as of December 1, 1984 (the "1984 Indenture"), between the Issuer and the Trustee for the purpose of acquiring, constructing, installing, equipping and financing the portion of certain facilities designed for the abatement or control of atmospheric and water pollution, including collection of sewage or disposal of solid waste (the "Project"), at the Rockport Generating Station owned by Indiana Michigan Power Company (the "Company") as tenant in common without right of partition with AEP Generating Company, which facilities were sold to the Company pursuant to an Agreement of Sale dated as of December 1, 1984, as amended (the "Agreement"), between the Issuer and the Company; and

WHEREAS, the Issuer has issued simultaneously (a) \$50,000,000 aggregate principal amount of its Floating Rate Weekly Demand Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Series 1985 A Bonds"), pursuant to a First Supplemental Indenture of Trust, dated as of July 1, 1985 (the "First Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985; (b) \$50,000,000 aggregate principal amount of its Adjustable Rate Tender Pollution Control Revenue Refunding Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Adjustable Series 1985 A Bonds"), pursuant to a Second Supplemental Indenture of Trust, dated as of July 1, 1985 (the "Second Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985; and (c) \$50,000,000 aggregate principal amount of its Fixed Rate Pollution Control Revenue Bonds (Indiana & Michigan Electric Company Project), Series 1985 A (the "Fixed Rate Series 1985 A Bonds"), pursuant to a Third Supplemental Indenture of Trust, dated as of July 1, 1985 (the "Third Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund a portion of \$110,000,000 aggregate principal amount of the Series A Bonds which matured by their terms on December 16, 1985 and as Additional Bonds pursuant to Section 2.10 of the 1984 Indenture to

finance a portion of the estimated Cost of Construction, as defined in the Agreement, of the Project not theretofore paid by application of the Series A Bond proceeds; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 1995 A (the "Series 1995 A Bonds"), pursuant to the Fifth Supplemental Indenture of Trust, dated as of February 1, 1995 (the "Fifth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Fixed Rate Series 1985 A Bonds; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 1995 B (the "Series 1995 B Bonds"), pursuant to the Sixth Supplemental Indenture of Trust, dated as of July 1, 1995 (the "Original Sixth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Adjustable Series 1985 A Bonds at their redemption on August 1, 1995 pursuant to the Act; and

WHEREAS, the Issuer and the Trustee amended and restated the Original Sixth Supplemental Indenture to add thereto provisions relating to an Auction Rate interest-rate setting mechanism, to make certain other modifications to, and to restate the Original Sixth Supplemental Indenture (as amended and restated, the "Sixth Supplemental Indenture"); and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A (the "Series 2002 A Bonds"), pursuant to the Seventh Supplemental Indenture of Trust, dated as of June 1, 2002 (the "Original Seventh Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Series 1985 A Bonds at their redemption on June 3, 2002 pursuant to the Act; and

WHEREAS, the Issuer has issued \$50,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2006 A (the "Series 2006 A Bonds"), pursuant to the Eighth Supplemental Indenture, dated as of May 1, 2006 (the "Eighth Supplemental Indenture"), as Refunding Bonds pursuant to Section 2.11 of the 1984 Indenture to refund the Series 1995 A Bonds; and

WHEREAS, the Issuer and the Trustee amended and restated the Original Seventh Supplemental Indenture to add thereto provisions relating to the addition of bond insurance, to modify certain redemption provisions relating to the Series 2002 A Bonds, and to make certain other modifications to, and to restate the Original Seventh Supplemental Indenture (as amended and restated, the "Seventh Supplemental Indenture") (the 1984 Indenture, as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture of Trust dated as of June 1, 1990, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, and the Eighth Supplemental Indenture, shall hereinafter be referred to as the "Indenture"); and

WHEREAS, the Company has requested the Issuer and the Trustee to supplement and amend the Seventh Supplemental Indenture in order to modify certain redemption provisions

relating to the Series 2002 A Bonds, and to make certain other amendments to the Seventh Supplemental Indenture, as more particularly described and provided for herein; and

WHEREAS, the Indenture provides that the Issuer and the Trustee may supplement or amend the Indenture without notice to or consent of any bondholder, but with any other consents as may be required by the Indenture, to make any changes to the Indenture that take effect as to any or all remarketed Series 2002 A Bonds following a mandatory tender; and

WHEREAS, the Indenture provides that any supplemental indenture affecting the rights of the Company shall not become effective unless and until the Company shall have consented to the execution and delivery of such supplemental indenture; and

WHEREAS, the Company has consented to this First Amendment, such consent being evidenced by the Company's acknowledgment and approval of this First Amendment; and

WHEREAS, all things necessary have been done and performed to constitute this First Amendment a valid and binding agreement;

NOW, THEREFORE, THIS FIRST AMENDMENT WITNESSETH:

That the Issuer (acting at the direction of the Company), in consideration of the premises and of the confirmation of the Trustee of the trust created by the Indenture, as amended hereby, and for other good and valuable consideration, the receipt of which is hereby acknowledged, states and confirms that the pledge, transfer, assignment and lien of the Indenture, as amended hereby, are in all respects hereby ratified and confirmed and the parties hereto do hereby agree to amend and supplement the Indenture, in the manner herein specified:

ARTICLE I

DEFINITIONS; NEW TERM RATE PERIOD

Section 1.01. Definitions.

For all purposes of this First Amendment, unless the context requires otherwise, words or terms used herein and defined in the preamble and recitals of this First Amendment shall have the meanings specified therein. Any capitalized terms used herein for which no definition is provided shall have the meanings set forth in the Indenture.

Section 1.02. Effective Date and Delivery of Replacement Bonds.

(a) This First Amendment shall be effective as of December 1, 2017 and is being entered into in connection with a conversion to a new Term Rate Period commencing on December 1, 2017 through the final maturity of the Series 2002 A Bonds, as directed by the Company pursuant to the Seventh Supplemental Indenture and a mandatory tender of the Series 2002 A Bonds as a result of such change. The terms of this First Amendment shall only apply after such mandatory tender.

(b) The Trustee shall replace the existing Series 2002 A Bonds with a new Series 2002 A Bond in substantially the form attached to the Seventh Supplemental Indenture, with such modifications as may be appropriate to reflect the amendments set forth in this First Amendment, upon the effective date specified above. On the Effective Date, the Trustee is hereby authorized to authenticate and deliver one Series 2010A Bond, in the form attached hereto as Exhibit A.

ARTICLE II

REMOVAL OF BOND INSURANCE PROVISIONS

Section 2.01. Removal of Bond Insurance Provisions

The Issuer and the Trustee acknowledge that the Municipal Bond Insurance Policy (as defined in the Seventh Supplemental Indenture) was canceled on and as of June 1, 2017. As such, as of June 1, 2017 and thereafter, all provisions contained in the Seventh Supplemental Indenture or in the Series 2002 A Bonds related to the Municipal Bond Insurance Policy or the Bond Insurer (including all provisions relating to rights of the Bond Insurer with respect to the Series 2002 A Bonds) have no force or effect and do not apply to the Series 2002 A Bonds.

ARTICLE III

AMENDMENTS TO INDENTURE

Section 3.01. No Optional Redemption of Series 2002 A Bonds.

Section 3.01 of the Seventh Supplemental Indenture is hereby amended by deleting such Section in its entirety and inserting in lieu thereof the following:

"The Series 2002 A Bonds shall not be subject to optional redemption prior to maturity."

Section 3.02. No Extraordinary Optional Redemption of Series 2002 A Bonds.

Section 3.02 of the Seventh Supplemental Indenture is hereby amended by deleting such Section in its entirety and inserting in lieu thereof the following:

"The Series 2002 A Bonds shall not be subject to extraordinary option redemption prior to maturity."

ARTICLE IV

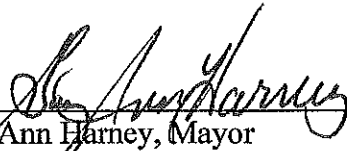
MISCELLANEOUS

Section 4.01. Application of Provisions of Indenture.

The provisions of this First Amendment are intended to supplement and amend those of the Indenture, as amended and as in effect immediately prior to the execution and delivery hereof. The amendments described in this First Amendment shall be effective as of December 1, 2017. The Indenture, as heretofore amended, shall remain in full force and effect, except to the extent modified or amended by the terms of this First Amendment. The Indenture and this First Amendment shall be read, taken and construed as one and the same instrument.

IN WITNESS WHEREOF, the City of Rockport, Indiana has caused this First Amendment to be executed by its Mayor and attested by its Clerk-Treasurer, and Wells Fargo Bank, N.A. has caused this First Amendment to be executed and attested by its duly authorized officers, all as of the date first above written.

CITY OF ROCKPORT, INDIANA

By: 
Gay Ann Harney, Mayor

Attest:


Susie Roberts, Clerk-Treasurer

WELLS FARGO BANK, N.A.,
as Trustee

By: _____

Printed: _____

Title: _____

Attest:

By: _____

Printed: _____

Title: _____

*(Signature Page to First Amendment to Amended and Restated
Seventh Supplemental Indenture of Trust)*

Company Consent

In accordance with Section 10.03 of the Trust Indenture dated as of December 1, 1984, between the City of Rockport, Indiana (the "Issuer") and Wells Fargo Bank, N.A., as successor trustee (the "Trustee"), Indiana Michigan Power Company hereby consents to the execution and delivery of the First Amendment to Amended and Restated Seventh Supplemental Indenture of Trust dated as of December 1, 2017, between the Issuer and the Trustee, in the form to which this Consent is attached.

Dated the 1st day of December, 2017.

INDIANA MICHIGAN POWER COMPANY

By: _____

Printed: _____

Title: _____

Executive Summary of Rockport Ordinance:

In 2002, the City of Rockport (the "City") issued its Pollution Control Revenue Refunding Bonds (Indiana Michigan Power Company Project), Series 2002 A" (the "2002A Bonds"). The 2002A Bonds were originally issued to finance and refinance the Indiana Michigan Power Company's pollution control facilities at the Rockport Generating Station. From time to time, Indiana Michigan Power Company ("IMPC") has caused the 2002A Bonds to be remarketed under the existing bond documents. The primary bond document is an Amended and Restated Seventh Supplemental Indenture of Trust dated as of June 1, 2002, between the City and Wells Fargo Bank, N.A., as Trustee (the "Indenture"). Most recently, in June of this year, IMPC caused the bond insurance (which had become effectively worthless due to rating downgrades of the existing bond insurer) to be removed from the 2002A Bonds.

The 2002A Bonds currently bear interest in a "Weekly Rate" mode under the Indenture, meaning that the interest rate resets on a weekly (variable rate) basis. IMPC now desires to fix the rate for the remaining term of the 2002A Bonds. This will be accomplished by converting the 2002A Bonds to a "Term Rate" mode under the Indenture, and then remarketing the 2002A Bonds to long-term rate investors. The existing Indenture needs to be amended in order to accommodate this conversion and remarketing.

The Ordinance authorizes necessary amendments to the Indenture and any other bond documents that may need to be amended. Under federal tax law, because some of these amendments will amend the terms of the 2002A Bonds, the conversion and remarketing will be treated as a "reissuance" for federal tax purposes, which requires approval by the Rockport Common Council. (Please note this is not a new issue of bonds for State law purposes – these will still be the 2002A Bonds under the existing bond documents, as amended.) The amendments will not extend the final maturity date of the 2002A Bonds (June 1, 2025).

As has always been the case, the 2002A Bonds are payable solely from payments to be made by IMPC, **and are not in any manner an obligation or liability of the City (and are not payable in any manner from taxation or from other revenues of the City).** Additionally, IMPC will reimburse the City for any costs or expenses incurred in this matter, including the fees and expenses of the attorney for the City.

Finally, the Ordinance will approve the actual form of the amendment to the Indenture and the revised 2002A Bond that will be entered into or signed by the Mayor and Clerk-Treasurer. The final forms of these documents may vary slightly from the forms approved at the final Council meeting, but they will be in substantially the same form.