

RESOLUTION NO. 2001 2

A RESOLUTION RELATING TO THE REOFFERING OF THE CITY OF ROCKPORT, INDIANA POLLUTION CONTROL REVENUE REFUNDING BONDS (AEP GENERATING COMPANY PROJECT), SERIES 1995 A AND SERIES 1995 B

WHEREAS, the City of Rockport, Indiana (the "Issuer"), is authorized by IC 36-7-11.9 and IC 36-7-12 and by IC 5-1-5 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, in 1984, AEP Generating Company (the "Company") 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 \$55,000,000 City of Rockport, Indiana Adjustable Rate Pollution Control Revenue Bonds (AEP Generating Company Project), Series 1985 A (the "Adjustable Bonds"), and the \$55,000,000 City of Rockport, Indiana 9-3/8% Fixed Rate Pollution Control Revenue Bonds (AEP Generating Company Project), Series 1985 A (the "Fixed Rate Bonds") (the Adjustable Bonds and the Fixed Rate Bonds, together, the "Prior Bonds"); and

WHEREAS, on July 6, 1995, the Issuer adopted Ordinance No. 1995-14 approving the issuance of the City of Rockport, Indiana Pollution Control Revenue Refunding Bonds (AEP Generating Company Project), Series 1995 A and Series 1995 B in the aggregate principal amount of \$90,000,000 (the "Series 1995 Bonds") to refund the Prior Bonds and approving the execution and delivery of various financing documents; and

WHEREAS, on July 18, 1995, the Issuer issued the Series 1995 Bonds which accrued interest on a daily rate mode; and

WHEREAS, the Company has requested that the interest rate mode for the Series 1995 Bonds be converted from a daily rate mode to a term rate mode; and

WHEREAS, the Series 1995 Bonds will be remarketed to investors as Term Rate Securities and such remarketing will include the use of a Reoffering Circular (as defined herein); and

WHEREAS, the Company has furnished the Issuer with a form of a Contract of Purchase among the Company, Morgan Stanley & Co. Incorporated (the "Purchaser"), and the City of Rockport, Indiana (the "Contract of Purchase") and a Preliminary Reoffering Circular dated June 21, 2001, and a final Reoffering Circular dated June 28, 2001, relating to the remarketing of the Series 1995 Bonds (together, the "Reoffering Circular").

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

SECTION 1. The forms of the Contract of Purchase and the Reoffering Circular are hereby approved and all such documents shall be inserted in the minutes of the Common Council and kept on file by the Clerk-Treasurer. Two (2) copies of the Contract of Purchase and the Reoffering Circular are on file in the office of the Clerk-Treasurer for public inspection.

SECTION 2. Rule 15c2-12(b)(1) of the Securities Exchange Act of 1934, as amended (the "SEC Rule"), provides that, prior to the time a participating underwriter bids for, purchases, offers, or sells municipal securities, the participating underwriter shall obtain and review an Reoffering Circular that an issuer of such securities deems a "near final" Reoffering Circular. The Preliminary Reoffering Circular is hereby deemed final as of its date, except for the omission of no more than the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms

of the securities depending on such matters. The Mayor, the Clerk-Treasurer or any other officer of the Issuer familiar with the matters with respect to the Issuer set forth in the Preliminary Reoffering Circular is hereby authorized to certify to the Purchaser that the information in the Preliminary Reoffering Circular with respect to the Issuer is deemed to be final within the meaning of the SEC Rule prior to the distribution of the Preliminary Reoffering Circular.

SECTION 3. The Mayor and Clerk-Treasurer are authorized and directed to execute the Contract of Purchase and such other financing documents which require the signature of the Mayor and Clerk-Treasurer and other documents 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 Clerk-Treasurer on the Series 1995 Bonds may be facsimile signatures. The Mayor and Clerk-Treasurer may, by their execution of the Contract of Purchase and other financing documents requiring their signatures and imprinting of their facsimile signatures on the Series 1995 Bonds or their manual signatures thereof, approve changes therein and also in those financing documents which do not require the signature of the Mayor and/or Clerk-Treasurer without further approval of this Common Council if such changes do not affect terms set forth in this Resolution and the financing documents pursuant to Indiana Code 36-7-12-27(a)(1) through (a)(10).

SECTION 4. The provisions of this Resolution and the financing documents shall constitute a contract binding between the Issuer and the holder or holders of the Series 1995 Bonds and, after the reoffering of said Series 1995 Bonds, this Resolution 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 1995 Bonds or the interest thereon remains unpaid.

SECTION 5. This Resolution 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 12th day of July, 2001 at 8:15 p.m.

COMMON COUNCIL  
CITY OF ROCKPORT, INDIANA

Jim Ladner

Virgil Adams

Jack Payne

David Koenig

Robert Lindsey

ATTEST:

Bob Parker

Clerk-Treasurer

Presented by me to the Mayor this 12th day of July, 2001 at 8:16 p.m.

Bob Parker

Clerk-Treasurer

Approved and signed by me this 12th day of July, 2001.

Joseph A. Greene

Mayor