

A RESOLUTION
AUTHORIZING THE EXECUTION AND DELIVERY
OF A MEMORANDUM OF INTENT BETWEEN THE CITY
OF URBANA AND BUSEY FIRST NATIONAL BANK,
URBANA, ILLINOIS, PROVIDING FOR THE
ISSUANCE BY SAID CITY OF APPROXIMATELY
\$3,500,000, PRINCIPAL AMOUNT OF REVENUE
BONDS PURSUANT TO THE PROVISIONS
OF THE ORDINANCE

WHEREAS, the City of Urbana, a Municipal Corporation of the State of Illinois, (the "Issuer") is authorized under the provisions of Ordinance No. 7475-3, entitled "Ordinance Authorizing Acquisition, Construction And Financing Pollution Control Facilities And Economic Development Projects And The Lease, Sale And Financing Thereof To Or For Any Person, And Providing For The Issuance Of Revenue Bonds, And Establishing Procedures In Respect Thereto", which was passed by the City Council and approved by the Mayor of the City of Urbana on May 20, 1974, (the "Ordinance"), to construct, acquire by gift or purchase, reconstruct, improve, better or extend any industrial project, and to acquire by gift or purchase lands or rights in land in connection therewith in order to relieve conditions of unemployment and underemployment, and to encourage the increase of industry within the State of Illinois, thereby reducing the evils attendant upon unemployment and underemployment; and

WHEREAS, the Issuer, in order to implement the public purpose enumerated in the Ordinance and in furtherance thereof to induce Busey First National Bank, Urbana, Illinois, a National Banking Association, (the "Bank"), to construct and equip a banking facility, including all necessary land and buildings, (collectively the "Project"), within the territorial limits of the City of Urbana, has offered to issue its revenue bonds under and pursuant to the provisions of the Ordinance and to apply the proceeds therefrom to the payment of the cost of acquiring and constructing the Project and to lease the Project to the Bank; and

WHEREAS, the Bank, after considering a number of possible locations within and outside the territorial limits of the City of Urbana and in reliance upon the offer of the Issuer to acquire and

construct the Project and to finance the costs thereof through the issuance of revenue bonds under the provisions of the Ordinance, has determined to locate the Project within the territorial limits of the City of Urbana; and

WHEREAS, it is now deemed advisable to authorize the execution and delivery by the Issuer of a Memorandum of Intent expressing formally and in writing the understanding heretofore informally intended upon by the Issuer and the Company.

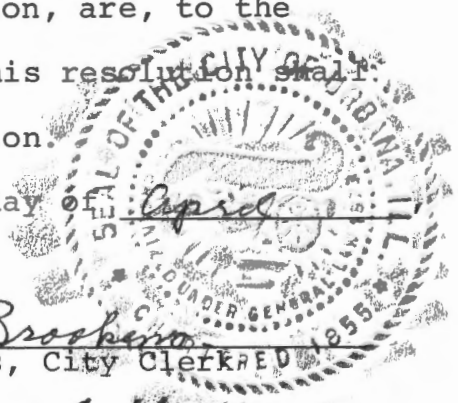
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

1. That the Mayor is hereby authorized and directed to execute a Memorandum of Intent by and between the Issuer and the Bank, and the City Clerk is hereby authorized and directed to affix the seal of the City thereto and to attest the same; and said Mayor and City Clerk are hereby authorized and directed to cause said Memorandum of Intent to be delivered to, accepted and executed by the Bank, said Memorandum of Intent, which is hereby approved and incorporated by reference and made a part of this authorizing resolution, to be in substantially the form attached hereto as Exhibit A.

2. That all resolutions and orders, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed, and this resolution shall be in immediate effect from and after its adoption.

PASSED by the City Council this 21st day of April, 1980.

Ruth S. Brookens
Ruth S. Brookens, City Clerk



APPROVED by the Mayor this 25th day of April, 1980.

Jeffrey T. Markland
Jeffrey T. Markland, Mayor

MEMORANDUM OF INTENT

THIS MEMORANDUM OF INTENT, made and entered into this _____ day of _____, 1980, by and between the City of Urbana, a Municipal Corporation of the State of Illinois, (the "Issuer"), and BUSEY FIRST NATIONAL BANK, Urbana, Illinois, a National Banking Association, (the "Bank");

W I T N E S S E T H:

WHEREAS, the City of Urbana is authorized under the provisions of Ordinance No. 7475-3, entitled "Ordinance Authorizing Acquisition, Construction and Financing Pollution Control Facilities And Economic Development Projects And The Lease, Sale And Financing Thereof To Or For Any Person, And Providing For The Issuance Of Revenue Bonds, And Establishing Procedures In Respect Thereto", passed by the City Council and approved by the Mayor of the City of Urbana on May 20, 1974, (the "Ordinance"); to construct, acquire by gift or purchase, reconstruct, improve, better or extend any industrial project, and to acquire by gift or purchase lands or rights in land in connection therewith in order to relieve conditions of unemployment and underemployment, and to encourage the increase of industry within the State of Illinois, thereby reducing the evils attendant upon unemployment and underemployment; and

WHEREAS, the Issuer, in order to implement the public purposes enumerated in the Ordinance and in furtherance thereof to induce the Bank to construct and equip a banking facility, including all necessary land and buildings (collectively the "Project"), within the corporate limits of the Issuer, has offered to issue its revenue bonds under and pursuant to the provisions of the Ordinance and to apply the proceeds therefrom to the payment of the cost of acquiring and constructing the Project and to lease the Project to the Bank; and

WHEREAS, the Bank, after considering a number of possible locations within and outside the territorial limits of the City of Urbana and in reliance upon the offer of the Issuer to acquire and construct the Project and to finance the cost thereof through the issuance of revenue bonds under the provisions of the Ordinance, has

date relating to said bonds to purchase the Project for an amount equal to the outstanding unpaid principal amount of bonds issued and sold by the Issuer to finance the Project, plus interest accrued thereon and redemption premiums, if any, plus a nominal additional sum.

3. That the acquisition and construction of the Project by the Issuer is for a proper public corporate purpose and that the leasing thereof to Bank is necessary to implement the public purposes enumerated in the Ordinance.

B. Busey First National Bank, Urbana, Illinois, represents and intends:

1. That the Project will result in increased employment and will increase the local industrial tax base.

2. That if the proposed revenue bonds (including the rate of interest thereon) of the Issuer are satisfactory to the Bank, it will lease the Project from the Issuer upon terms which will be sufficient to pay the cost of acquiring and constructing the Project as evidenced by such revenue bonds to be issued for the account of the Project, and will enter into appropriate contracts with the Issuer with regard to the foregoing prior to the issuance and delivery of any such revenue bonds by the Issuer.

C. It is further recognized and intended between the parties hereto as follows:

1. That the revenue bonds to be issued by the Issuer shall never constitute an indebtedness of the Issuer or a loan of credit thereof within the meaning of any constitutional or statutory provision, and such fact shall be plainly stated on the face of each of said bonds. No holder of any of said bonds shall ever have the right to compel any exercise of the taxing power of the Issuer to pay said bonds or the interest thereon. The principal of, premium, if any, and interest on such revenue bonds to be issued to finance the cost of the Project shall be secured by a pledge to a trustee acting under a mortgage and indenture of trust for the benefit of the holders of said bonds of the revenues and rental

by its duly authorized President or Vice President and attested under its corporate seal by its Secretary or Assistant Secretary, all being done as of the year and date first above written.

CITY OF URBANA, ILLINOIS

By: Jeffrey T. Markland, Mayor

(SEAL)

Attest:

Ruth S. Brookens, City Clerk

BUSEY FIRST NATIONAL BANK

By: President

(SEAL)

Attest:

Secretary