

RESOLUTION NO. R-5-06

**A RESOLUTION AUTHORIZING THE BORROWING OF
THIRTEEN THOUSAND EIGHT HUNDRED SIXTY-FIVE
AND 50/100 DOLLARS (\$13,865.50) FROM THE
FARMERS SAVINGS BANK FOR THE PURPOSE
OF PURCHASING A CHEVROLET PICKUP TRUCK
AND DECLARING AN EMERGENCY**

BE IT RESOLVED by the Council of the Village of Spencer, Ohio, three-fourths (3/4) of its members concurring herein as follows:

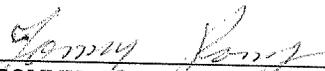
1. The Mayor of the Village of Spencer is hereby authorized to sign loan documents with The Farmers Savings Bank for a loan from The Farmers Savings Bank in the sum of Thirteen Thousand Eight Hundred Sixty-five and 50/100 Dollars (\$13,865.50) for the purpose of purchasing a 2006 Chevrolet pickup truck. The terms of the loan agreement are set forth in "Exhibit A," which is attached hereto and incorporated herein.

2. It is understood that the 2006 Chevrolet pickup truck is being purchased by the Village of Spencer on behalf of the Village of Spencer Board of Public Affairs. Payment on the loan described herein shall be made pursuant to the following account: Water Fund.

3. This Resolution is passed as an emergency measure for the public health, safety, and welfare of Spencer Village residents and for the particular reason that the current Board of

Public Affairs' truck is nearly worn out; a replacement vehicle needs to be purchased as soon as possible. This Resolution shall be in full force and effect from and after its passage.

PASSED: October 11, 2006



TOMMY RAMEY, Mayor

ATTEST:



Village Fiscal Officer

CORPORATION OF SPENCER
109 N MAIN ST, P.O. BOX 336
SPENCER, OH 44275

THE FARMERS SAVINGS BANK
111 WEST MAIN STREET PO BOX 38
SPENCER, OH 44275

Loan Number 14687
Date OCTOBER 3, 2006
Maturity Date OCTOBER 3, 2011
Loan Amount \$ 13,865.50
Renewal Of 34-1151741
: TWL

BORROWER'S NAME AND ADDRESS
"I" includes each borrower above, jointly and severally.
LENDER'S NAME AND ADDRESS
"You" means the lender, its successors and assigns.

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of THIRTEEN THOUSAND EIGHT HUNDRED SIXTY FIVE AND 50/100 Dollars \$ 13,865.50

Single Advance: I will receive all of this principal sum on OCTOBER 3, 2006. No additional advances are contemplated under this note.
 Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____
 Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____
 Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from OCTOBER 3, 2006 at the rate of 7.500 % per year until OCTOBER 3, 2011
 Variable Rate: This rate may then change as stated below.
 Index Rate: The future rate will be _____ the following index rate: _____
 No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.
 Frequency and Timing: The rate on this note may change as often as _____ A change in the interest rate will take effect _____
 Limitations: During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:
 The amount of each scheduled payment will change.
 The amount of the final payment will change.
ACCRUAL METHOD: Interest will be calculated on a ACTUAL/365 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:
 on the same fixed or variable rate basis in effect before maturity (as indicated above).
 at a rate equal to 18 PERCENT PER ANNUM

LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE PAYMENT WITH A MINIMUM OF \$5.00 AND A MAXIMUM OF \$25.00
 ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which are included in the principal amount above: \$100.00 PREP FEE are not included in the principal amount

PAYMENTS: I agree to pay this note as follows:
 Interest: I agree to pay accrued interest _____
 Principal: I agree to pay the principal _____
 Installments: I agree to pay this note in 60 payments. The first payment will be in the amount of \$ 277.87 and will be due NOVEMBER 3, 2006. A payment of \$ 277.87 will be due ON THE 3RD DAY OF EACH MONTH thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 3, 2011

ADDITIONAL TERMS:
THIS LOAN IS SECURED WITH SEPARATE SECURITY AGREEMENT SECURING A 2006 CHEVROLET PICKUP TRUCK.

SECURITY: This note is separately secured by (describe separate document by type and date): SECURITY AGREEMENT SECURING A 2006 CHEVROLET PICKUP TRUCK
If the action is for your internal use, failure to list a separate security document does not mean the agreement will not secure this note.

PURPOSE: The purpose of this loan is BUSINESS: PURCHASE
2006 CHEVROLET PICKUP TRUCK

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

IN THIS NOTICE "YOU" MEANS THE BORROWER.
WARNING: BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR, WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.

