

Bond Case Briefs

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Fitch to Assign a S-T Rating to Indiana Fin Auth (Stadium Project) Ser 2005 A-5 of 'F1+'

Fitch Ratings-New York-22 July 2020: On the effective date of July 29, 2020 Fitch Ratings will assign a 'F1+' short-term rating to \$97,200,000 Indiana Finance Authority lease appropriation bonds (Stadium Project), Series 2005 A-5.

KEY RATING DRIVERS

The short-term 'F1+' rating assigned to the bonds will be based on the liquidity support provided by U.S. Bank National Association, rated 'AA-'/F1+/Negative, in the form of a Standby Bond Purchase Agreement (SBPA). The long-term 'AA+' Stable rating is based on the rating assigned to the bonds. For more information on the long-term rating, see Fitch's rating report dated July 21, 2020, at www.fitchratings.com.

The SBPA will provide for the payment of the principal component of purchase price plus an amount equal to 37 days of interest calculated at a maximum rate of 12%, based on a year of 365 days for tendered bonds during the daily and weekly rate modes in the event that the proceeds of a remarketing of the bonds are insufficient to pay the purchase price following an optional or mandatory tender. The SBPA will expire on July 28, 2023, the stated expiration date, unless such date is extended; upon conversion to any interest rate mode other than daily or weekly; or upon the occurrence of certain events of default that result in a mandatory tender or other events of default related to the credit of the bonds that result in an automatic and immediate termination. The remarketing agent is U.S. Bancorp Investments, Inc. The bonds are expected to be converted to daily rate mode from the indexed rate mode on July 29, 2020.

The bonds will be issued in the daily rate mode, but may be converted to a weekly, flexible, indexed or term rate mode. While bonds bear interest in the daily and weekly rate modes, interest is paid on the first business of each month, commencing Aug. 3, 2020. Holders of bonds bearing interest in the daily and weekly rate modes may tender their bonds for purchase with the requisite prior notice. The trustee is obligated to make timely draws on the SBPA to pay the purchase price in the event of insufficient remarketing proceeds, and in connection with the expiration or termination of the SBPA, except in the case of the credit-related events permitting immediate termination or suspension of the SBPA.

Funds drawn under the SBPA are held uninvested, and are free from any lien prior to that of the bondholders. The bonds of each series are subject to mandatory tender: (1) upon conversion of the interest rate (except between daily and weekly); (2) upon expiration, substitution or termination of the SBPA; and (3) following the receipt of written notice from the bank of an event of default under the related SBPA, directing such mandatory tender. Optional and mandatory redemption provisions also apply to the bonds.

Bond proceeds were issued to (i) purchase the Stadium Notes, (ii) pay the costs of issuance of the Stadium Bonds, (iii) fund the Debt Service Reserve Account of the Debt Reserve Service Fund and

(iv) pay capitalized interest on the Stadium Bonds during construction of the Stadium Project.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

-The short-term 'F1+' rating to be assigned to the Bonds is at the highest rating category level and cannot be upgraded.

Factors that could, individually or collectively lead to negative rating action/downgrade:

-The 'F1+' rating to be assigned to bonds the will be adjusted downward in conjunction with the short-term rating of U.S. Bank, National Association.

ESG Considerations

The ESG.RS conforms to that of U.S. Bank, National Association.

The highest level of ESG credit relevance, if present, is a score of 3. This means ESG issues are credit-neutral or have only a minimum credit impact on the entity(ies), either due to their nature or to the way in which they are being managed by the entity(ies). For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

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