

Policies & Procedures Manual – Illinois Finance Authority

SUBJECT:
Bond Closing Procedures
Farm Bond Financing

ISSUED TO: All Employees

PROCEDURE No: 70.10.002
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The following schedule of events is intended to serve as a guideline for the actions necessary to consummate an IFA conduit farm bond financing, the order in which these actions are to occur and the parties responsible for each action. Although an adjustment to this Schedule of Events is possible with the approval of the Manager and General Counsel, such approval will only be granted for cause. As a preliminary matter, IFA Board reserves the right to reschedule meetings as necessary. TEFRA hearings are scheduled for the Friday before the regular scheduled IFA Board meetings. In the event the IFA Board reschedules one of its regular monthly meetings, the regular scheduled TEFRA hearing will not change. (Requests for special TEFRA hearings will only be considered under extraordinary circumstances, and such requests should be made to the General Counsel no less than three (3) weeks before the desired hearing date. The decision to hold a special TEFRA hearing rests exclusively with IFA.) It should be assumed that unless otherwise specifically noted the actions indicated below will be the responsibility of the Manager responsible for the financing.

- 1) IFA staff receives application and completes folder
- 2) Application fee received
- 3) Application is reviewed, worksheets completed
- 4) Term letter sent to lender
- 5) Copy of application sent to outside legal counsel
- 6) Data input into computer
- 7) Inducement Resolution completed
- 8) Inducement Resolution passed
- 9) Approval letter sent to lender
- 10) Notice of Public Hearing to Illinois Press to be published two weeks before hearing
- 11) Certificate of Publication and tear sheets received from Illinois Press
- 12) Copy of Certificate of Publication sent to outside legal counsel as well as IFA General Counsel prior to Public Hearing so as to enable the General Counsel to notice such hearing in accordance with the Illinois Open Meeting Act
- 13) Public Hearing minutes completed
- 14) Bond Resolution completed
- 15) Bond Resolution passed
- 16) Bond documents sent to lender
- 17) Documents received from lender
- 18) Fee Received
- 19) Documents executed by IFA Executive Director or other authorized officer of IFA and copies are sent to outside legal counsel
- 20) Outside legal counsel authorizes disbursement
- 21) Project Fund deposit slip received from lender
- 22) Documents dated and copy of dated pages, bond and deposit slip sent to outside legal counsel and a Copy of Exhibit A to the Bond Resolution sent to the IFA General Counsel, either via facsimile or e-mail, the same day that disbursement occurs

- 23) IFA Accounting Staff and Manager coordinate filing of applicable reporting information with the Office of the State Comptroller
- 24) Copies of all documents made and filed in the IFA Springfield office
- 25) Original of documents sent to lender
- 26) Outside legal counsel completes Letter of Opinion and sends it, within 10 days of the disbursal of funds, to the IFA Springfield Office and the IFA General Counsel
- 27) IRS Form 8038 completed and sent, within 15 days of disbursal of funds, to the IFA General Counsel, who will issue an issuance number, secure the signature of the Executive Director, send the Form 8038 to the IRS and send a copy of same to be included in the bond file in the IFA Springfield Office
- 28) IFA General Counsel prepares and files a Confirmation of Issuance regarding the use of Volume Cap and sends a copy of same to be included in the bond file in the IFA Springfield Office
- 29) File Closed
- 30) Letter sent to local legislators informing them of the financing

The Executive Director or his designee must review all correspondences that are sent in connection with a financing prior thereto. Most correspondence will be sent under the Executive Director's name.