

NEW YORK--([BUSINESS WIRE](#))--On the effective date of Jan. 15, 2014, Fitch Ratings will assign a rating of 'AA-/F1+' on Rating Watch Negative to the \$5,275,000 County of Jasper, IN variable rate demand economic development revenue bonds (HGI Dairy Development, LLC Project), Series 2002. The long- and short-term ratings are on Rating Watch Negative.

KEY RATING DRIVERS

The rating is based on the support provided by an irrevocable direct-pay confirming letter of credit (CLOC) issued by Agribank, FCB (rated 'AA-/F1+'; Rating Watch Negative), which confirms an irrevocable direct-pay letter of credit (LOC) issued by Farm Credit Services of America, FLCA, which is not rated by Fitch.

The bonds are currently supported by a CLOC issued by Rabobank Nederland. On Jan. 15, 2014, Fitch will assign a rating to the bonds for the first time in connection with the provisions of a substitute CLOC to be provided by Agribank, FCB.

The LOC bank is obligated to make regularly scheduled payments of principal of and interest on the bonds in addition to payments due upon maturity, acceleration and redemption, as well as purchase price for tendered bonds. The CLOC bank is obligated to make a payment for all outstanding bonds in the event the LOC bank fails to honor any draw or repudiates its obligations under the LOC. The ratings will expire upon the earliest of: (a) Feb. 15, 2015, the initial stated expiration date of the CLOC, unless such date is extended; (b) conversion to the fixed interest rate mode; (c) any prior termination of the CLOC; and (d) defeasance of the bonds. The LOC provides full and sufficient coverage of principal plus an amount equal to 108 days of interest at a maximum rate of 10% based on a year of 365 days and purchase price for tendered bonds, while in the weekly rate mode. The CLOC provides the same full and sufficient coverage as the LOC. The Remarketing Agent for the bonds is W.R. Taylor & Company, LLC. The bonds are expected to be reoffered on Jan. 15, 2014.

The bonds will continue to bear interest at a weekly rate, but may be converted to a fixed rate. While bonds bear interest in the weekly rate mode, interest payments are on the first Thursday of each February, May, August, and November. The next scheduled interest

payment date is Feb. 6, 2014. The trustee is obligated to make timely draws on the LOC to pay principal, interest, and purchase price. In the event the LOC bank fails to honor a draw or repudiates its obligations under the LOC, the trustee will declare an event of default and direct an immediate acceleration of all the bonds and draws on the CLOC for the amount of all outstanding bonds. Funds drawn under the LOC are held invested in accordance with rating guidelines and mature when needed, and are free from any lien prior to that of the bondholders.

Holders may tender their bonds on any business day, provided the trustee and remarketing agent are given the requisite prior notice of the purchase. The bonds are subject to mandatory tender: (1) upon conversion of the interest rate to a fixed rate mode; (2) upon expiration, substitution or termination of the LOC or CLOC; (3) following receipt of written notice from the bank of an event of default under the reimbursement agreement. The bank has the option of directing acceleration rather than a mandatory tender upon an event of default under the reimbursement agreement. Optional and mandatory redemption provisions also apply to the bonds. There are no provisions for the issuance of additional bonds.

Bond proceeds were used to finance the costs of the acquisition, construction, and equipping of solid waste components to a dairy facility.

RATING SENSITIVITIES

The rating is exclusively tied to the short- and long-term rating that Fitch maintains on the bank providing the CLOC and will reflect all changes to that rating.

Additional information is available at www.fitchratings.com.

Applicable Criteria and Related Research:

--'U.S. Municipal Structured Finance Criteria', Feb. 27, 2013;

--'Rating Guidelines for Letter of Credit-Supported Bonds', June 14, 2013.

Applicable Criteria and Related Research:

U.S. Municipal Structured Finance Criteria

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=701570

Rating Guidelines for Letter of Credit-Supported Bonds

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=710476

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: <HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS>. IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE '

<WWW.FITCHRATINGS.COM>

' PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.