Bill No. 15-27 **Introduced: February 9, 2015**

THE CITY OF LINCOLN, NEBRASKA

ORDINANCE NO. _____

(Passed _____, 2015,

Approved _____, 2015)

AUTHORIZING NOT TO EXCEED

$6,300,000

GENERAL OBLIGATION STORM SEWER AND DRAINAGE SYSTEM REFUNDING BONDS SERIES 2015

CITY OF LINCOLN, NEBRASKA

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION STORM SEWER AND DRAINAGE SYSTEM REFUNDING BONDS, SERIES 2015, OF THE CITY OF LINCOLN, NEBRASKA (THE "CITY"), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $6,300,000 (THE "BONDS"), FOR THE PURPOSE OF PROVIDING FOR THE PAYMENT AND REDEMPTION OF $6,340,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY'S GENERAL OBLIGATION STORM SEWER AND DRAINAGE SYSTEM BONDS, SERIES 2005, DATED JUNE 15, 2005; PRESCRIBING CERTAIN TERMS OF THE BONDS; DELEGATING, AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXERCISE HIS INDEPENDENT JUDGMENT AND ABSOLUTE DISCRETION IN DETERMINING CERTAIN OTHER TERMS OF THE BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS BY THE LEVY OF A TAX ON ALL OF THE TAXABLE PROPERTY WITHIN THE CITY; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT RELATING TO THE TEMPORARY INVESTMENT OF A PORTION OF THE BOND PROCEEDS AND THE APPOINTMENT OF AN ESCROW AGENT; AUTHORIZING AND APPROVING CERTAIN OTHER RELATED MATTERS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LINCOLN, NEBRASKA:

Section 1. Findings and Determinations. The Council (the **"Council"**) of the City of Lincoln, Nebraska (the **"City"**) hereby finds and determines:

(a) Pursuant to (i) a bond election duly called and held in conjunction with the City's general election held Tuesday, May 3, 2005, at which a majority of the qualified electors of the City voting on the proposition approved the issuance of the 2005 Bonds (as hereinafter defined), and (ii) Ordinance No. 18540 duly passed and adopted by the Council on May 23, 2005 and approved by the Mayor on May 25, 2005, there have heretofore been issued $9,950,000 aggregate stated principal amount of the City's General Obligation Storm Sewer and Drainage System Bonds, Series 2005, dated June 15, 2005 (the **"2005 Bonds"**), for the purpose of paying costs incident to the construction, installation and completion of certain improvements and extensions to the City's storm water sewer and drainage system (collectively, the **"Improvements"**), of which $6,340,000 (the **"Outstanding Bonds"**) are outstanding and unpaid and mature and bear interest as follows:

Maturity Date	Principal Amount	Interest Rate
June 1, 2015	$470,000	3.625%
June 1, 2016	490,000	3.650
June 1, 2017	505,000	3.750
June 1, 2018	525,000	3.850
June 1, 2019	550,000	3.875
June 1, 2020	570,000	4.000
June 1, 2021	595,000	4.000
June 1, 2022	620,000	4.100
June 1, 2023	645,000	4.100
June 1, 2024	670,000	4.125
June 1, 2025	700,000	4.250

(b) The Outstanding Bonds maturing on and after June 1, 2016 are redeemable in whole or in part prior to maturity at the option of the City at any time on or after June 1, 2015 upon not less than 30 days written notice to the registered owners thereof at a redemption price equal to 100% of the principal amount then being redeemed, together with accrued interest thereon to the date fixed for redemption.

(c) The Outstanding Bonds are general obligations of the City that remain unpaid and are a legal liability against the City, provision for the payment of which may be made by the lawful issuance and sale of refunding bonds of the City in an aggregate principal amount not to exceed $6,300,000 pursuant to Sections 10-142 and 15-244, Reissue Revised Statutes of Nebraska, as amended, and Article IX, Sections 39 to 43, inclusive, of the City Charter.

(d) Since the issuance of the 2005 Bonds, the rates of interest in the municipal bond markets have declined such that the City will achieve a savings in the amount of annual debt service on the Outstanding Bonds maturing on and after June 1, 2016 by the issuance of the refunding bonds herein authorized.

(e) Pursuant to this Ordinance, the City will, in the manner prescribed by law, duly call for redemption on June 1, 2015 (the **"Redemption Date"**) the Outstanding Bonds maturing on and after June 1, 2016 as set forth in **Section 6** hereof.

(f) All bond sinking fund money of the City in existence with respect to the Outstanding Bonds has been or will be used to pay principal and interest maturating, accruing and falling due on the Outstanding Bonds on or before the Redemption Date; all of said sinking fund money being hereby appropriated and set aside for such purpose.

(g) It is necessary, advisable, desirable and in the best interest of the City that general obligation refunding bonds of the City be issued for the purpose of paying the principal of and interest on the Outstanding Bonds through and including the Redemption Date and to redeem on the Redemption Date all of the then-outstanding Outstanding Bonds.

(h) All conditions, acts and things required by law to exist or to be done precedent to the issuance of the general obligation refunding bonds of the City authorized by **Section 2** hereof, for the purpose of providing for the payment and redemption of all of the Outstanding Bonds as provided herein, do exist and have been done in due form and time as required by law.

Section 2. Authorization of Bonds. For the purpose of providing for (a) the payment and redemption of the Outstanding Bonds and (b) the payment of the costs of issuing the bonds herein authorized and the payment and redemption of the Outstanding Bonds, there are hereby ordered issued

general obligation refunding bonds of the City in an aggregate principal amount not to exceed Six Million Three Hundred Thousand Dollars ($6,300,000), designated as "City of Lincoln General Obligation Storm Sewer and Drainage System Refunding Bonds, Series 2015" (collectively, the **"Bonds"**). The Bonds shall mature in such principal amounts on such dates in each of the years as shall be determined by the Finance Director pursuant to the provisions of **Section 6** hereof.

Section 3. Definitions. In addition to those words and terms elsewhere defined herein:

"City Clerk" means the Clerk, Deputy Clerk, Acting Clerk or Acting Deputy Clerk of the City.

"City Controller" means the Controller or Acting Controller of the City, or any successor officer acting in the same or similar capacity.

"City Treasurer" means the Treasurer, Deputy Treasurer, Acting Treasurer or Acting Deputy Treasurer of the City.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Undertaking, dated the date of delivery of the Bonds, executed by the City in connection with the Bonds.

"Debt Service Fund" means the Debt Service Fund described in **Section 25** hereof.

"Deposit Securities" means direct or unconditionally guaranteed obligations of the United States of America, including any such obligations issued in book-entry form.

"Depository" shall mean The Depository Trust Company, New York, New York, and any successor thereto.

"Escrow Agent" means the person, corporation, partnership or other entity selected and appointed by the Finance Director to act as escrow agent with respect to that portion of the Bond proceeds used to pay, redeem, refund and retire the Outstanding Bonds pursuant to **Section 6** hereof, and any successor thereto. The Escrow Agent shall be a national banking association or state banking corporation with trust powers and authority to exercise such trust powers within the City.

"Escrow Agreement" means the Escrow Agreement, dated as determined by the Finance Director, between the City and the Escrow Agent providing for the deposit, investment and application of a portion of the proceeds of the Bonds for the purpose of paying, redeeming, refunding and retiring the Outstanding Bonds.

"Escrow Obligations" means (a) Deposit Securities, (b) certificates of deposit issued by a bank or trust company that are (i) fully insured by the Federal Deposit Insurance Corporation or similar corporation chartered by the United States of America, or (ii) secured by a pledge of any Deposit Securities having an aggregate market value, exclusive of accrued interest, equal to the principal amount of the certificates so secured, which security is held in a custody account by a custodian satisfactory to the Registrar or the City Treasurer, (c) evidences of a direct ownership in future interest or principal on Deposit Securities, which Deposit Securities are held in a custody account by a custodian satisfactory to the Registrar or the City Treasurer pursuant to the terms of a custody agreement in form and substance acceptable to the Registrar or the City Treasurer, and (d) obligations issued by any state of the United States of America or any political subdivision, public instrumentality or public authority of any state, which obligations are fully secured by and payable solely from Deposit Securities that are held pursuant

to an agreement acceptable to the Registrar or the City Treasurer, and, in any such case, maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient money to make the payments secured thereby.

"Finance Director" means the Finance Director or the Interim Finance Director of the City.

"Interest Payment Date" means, with respect to the Bonds, June 1 and December 1 of each year, beginning December 1, 2015, or such other date or dates as may be set by the Finance Director in accordance with this Ordinance.

"Outstanding" when used with reference to Bonds shall mean, as of any date, all Bonds theretofore issued and not yet paid or discharged under the terms of this Ordinance.

"Outstanding Bonds" has the meaning ascribed thereto in **Section 1** hereof.

"Record Date" means, with respect to the Bonds, the fifteenth day of the month preceding the month in which an Interest Payment Date occurs, or such other date as shall be determined pursuant to **Section 6** hereof.

"Registrar" means the person, corporation, partnership or other entity selected and appointed by the Finance Director to act as paying agent and registrar for the Bonds pursuant to **Section 6** hereof, and any successor thereto.

"Representation Letter" has the meaning specified in **Section 10** hereof.

"Tax Certificate" means the Federal Tax Certificate dated the date of delivery of the Bonds executed and delivered by the City in connection with the issuance of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

"Term Bonds" shall mean Bonds stated to be payable by their terms by operation of a sinking fund account on one or more specified dates.

Section 4. General Obligation Pledge; Application of Bond Proceeds.

(a) ***General Obligation Pledge.*** The Bonds are general obligations of the City, and the full faith and credit and the taxing powers of the City have been and are hereby pledged for the payment of the principal or redemption price of and interest on the Bonds. The City shall annually provide for the levy of a tax in addition to all other taxes upon the taxable property in the City sufficient in rate and amount to pay the principal or redemption price of and interest on the Bonds as the same becomes due and payable, which tax shall be in excess of and in addition to all other taxes now or hereafter authorized to be levied by the City.

(b) ***Application of Bond Proceeds.*** The net proceeds from the sale of the Bonds shall be received by the Finance Director and deposited, credited, used and applied as follows:

(i) Accrued interest, if any, received upon the issuance, sale and delivery of the Bonds shall be deposited into the Debt Service Fund described in **Section 25** hereof.

(ii) Proceeds in the amount specified in the Escrow Agreement shall be deposited with the Escrow Agent under the Escrow Agreement to be held, invested and applied to pay, redeem, refund and retire the Outstanding Bonds on the Redemption Date.

(iii) All remaining Bond proceeds, including such legally available funds of the City, if any, as may be required for such purposes, shall be delivered to the City Treasurer to pay the costs of issuing the Bonds and the payment, redeeming and refunding of the Outstanding Bonds.

Section 5. Payment of Bonds.

(a) Payments of the interest due on the Bonds prior to maturity or earlier redemption shall be made by the Registrar by mailing a check or draft in the amount due for such interest on each Interest Payment Date to the registered owner of each Bond, as of the Record Date for such Interest Payment Date, to such owner's registered address as shown on the books of registration required to be maintained by **Section 24** hereof. Payment of the principal and interest due at maturity or at any date fixed for redemption prior to maturity, together with any unpaid interest accrued thereon, shall be made by the Registrar to the registered owners of the Bonds upon presentation and surrender of the Bonds to the Registrar. The City and the Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payments thereon and for all other purposes and neither the City nor the Registrar shall be affected by any notice or knowledge to the contrary whether such Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any Bond in accordance with the terms of this Ordinance shall be valid and effectual and shall be a discharge of the City and the Registrar in respect of the liability upon the Bonds or claims for interest to the extent of the sum or sums so paid.

(b) In the event that payments of the interest due on the Bonds on any Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Registrar whenever money for the purpose of paying such defaulted interest becomes available.

Section 6. Authority of Finance Director; Call of Outstanding Bonds. (a) The Bonds or any portion thereof are hereby authorized to be sold pursuant to a negotiated sale to Ameritas Investment Corp. In connection with such sale, the Finance Director is hereby authorized to specify, determine, designate, establish and appoint, as the case may be (i) the price at which the Bonds may be sold to the underwriter, provided that the price at which the Bonds will be sold shall not be less than 97.0% of the principal amount thereof, and the underwriting discount shall not exceed 0.9% of the aggregate principal amount thereof, (ii) the form and contents of a bond purchase agreement in connection with such sale, (iii) the title (including series designation), dated date, aggregate principal amount (including the aggregate principal amounts of serial Bonds and Term Bonds, if any), which aggregate stated principal amount shall not exceed $6,300,000, and the final maturity date, which shall not be later than December 31, 2025, (iv) the principal amounts maturing in each year (v) the rate or rates of interest to be borne by each principal maturity, provided that the present value savings resulting from refunding the Outstanding Bonds maturing on and after June 1, 2016 is not less than 4.00% of such Outstanding Bonds and the true interest cost shall not exceed 3.5%, (vi) the principal payment dates and Interest Payment Dates, (vii) whether the Bonds will be subject to redemption prior to their stated maturity, and if subject to such optional redemption, the provisions governing such redemption, including a redemption price not to exceed 104% of the principal amount then being redeemed plus accrued interest to the date of redemption, (viii) the amount and due date of each sinking fund requirement for any of the Bonds issued as Term Bonds, (ix) the designation of the Registrar and the form and content of any agreement between the City and such entity and (x) all other terms and provisions of the Bonds not otherwise specified or fixed by this Ordinance.

(b) The Finance Director is hereby authorized to call any or all of the Outstanding Bonds for redemption on the Redemption Date. The Finance Director is hereby authorized to designate, approve, execute and deliver, as the case may be (i) the form, content, terms and provisions of any published

and/or mailed notice of redemption with respect to the payment and redemption of the Outstanding Bonds, (ii) an Escrow Agent, (iii) the form, content, terms and provisions of an Escrow Agreement with such Escrow Agent for the purpose of providing for the deposit in trust with such Escrow Agent a portion of the net proceeds of the Bonds, the investment of such net proceeds pending their application, the application of such proceeds and any investment income to the payment of all of the principal of and interest on the Outstanding Bonds maturing on or before the Redemption Date and the application of the balance of such proceeds and any investment income thereof to the redemption and retirement of the Outstanding Bonds to be redeemed on the Redemption Date.

(c) The Finance Director shall report from time to time to the Council the purchase price of the Bonds sold and the principal amount, maturities and other terms thereof established in accordance with the terms of this Ordinance.

Section 7. Delivery of Bonds. Upon execution and authentication of the Bonds, they shall be delivered to the City Treasurer, acting on behalf of the City, who is authorized to deliver them to the Underwriter upon receipt of the purchase price therefor as agreed upon by the Finance Director and the Underwriter. The Underwriter shall have the right to direct the registration of the Bonds as to ownership. The City Clerk is hereby authorized and directed to make and certify a transcript of the proceedings of the City with respect to the Bonds, a copy of which transcript shall be delivered to such initial purchaser(s).

Section 8. Form of Bonds Generally. The definitive Bonds are issuable in registered form without coupons in denominations of $5,000 or any integral multiple thereof. The Bonds issued under the provisions of this Ordinance shall be in substantially the form set forth in this **Section 8**, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance and with such additional changes as the Finance Director may deem necessary or appropriate. All such Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or of any securities exchange on which the Bonds may be listed or any usage or requirement of law with respect thereto.

The Bonds shall be in substantially the following form:

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Registered
No. R-____

Registered
$_____

STATE OF NEBRASKA
COUNTY OF LANCASTER
CITY OF LINCOLN
GENERAL OBLIGATION STORM SEWER AND DRAINAGE SYSTEM REFUNDING BOND
SERIES 2015

Date of Original Issue	Date of Maturity	Rate of Interest	CUSIP No.
_____, 2015	June 1, 20___	_____%	_____

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: _____ **DOLLARS**

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE CITY OF LINCOLN, NEBRASKA has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal (or a facsimile thereon) to be hereunto affixed, imprinted, engraved or otherwise reproduced and countersigned by the manual or facsimile signature of its Interim Finance Director.

CITY OF LINCOLN, NEBRASKA

By: _____(facsimile signature)_____
Mayor

COUNTERSIGNED: Registered in the Finance Department of the City of Lincoln, Nebraska

_____(facsimile signature)_____
Interim Finance Director

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Bond Ordinance.

Dated: _____, 2015

_____,
as Registrar

By: _____
Authorized Signature

The **CITY OF LINCOLN, NEBRASKA** (the **"City"**) hereby acknowledges itself indebted to, and for value received hereby promises to pay to the Registered Owner stated above, or registered assigns, on the Date of Maturity stated above (or earlier as hereinafter described), the Principal Amount stated above upon presentation and surrender hereof at the office of the bond registrar and paying agent, _____, in _____ (the **"Registrar"**), and in like manner to pay interest on said Principal Amount at the Rate of Interest stated above from the Date of Original Issue stated above, or the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, as specified below, to maturity or earlier redemption, payable semiannually on June 1 and December 1 of each year until payment in full of such Principal Amount, beginning December 1, 2015 (each an **"Interest Payment Date"**), by check or draft mailed to the Registered Owner hereof as shown on the bond registration books maintained by the Registrar on the fifteenth day of the month preceding the month in which an Interest Payment Date occurs, at such Registered Owner's address as it appears on such bond registration books. The principal of this bond and the interest hereon are payable in any coin or currency that on the respective dates of payment thereof is legal tender for the payment of debts due the United States of America.

This bond is one of an authorized series of bonds of like designation herewith aggregating _____ Dollars ($_____) in principal amount issued by the City under the authority of and in full compliance with the constitution and statutes of the State of Nebraska, including, particularly, Sections 10-142 and 15-244, Reissue Revised Statutes of Nebraska, as amended, and Article IX, Sections 39 to 43, inclusive, of the Home Rule Charter of the City, and under and pursuant to Ordinance No. _____ duly passed by the City Council on _____, 2015 and approved by the Mayor on _____, 2015 and all other ordinances amendatory thereof or supplemental thereto (Ordinance No. _____ and all other ordinances amendatory thereof or supplemental thereto being herein referred to collectively as the **"Bond Ordinance"**) for the purpose of providing for the payment and redemption of $6,340,000 in aggregate principal amount of the City's General Obligation Storm Sewer and Drainage System Bonds, Series 2005, dated June 15, 2005 (the **"Outstanding Bonds"**) and paying the costs of issuance of the bonds.

The full faith and credit of the City has been and is hereby pledged for the payment of the principal or redemption price of and interest on this bond, and the City Council shall annually provide for the levy of a tax in addition to all other taxes upon the taxable property in the City sufficient in rate and amount to pay the principal of this bond and the interest hereon as the same becomes due and payable, which tax shall be in excess of and in addition to all other taxes now or hereafter authorized to be levied by the City.

Reference is hereby made to the Bond Ordinance, a copy of which is on file in the office of the City Clerk, and to all the provisions of which any owner of this bond by its acceptance hereof hereby assents, for a description of and the nature and extent of the security for the bonds issued under the Bond Ordinance, including this bond; the tax revenues pledged to the payment of the principal or redemption price of and interest on this bond; the terms and provisions upon which the covenants made therein may be discharged at or prior to the maturity or redemption of this bond, and this bond thereafter no longer be secured by the Bond Ordinance or be deemed to be outstanding thereunder, if sufficient moneys or certain specified securities shall have been deposited with the Registrar or the City Treasurer and held in trust solely for the payment hereof; and for the other terms and provisions thereof.

The bonds of the series of bonds of which this bond is one maturing on and after June 1, 20__ are subject to redemption prior to maturity at the option of the City at any time on or after _____, 20__, in whole or in part in such principal amounts and from such maturity or maturities as the City may, in its absolute discretion, determine and by lot within a maturity, at a

redemption price equal to the percentage of the principal amount of the bond to be redeemed set forth below, together with accrued interest on such principal amount to the dated fixed for redemption:

Period During Which Redeemed (Inclusive)	Redemption Price (% of Principal Amount)

In the event this bond is called for redemption, notice of such redemption shall be given by first class mail to the Registered Owner hereof at its address as shown on the registration books maintained by the Registrar not less than 30 days prior to the date fixed for redemption. If this bond shall have been duly called for redemption and notice of such redemption duly given as aforesaid, then upon such redemption date this bond shall become due and payable and if moneys for the payment of this bond at the then applicable redemption price and the interest accrued on the principal amount hereof to the date of redemption shall be held for the purpose of such payment by the Registrar, interest shall cease to accrue and become payable hereon from and after the redemption date.

This bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance and upon surrender and cancellation of this bond. Upon such transfer, a new bond or bonds of the same series and of the same maturity, of and authorized denomination or denominations and for the same aggregate principal amount, will be issued to the transferee in exchange therefor. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of the principal or redemption price of and interest due hereon and for all other purposes.

The bonds of this series are issuable only as fully registered bonds without coupons in denominations of $5,000, or any integral multiple thereof not exceeding the principal amount maturing in any one year. As provided in the Bond Ordinance and subject to certain limitations therein set forth, the bonds of this series are exchangeable for a like aggregate principal amount of bonds of this series of a different authorized denomination, as requested by the Registered Owner or its duly authorized attorney upon surrender thereof to the Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this bond and the series and issue of which it is one have happened, do exist and have been performed in regular and due time, form and manner; that this bond and the issue and series of which it is one do not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on this bond and the series and issue of which it is one as provided in the Bond Ordinance.

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the Bond Register kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

_____

Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15)

By: _____
Title: _____

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Section 9. Details of Bonds.

(a) Each Bond shall bear interest from the Interest Payment Date next preceding the date on which it is authenticated, unless authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or, unless authenticated prior to the first Interest Payment Date, in which event it shall bear interest from its date of original issue; provided, however, that if at the time of authentication of any Bond, interest is in default, such Bond shall bear interest from the date to which interest has been paid.

(b) Both the principal or redemption price of and interest on each Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of all Bonds upon maturity, or the redemption price payable upon redemption prior to maturity, and the interest due thereon, shall be payable at the designated corporate trust office of the Registrar, upon presentation and surrender of such Bonds as the same shall become due and payable. Payment of the interest on each Bond due prior to maturity or earlier redemption shall be made by check mailed by the Registrar on each Interest Payment Date to the person whose name appears on the registration books of the Registrar as the registered owner thereof, at such registered owner's address as it appears on such registration books on the Record Date.

(c) Each Bond shall be executed by the manual or facsimile signatures of the Mayor and the Finance Director and the original or a facsimile of the official seal of the City shall be impressed or printed thereon. In case any officer whose signature or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such person had remained in office until such delivery, and also any Bond may be signed by such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(d) The City shall provide the Registrar with a supply of bond certificates for issuance upon subsequent transfers. In the event that such supply of certificates shall be insufficient to meet the requirements of the Registrar for issuance of replacement bond certificates upon transfer, the City agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose (facsimile) signature appears on any Bond ceases to be such officer before the delivery of such Bond (including any bond certificates delivered to the Registrar for issuance upon transfer or partial redemption), such (facsimile) signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Bond.

Section 10. Book-Entry Bonds. The Bonds shall be issued initially in book-entry form only using the services of the Depository, with one typewritten Bond per maturity being issued to the Depository. In such connection said officers are authorized to execute and deliver a letter of understanding and representation (the **"Representation Letter"**) in the form required by the Depository, for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds.

Upon the issuance of the Bonds in book-entry form, the following provisions shall apply:

(a) The City and the Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds as securities depository (each, a **"Participant"**) or to any person who is an actual purchaser of a

Bond from the Participant while the Bonds are in book-entry form (each, a **"Beneficial Owner"**) with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Participant with respect to any ownership interest in the Bonds;

(ii) the delivery to any Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption; or

(iii) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Bonds. The Registrar shall make payments with respect to the Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond.

(b) Upon receipt by the Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Registrar shall issue, transfer and exchange Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the City and the Registrar to do so, the City and the Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Bonds or (ii) to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such Bonds shall designate.

(c) If the City determines that it is desirable that bond certificates representing the Bonds be delivered to the Participants and/or Beneficial Owners of the Bonds and so notifies the City and Registrar in writing, the Registrar shall so notify the Depository, whereupon the Depository will notify the Participants of the availability through the Depository of bond certificates representing the Bonds. In such event, the City and Registrar shall issue, transfer or exchange bond certificates representing the Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Representation Letter.

(e) Registered ownership of the Bonds may be transferred on the books of registration maintained by the Registrar, and the Bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee; and

(ii) any persons, upon (A) the resignation of the Depository from its functions as depository, or (B) termination of the use of the Depository pursuant to this **Section 10**.

(f) In the event of any partial redemption of a Bond unless and until such partially redeemed Bond has been replaced in accordance with the provisions of **Section 9(d)** of this Ordinance, the books and records of the Registrar shall govern and establish the principal amount of such Bond as is then Outstanding and all of the Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced, the City shall immediately provide a supply of printed bond certificates for issuance upon the transfer from the Depository and subsequent transfer or in the event of partial redemption. In the event that such supply of bond certificates shall be insufficient to meet the requirements of the Registrar for issuance of replacement Bonds upon transfer or partial redemption, the City agrees to order printed an additional supply of certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting Mayor and Finance Director.

Section 11. Authentication of Bonds. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed by the Registrar shall be entitled to any benefit or security under this Ordinance. No Bonds shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

Section 12. Exchange of Bonds. Bonds, upon surrender thereof at the designated corporate trust office of the Registrar, together with an assignment duly executed by the registered owner thereof, or its attorney or legal representative in such form as shall be satisfactory to the Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity, of any denomination or denominations authorized by this Ordinance and bearing interest at the same rate, and in substantially the same form as the Bonds surrendered for exchange. The City shall make provision for the exchange of the Bonds at the designated corporate trust office of the Registrar.

Section 13. Negotiability, Registration and Transfer of Bonds. The Registrar shall keep books for the registration and registration of transfer of Bonds as provided in this Ordinance. The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Registrar, together with an assignment duly executed by the registered owner or its attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer the City shall execute and the Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Ordinance in an aggregate principal amount equal to the principal amount of such Bond surrendered or exchanged, of the same series and maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the City shall execute and the Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Ordinance. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. Neither the City nor the Registrar shall make a charge for the first such exchange or registration of transfer of any Bond for each registered owner. The City or the Registrar, or both, may make a charge for shipping, printing and out-of-pocket costs for every subsequent exchange or registration of transfer of any Bond sufficient to reimburse it or them for any and all costs required to be paid with respect to such exchange or registration of

transfer. Neither the City nor the Registrar shall be required to make any such exchange or registration of transfer of Bonds during the period between the relevant Record Date and the Interest Payment Date or, in the case of any proposed redemption of Bonds, after notice of the redemption of such Bonds or any portion thereof shall have been given pursuant to **Section 21** of this Ordinance.

Section 14. Ownership of Bonds. As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal or redemption price of and interest on such Bond shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 15. Disposition and Destruction of Bonds. All Bonds surrendered to the Registrar for payment shall be canceled upon such payment by the Registrar and, upon written request of the Finance Director, shall be destroyed.

Section 16. CUSIP Identification Numbers. At the sole option of the Finance Director, CUSIP identification numbers may be printed on the Bonds, but no such number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby, and no liability shall attach to the City or any officer or agent thereof (including, without limitation, the Registrar) because of or on account of said CUSIP identification numbers or any use made thereof.

Section 17. Redemption of Bonds. At the option of the City, the Bonds may be made subject to redemption, both in whole and in part and at such times and redemption prices, as may be determined by the Finance Director in accordance with the provisions of **Section 6** hereof; provided, however, that Term Bonds shall be made subject to redemption to the extent of any sinking fund requirement therefor in each year in which there is a sinking fund requirement in respect of such Term Bonds.

Section 18. Redemption at the Direction of the City. In the case of any redemption of any Bonds at the direction of the City, the Finance Director will select the series, maturities and principal amounts thereof to be redeemed and the Finance Director shall give written notice to the Registrar specifying the redemption date and the maturities and principal amounts of such series to be redeemed, and directing the Registrar to give notice of redemption to the registered owners of Bonds selected for redemption. The City shall give such notice at least 15 business days (or such shorter period as may be agreed to by the Registrar) before the last day on which the Registrar may give notice of redemption to the registered owners of the Bonds of such series.

Section 19. Redemption Otherwise than at the City's Direction. Whenever the Registrar is required or authorized to redeem Bonds otherwise than at the direction of the City, the Registrar shall, subject to receipt of any notice from the City pursuant to **Section 17**, select the Bonds to be redeemed and shall give the notice of redemption.

Section 20. Selection of Bonds to be Redeemed. If less than all Bonds of a series are to be redeemed, the maturities of Bonds and the principal amount of each maturity to be redeemed may be selected by the City. The City shall give written notice of its selection not later than 15 business days (or such shorter period as may be agreed to by the Registrar) before the last day on which the Registrar may give notice of redemption to the registered owners of the Bonds of such series. If the City does not give notice of its selection, the Registrar shall select the Bonds to be redeemed in inverse order of maturity. If less than all of the Bonds of like maturity of a series are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected at random by the Registrar in such manner as the Registrar in its discretion may deem fair and appropriate.

Section 21. Notice of Redemption. Each notice of redemption of Bonds of any series shall be mailed by first class mail by the Registrar, not less than 30 days prior to the redemption date, to each registered owner whose Bonds are called for redemption. Each notice of redemption shall state the distinguishing designation of the series of Bonds to which such notice relates, the date of original issue of such series of Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses of the Registrar), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date, interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Registrar specified in the redemption notice. Neither the City nor the Registrar shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service agency for convenience of reference and that neither the City nor the Registrar shall be liable for any inaccuracy in such numbers.

Failure of any registered owner to receive notice or any defect in any such notice shall not affect the sufficiency of the proceedings for redemption.

Section 22. Payment of Redeemed Bonds. Notice having been given in the manner provided in **Section 21**, the Bonds, or portions thereof so called for redemption, shall become due and payable on the redemption date so designated at the redemption price thereof, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the redemption price thereof, plus interest accrued and unpaid to the redemption date. If there shall be drawn for redemption a portion of a Bond, the City shall execute, and the Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the registered owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond of like series and maturity in any authorized denomination. If, on the redemption date, money for the redemption of all the Bonds or portions thereof of any like series and maturity to be redeemed, together with interest to the redemption date, shall be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portion thereof of such series and maturity so called for redemption shall cease to accrue and become payable. If said money shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 23. Cancellation of Redeemed Bonds. All Bonds surrendered or redeemed pursuant to the provisions of this Ordinance shall be canceled.

Section 24. The Registrar. The Registrar shall keep and maintain for the City books for the registration and transfer of the Bonds at its designated corporate trust office. The name(s), registered address(es) and tax identification number(s) of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the designated corporate trust office of the Registrar by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner in person or by such registered owner's duly authorized agent, and thereupon the Registrar, on behalf of the City, shall deliver at its office (or send by registered mail to the transferee owner or owners

thereof at such transferee owner's or owners' risk and expense), registered in the name of the transferee owner or owners, a new Bond or Bonds of the same series, interest rate, aggregate principal amount and maturity. One Bond may be transferred for several such Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same series, interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond shall be canceled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the City evidencing the same obligation as the Bonds surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the Bonds upon transfer of which they were delivered. The City and the Registrar shall not be required to transfer any Bond during any period from any Record Date until the immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption. The City may appoint a successor Registrar in its sole discretion upon 30 days' written notice to the then-acting Registrar.

Section 25. General Obligation Bonded Indebtedness Debt Service Fund. The City has heretofore established the General Obligation Bonded Indebtedness Debt Service Fund (the **"Debt Service Fund"**) for the purpose of paying the principal of, redemption premium, if any, and interest on general obligation bonded indebtedness issued by the City. There shall be deposited into the Debt Service Fund as and when received, (a) any accrued interest received upon the issuance, sale and delivery of the Bonds, (b) all ad valorem taxes levied and collected by the City under this Ordinance, and (c) all other money received by the City that is required or that is accompanied by directions that such money is to be paid into the Debt Service Fund. Money in the Debt Service Fund shall be used solely for the payment of the principal or redemption price of and interest on the Bonds and other general obligation bonded indebtedness of the City at or prior to the maturity thereof.

Section 26. Transfer of Funds to Registrar. The Finance Director is hereby authorized and directed to withdraw from the Debt Service Fund sums sufficient to fully pay both principal and interest on the Bonds as and when the same become due and to pay the charges for services rendered by the Registrar, and to forward such sums to the Registrar in immediately available funds no less than 5 business days before the date when such principal, interest and fees mature or become due.

Section 27. 2015 General Obligation Storm Sewer and Drainage System Refunding Bonds Rebate Account. To ensure proper compliance with the tax covenants contained in **Section 29** hereof, the City shall establish and the City Treasurer shall maintain for the Bonds an account in the City's Arbitrage Rebate Fund, separate from any other fund or account established and maintained hereunder, which account shall be designated as the 2015 General Obligation Storm Sewer and Drainage System Refunding Bonds Rebate Account (the **"Rebate Account"**). All money at any time deposited in the Rebate Account in accordance with the provisions of the Tax Certificate delivered by the City in connection with the Bonds, as amended or supplemented, shall be held by the City Treasurer for the account of the City in trust for payment to the federal government of the United States of America of all amounts of rebatable arbitrage due and owing on the Bonds, and neither the City nor the owner of any Bond shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Account shall be governed hereby and by the Tax Certificate. The City Treasurer shall invest all amounts held in the Rebate Account in accordance with the Tax Certificate. Money shall not be transferred from the Rebate Account except in accordance with the Tax Certificate.

Section 28. Discharge of Liens and Obligations. The City's obligations under this Ordinance and the liens, pledges, dedications, covenants and agreements of the City herein made or provided for shall be fully discharged and satisfied as to any of the Bonds issued hereunder, and said Bonds shall no longer be deemed Outstanding hereunder if such Bonds shall have been purchased and canceled by the City or, as to any of said Bonds not theretofore purchased and canceled by the City, when payment of the principal of, redemption premium, if any, and interest thereon to the respective dates of

maturity or redemption (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided for by depositing with a state or national bank having trust powers or trust company in trust solely for such payment (i) sufficient moneys to make such payment and/or (ii) Escrow Obligations in such amount and bearing interest payable and maturing or redeemable at stated fixed prices at the option of the registered owners as to principal at such times as will ensure the availability of sufficient moneys to make such payment and such Bonds shall cease to draw interest from the date fixed for their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Ordinance; provided that, with respect to any such Bonds called or to be called for redemption, the City shall have duly given notice of redemption or made irrevocable provision for such notice. Any such moneys so deposited with the aforesaid state or national bank or trust company as provided in this **Section 28** may be invested and reinvested in Deposit Securities at the direction of the City and all interest and income from all such Deposit Securities in the hands of the aforesaid trustee bank or trust company that are not required to pay principal and interest on the Bonds for which such deposit has been made shall be paid to the City as and when realized and collected.

Section 29. Tax Covenants.

(a) The City covenants and agrees that (i) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds and (ii) it will not use or permit the use of any proceeds of Bonds or any other funds of the City nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The City will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The City covenants and agrees that (i) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds, (ii) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (iii) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the City in any manner, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(c) The City covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and any Treasury Regulations applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds. The City specifically covenants to pay or cause to be paid to the United States of America the required amounts of rebatable arbitrage at the times and in the amounts as determined by the Tax Certificate. Notwithstanding anything to the contrary contained herein, the Tax Certificate may be amended or replaced if, in the opinion of counsel nationally recognized on the subject of municipal bonds, such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(d) The City covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Bond to be a "private activity bond."

The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to the provisions of this Ordinance until the final maturity date of all Bonds outstanding.

Section 30. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; however, any Participating Underwriter (as defined in the Continuing Disclosure Undertaking) or Beneficial Owner (as hereinafter defined) may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this **Section 30**. For purposes of this **Section 30**, "Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

Section 31. General and Specific Authorizations; Ratification of Prior Actions. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Council hereby (a) authorizes and directs the Mayor, the Finance Director, the City Treasurer, the City Clerk, the City Attorney, the City Controller, any individual authorized to act on their behalf, and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the City and such other actions as they, or any of them, in consultation with bond counsel, the purchaser or purchasers of the Bonds and its or their counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Ordinance, including, without limitation, the execution and delivery of all related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Finance Director or the City Controller the right, power and authority to exercise his independent judgment and absolute discretion in (i) determining and finalizing all terms and provisions to be carried by the Bonds not specifically set forth in this Ordinance and (ii) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Bonds. The execution and delivery by the Finance Director or the City Controller or by any such other officers, officials, employees or agents of the City of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters that are the subject of this Ordinance, shall constitute conclusive evidence of both the City's and their approval of the terms, provisions and contents thereof and of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the City and the authorization, approval and ratification by the City of the documents, instruments, certifications and opinions so executed and the actions so taken.

All actions heretofore taken by the Finance Director and all other officers, officials, employees and agents of the City, including, without limitation, the expenditure of funds and the selection, appointment and employment of bond counsel and financial advisors and agents, in connection with issuance and sale of the Bonds, together with all other actions taken in connection with any of the matters that are the subject hereof, are hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

Section 32. Official Statement. The City hereby ratifies and approves the publication, distribution and use of a preliminary Official Statement in connection with the offering of the Bonds, with such changes, additions and modifications, as may be approved by the Finance Director. The Finance Director is hereby authorized to deem the information contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934, as amended. The City further authorizes and directs the preparation of, and authorizes and directs the execution and delivery by the Finance Director of a final Official Statement for use in connection with the sale of the Bonds.

Section 33. Proceedings Constitute Contract; Enforcement Thereof. The provisions of this Ordinance, of any supplemental ordinance, and of any resolutions or other proceedings providing for the sale of the Bonds and the terms and provisions thereof shall constitute a contract between the City and the registered owners of the Bonds and the provisions thereof shall be enforceable by any registered owner of a Bond for the equal benefit and protection of all such registered owners similarly situated, by mandamus, accounting, mandatory injunction or any other suit, action or proceeding at law or in equity that is presently or may hereafter be authorized under the laws of the State of Nebraska in any court of competent jurisdiction. Said contract is made under and is to be construed in accordance with the laws of the State of Nebraska.

After the issuance and delivery of the Bonds, this Ordinance and any supplemental ordinance shall not be repealable, but shall be subject to modification or amendment to the extent and in the manner provided in this Ordinance, but to no greater extent and in no other manner.

Section 34. Benefits of Ordinance Limited to the City and Owners of the Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the City and the registered owners of the Bonds, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. The Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City and the registered owners from time to time of the Bonds as herein and therein provided.

Section 35. No Personal Liability. No officer or employee of the City shall be individually or personally liable for the payment of the principal of or interest on any Bond. Nothing herein contained shall, however, relieve any such officer or employee from the performance of any duty provided or required by law.

Section 36. Effect of Saturdays, Sundays and Legal Holidays. Whenever this Ordinance requires any action to be taken on a Saturday, Sunday or legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Ordinance the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday or legal holiday, such time shall continue to run until midnight on the next succeeding business day.

Section 37. Partial Invalidity. If any one or more of the covenants or agreements or portions thereof provided in this Ordinance on the part of the City or the Registrar to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds, but the registered owners of the Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

If any provisions of this Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 38. Applicable Law and Place of Enforcement of this Ordinance. The ordinance shall be construed and interpreted in accordance with the laws of the State of Nebraska. All suits and actions arising out of this Ordinance shall be instituted in a court of competent jurisdiction in Lincoln, Nebraska except to the extent necessary for enforcement, by any trustee or receiver appointed by or pursuant to the provisions of this Ordinance, or remedies under this Ordinance.

Section 39. Effect of Article and Section Headings and Table of Contents. The headings or titles of the several articles and sections hereof, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Ordinance.

Section 40. Repeal of Inconsistent Ordinance. Any ordinance of the City, and any part of any ordinance or resolution, inconsistent with this Ordinance is hereby repealed to the extent of such inconsistency.

Section 41. Publication and Effectiveness of this Ordinance. Pursuant to Article VII, Section 7, of the City Charter, this Ordinance shall be posted on the official bulletin board of the City in lieu of and in place of newspaper publication with notice of passage and such posting to be given by publication one time in the official newspaper by the City Clerk.

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INTRODUCED BY:

_____

PASSED _____**, 2015.**

Approved as to Form:

_____
City Attorney

_____
Bond Counsel

APPROVED: _____**, 2015.**

_____
Mayor