

CITY OF LE ROY  
COUNTY OF McLEAN, STATE OF ILLINOIS

ORDINANCE NO. 05-06-01-10

**AN ORDINANCE OF THE CITY OF LE ROY, MCLEAN COUNTY, ILLINOIS, AUTHORIZING AND PROVIDING FOR AN INSTALLMENT PURCHASE AGREEMENT FOR THE PURPOSE OF PAYING A PART OF THE COST OF FINANCING IMPROVEMENTS TO THE CITY'S WATER TOWER, AND AUTHORIZING AND PROVIDING FOR THE ISSUE OF NOT TO EXCEED \$150,000 GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2005, EVIDENCING THE RIGHTS TO PAYMENT UNDER SUCH AGREEMENT, PRESCRIBING FOR THE DETAILS OF THE AGREEMENT AND CERTIFICATES, AND PROVIDING FOR THE SECURITY FOR AND MEANS OF PAYMENT UNDER THE AGREEMENT OF THE CERTIFICATES**

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ADOPTED BY THE CITY COUNCIL OF THE CITY OF LE ROY THIS  
6<sup>th</sup> DAY OF June, 2005

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PRESENTED:            June 6, 2005  
PASSED:                June 6, 2005  
APPROVED:            June 6, 2005  
RECORDED:            June 6, 2005  
PUBLISHED:            June 6, 2005

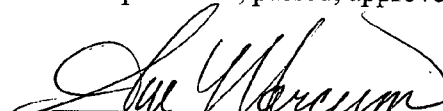
In Pamphlet Form

Voting "Aye" 5  
Voting "Nay" 0

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The undersigned being the duly qualified and Acting City Clerk of the City of LeRoy does hereby certify that this document constitutes the publication in pamphlet form, in connection with and pursuant to Section 1-2-4 of the Illinois Municipal Code, of the above-captioned **ordinance** and that such **ordinance** was presented, passed, approved, recorded and published as above stated.

(SEAL)

  
\_\_\_\_\_  
City Clerk of City Of LeRoy

Dated: June 6, 2005

**ORDINANCE NUMBER 05-06-01-10**

AN ORDINANCE of the City of LeRoy, McLean County, Illinois, authorizing and providing for an Installment Purchase Agreement for the purpose of paying a part of the cost of financing improvements to the City's water tower, and authorizing and providing for the issue of not to exceed \$150,000 General Obligation Debt Certificates (Limited Tax), Series 2005, evidencing the rights to payment under such Agreement, prescribing the details of the Agreement and Certificates, and providing for the security for and means of payment under the Agreement of the Certificates.

WHEREAS, the City of LeRoy, McLean County, Illinois (the "*City*"), is a municipality and unit of local government of the State of Illinois (the "*State*") operating under and pursuant to the Illinois Municipal Code (the "*Municipal Code*"), the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and in particular, the provisions of Section 17 of the Debt Reform Act (the "*Installment Purchase Provisions of the Debt Reform Act*"), and all other Omnibus Bond Acts of the State in each case, as supplemented and amended (collectively, "*Applicable Law*"); and

WHEREAS, the City Council of the City (the "*Corporate Authorities*") has considered the needs of the City and, in so doing, the Corporate Authorities have deemed and do now deem it advisable, necessary, and for the best interests of the City in order to promote and protect the public health, welfare, safety, and convenience of the residents of the City to improve the City's water tower, including, in connection with said work, acquisition of all land or rights in land, mechanical, electrical, and other services necessary, useful or advisable thereto (the "*Project*"); and

WHEREAS, the Corporate Authorities have determined the total cost of the Project and expenses incidental thereto, including financial and legal services related to the Project and to the Agreement hereinafter provided for in this Ordinance (collectively "*Related Expenses*") to be

not less than \$150,000 plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the City are not available to pay the costs of the Project and Related Expenses, and it will, therefore, be necessary to borrow money in the amount not to exceed \$150,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions of the Debt Reform Act, the City has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Corporate Authorities shall determine, if the City will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue certificates evidencing indebtedness incurred under such agreements; and

WHEREAS, the Corporate Authorities find that it is desirable and in the best interests of the City to avail of the provisions of the Installment Purchase Provisions of the Debt Reform Act, to authorize an Installment Purchase Agreement (the "*Agreement*") more particularly as described and provided below in the text of this Ordinance; to name as counter-party to the Agreement the City Treasurer (the "*Treasurer*"), as nominee-seller; to authorize the Mayor of the City (the "*Mayor*") and the City Clerk (the "*Clerk*") to execute and attest, respectively, the Agreement on behalf of the City and to file same with the Clerk in his or her capacity as keeper of the records and files of the City; and to issue certificates evidencing the indebtedness incurred under the Agreement in the amount of not to exceed \$150,000, in form and having such details as set forth below in the text of this Ordinance

NOW THEREFORE Be It Ordained by the City Council of the City of LeRoy, McLean County, Illinois, as follows:

*Section 1. Definitions.* Words and terms used in this Ordinance shall have the meanings given them unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

A. The following words and terms are as defined in the preambles hereto.

Applicable Law

City

Clerk

Corporate Authorities

Debt Reform Act

Installment Purchase Provisions of the Debt Reform Act

Mayor

Municipal Code

Project

Related Expenses

State

Treasurer

B. The following words and terms are defined as set forth.

*"Agreement"* means the Installment Purchase Agreement, as referred to in the preambles of this Ordinance, for the purpose of purchasing and financing the Project and Related Expenses.

*"Certificates"* means the \$150,000 General Obligation Debt Certificates (Limited Tax), Series 2005, authorized to be issued by this Ordinance.

*"Certificate Fund"* means the fund established and defined in Section 13 of this Ordinance.

*"Certificate Moneys"* means moneys on deposit in the Certificate Fund.

*"Certificate Register"* means the books of the City kept by the Certificate Registrar to evidence the registration and transfer of the Certificates.

*"Certificate Registrar"* means Busey Bank, Urbana, Illinois, in its respective capacities as certificate registrar and paying agent hereunder, or a successor thereto or a successor designated as Certificate Registrar hereunder.

*"Code"* means the Internal Revenue Code of 1986, as amended.

*"County Clerk"* means the County Clerk of The County of McLean, Illinois.

*"Ordinance"* means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 6th day of June, 2005.

*"Project Fund"* means the Project Fund established and defined in Section 13 of this Ordinance.

*"Purchase Price"* means the price to be paid by the Purchaser for the Certificates pursuant to the contract for the purchase of the Certificates, to-wit, par.

*"Purchaser"* means the purchaser (underwriter) of the Certificates, namely, First Midstate Inc., Bloomington, Illinois.

*"Rebate Fund"* means the Rebate Fund authorized to be established and as defined in Section 12 of this Ordinance.

*"Record Date"* means the 15th day of the month next preceding the interest payment date.

"Tax-exempt" means, with respect to the Certificates, the status of interest paid and received thereon as not includible in the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.

C. Definitions also appear in the preambles hereto or in specific sections, as appear below. The headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

*Section 2. Incorporation of Preambles.* The Corporate Authorities hereby find that the recitals contained in the preambles to this Ordinance are true, correct, and complete and do incorporate them into this Ordinance by this reference.

*Section 3. Determination to Authorize and Enter into Agreement and to Issue Certificates.* It is necessary and advisable for the public health, safety, welfare, and convenience of residents of the City to pay the costs of acquisition of the Project, including all Related Expenses and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of the Certificates evidencing the indebtedness incurred under the Agreement.

*Section 4. Agreement is a General Obligation; Annual Appropriation.* The City hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a lawful direct general obligation of the City payable from the corporate funds of the City and such other sources of payment as are otherwise lawfully available. The City represents and warrants that the total amount due the Seller under the Agreement, together with all other indebtedness of the City, is within all statutory and constitutional debt limitations.

The City agrees to appropriate funds of the City annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement.

*Section 5. Execution and Filing of the Agreement.* From and after the effective date of this Ordinance, the Mayor and Clerk be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form thereof set forth below in the text of this Ordinance, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Clerk and retained in the City records and constitute authority for issuance of the Certificates. Subject to such discretion of the officers signatory to the document as described in the foregoing text, the Installment Purchase Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for the financing of water tower improvements, dated the 15th day of June, 2005, in and for the City of LeRoy, McLean County, Illinois.

THIS INSTALLMENT PURCHASE AGREEMENT (this "*Agreement*") made as of the 1st day of June, 2005, by and between the Treasurer of the City, as Nominee-Seller (the "*Seller*"), and the City of LeRoy, McLean County, Illinois, a municipality and unit of local government of the State of Illinois (the "*City*");

**WITNESSETH**

A. The City Council (the "*Corporate Authorities*") of the City has determined to provide for improvements to the water tower including, but not limited to, repainting, within the City (the "*Project*"); all as previously approved by the Corporate Authorities and on file with the City Clerk (the "*Clerk*").

B. Pursuant to the provisions of the Illinois Municipal Code (the "*Municipal Code*"); the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and, in particular, the provisions of Section 17 of the Debt Reform Act (the "*Installment Purchase Provisions of the Debt Reform Act*"); and all other Omnibus Bond Acts of the State of Illinois; in each case, as supplemented and amended (collectively "*Applicable Law*"); the City has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years and has the power to issue certificates evidencing indebtedness incurred under such agreements.

C. On the 6th day of June, 2005, the Corporate Authorities, pursuant to Applicable Law and the need to provide for the Project, adopted an ordinance (the "*Ordinance*"), numbered \_\_\_\_\_, authorizing the borrowing of money for the Project, the execution and delivery of



this Agreement to finance same, and the issuance of certificates evidencing the indebtedness so incurred.

D. The Ordinance is

- (a) incorporated herein by reference; and
- (b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Ordinance is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions of the Debt Reform Act, has agreed to acquire the Project on the terms as hereinafter provided.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the City as follows:

1. ACQUIRE PROJECT

The Seller agrees to acquire the Project upon real estate owned or to be owned by or upon which valid easements have been obtained in favor of the City.

2. CONVEYANCE

The Seller agrees to convey each part of the Project to the City; and the City agrees to purchase the Project from the Seller and pay for the Project the purchase price of \$150,000; plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificates and in no event shall the total aggregate principal purchase price to be paid pursuant to this Agreement exceed the sum of \$150,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer from the sale of the Certificates.

### 3. PAYMENTS

The payment of the entire sum of \$150,000 of said purchase price shall:

- (a) be payable in installments due on the dates and in the amounts;
- (b) bear interest at the rates percent per annum which interest shall also be payable on the dates and in the amounts;
- (c) be payable at the place or places of payment, in the medium of payment, and upon such other terms;

all as provided for payment of the Certificates in the Ordinance.

### 4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law, under the Installment Purchase Provisions of the Debt Reform Act, to the owners of the Certificates. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificates, evidencing the indebtedness incurred hereby, are assignable (registrable) as provided in the Ordinance.

### 5. TAX COVENANTS

The covenants relating to the Tax-exempt status of the Certificates, as set forth in the Ordinance, insofar as may be applicable, apply to the work to be performed and the payments made under this Agreement.

### 6. TITLE

(a) *Vesting of Title.* Title in and to any part of the Project, during all stages of the acquisition thereof, shall and does vest immediately in the City.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Project shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, all or any part of the Project shall be taken under the exercise of the power of eminent domain by any governmental

body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of all or any part of the Project shall become apparent; or (iv) title to or the use of all or any part of the Project shall be lost by reason of a defect in title; then the City shall continue to make payments as promised herein and in the Certificates and to take such action as it shall deem necessary or appropriate to repair and replace the Project.

#### 7. LAWFUL CORPORATE OBLIGATION

The City hereby represents, warrants and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the City payable from the corporate funds of the City and such other sources of payment as are otherwise lawfully available. The City represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the City, is within all statutory and constitutional debt limitations. The City agrees to appropriate funds of the City annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement.

#### 8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the City, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.

#### 9. NO SEPARATE TAX

**THE SELLER AND THE CITY RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE CITY OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.**

10. DEFAULT

In the event of a default in payment hereunder by the City, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF, the Seller has caused this Installment Purchase Agreement to be executed and attested, and his or her signature to be attested by the Clerk, and the City has caused this Installment Purchase Agreement to be executed by its Mayor, and also attested by the Clerk, and the official seal of the City to be hereunto affixed, all as of the day and year first above written.

SELLER: Signature: \_\_\_\_\_

[Here type name]: Teresa Miller  
as Nominee-Seller and the Treasurer

ATTEST:

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City Clerk

[SEAL]

CITY OF LEROY, MCLEAN COUNTY,  
ILLINOIS

---

Mayor

ATTEST:

---

City Clerk

[SEAL]

STATE OF ILLINOIS        )  
                                  ) SS  
COUNTY OF MCLEAN        )

**CERTIFICATE OF INSTALLMENT PURCHASE AGREEMENT FILING**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of LeRoy, McLean County, Illinois (the "City"), and as such officer I do hereby certify that on the 6th day of June, 2005 there was filed in my office a properly certified copy of that certain document, executed by the Mayor of the City, attested by me in my capacity as City Clerk, and further executed, as Nominee-Seller, by the City Treasurer of the City, also attested by me, dated the 1st day of June, 2005, and entitled "INSTALLMENT PURCHASE AGREEMENT for the financing of water tower improvements within the City, dated the 1st day of June, 2005, in and for the City of LeRoy, McLean County, Illinois"; and supporting the issuance of certain General Obligation Debt Certificates (Limited Tax), Series 2005, of the City; that attached hereto is a true and complete copy of said Agreement as so filed; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the seal of the City of LeRoy, McLean County, Illinois, at the City of LeRoy, Illinois, this 6th day of June, 2005.

\_\_\_\_\_  
City Clerk

[SEAL]

*Section 6. Certificate Details.* For the purpose of providing for acquisition and construction of the Project and Related Expenses, there shall be issued and sold the Certificates in the principal amount of \$150,000. The Certificates shall each be designated "*General Obligation Debt Certificate (Limited Tax), Series 2005*"; be dated June 1, 2005 (the "*Dated Date*"); and shall also bear the date of authentication thereof. The Certificates shall be in fully registered form, shall be in denominations of the aggregate principal amounts maturing in each year (but no single Certificate shall represent principal maturing on more than one date), and shall be numbered consecutively in such fashion as shall be determined by the Certificate Registrar. The Certificates shall become due and payable (without option of prior redemption) on June 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

2006	\$50,000	5.00%
2007	50,000	5.15%
2008	50,000	5.30%

Each Certificate shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Certificate is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing on June 1, 2006. Interest on each Certificate shall be paid by check or draft of the Certificate Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Certificate is registered at the close of business on the applicable Record Date, and mailed to the registered owner of the Certificate at the address as shown in the Certificate Registrar or at such other address furnished in writing by such registered owner. The principal due on the Certificates shall be payable in lawful money of the United States of America upon presentation thereof at the office maintained for such purpose of

the Certificate Registrar as currently maintained, as may be relocated from time to time, or at successor Certificate Registrar and locality.

*Section 7. Execution; Authentication.* The Certificates shall be signed by the manual or duly authorized facsimile signature of the Mayor on behalf of duly authorized the City and the City Clerk, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Certificates shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Certificate Registrar as authenticating agent of the City and showing the date of authentication. No Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Certificate Registrar by manual signature, and such certificate of authentication upon any such Certificate shall be conclusive evidence that such Certificate has been authenticated and delivered under this Ordinance. The certificate of authentication on any Certificate shall be deemed to have been executed by it if signed by an authorized officer of the Certificate Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificates issued hereunder.

*Section 8. Registration of Certificates.* The City shall cause books (the "*Certificate Register*" as herein defined) for the registration and for the transfer of the Certificates as provided in this Ordinance to be kept at the office maintained for such purpose by the Certificate Registrar, which is hereby constituted and appointed the registrar of the City for the Certificates. The City is authorized to prepare, and the Certificate Registrar or such other agent as the City may designate shall keep custody of, multiple Certificate blanks executed by the City for use in



the transfer and exchange of Certificates. Subject to the provisions of this Ordinance relating to the Certificates in Book Entry Form, any Certificate may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Certificate at the office of the Certificate Registrar maintained for the purpose, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Certificate Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall execute and the Certificate Registrar shall authenticate, date, and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Certificate or Certificates of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date. The execution by the City of any fully registered Certificate shall constitute full and due authorization of such Certificate; and the Certificate Registrar shall thereby be authorized to authenticate, date and deliver such Certificate; *provided, however,* the principal amount of Certificates of each maturity authenticated by the Certificate Registrar shall not at any one time exceed the authorized principal amount of Certificates for such maturity less the amount of such Certificates which have been paid. The person in whose name any Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Certificate shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid. No service charge shall be made to any

registered owner of Certificates for any transfer or exchange of Certificates, but the City or the Certificate Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

*Section 9. Form of Certificate.* The Certificates shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Certificates is to be printed in its entirety on the front side of the Certificates, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[FORM OF CERTIFICATE - FRONT SIDE]

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF McLEAN  
CITY OF LeROY  
GENERAL OBLIGATION DEBT CERTIFICATE (LIMITED TAX), SERIES 2005

See Reverse Side for  
Additional Provisions.

Interest Rate: \_\_\_\_\_%      Maturity Date: June 1, 20\_\_      Dated Date: June 1, 2005      CUSIP:

Registered Owner:

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of LeRoy, McLean County, Illinois, a municipality and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay from the source and as hereinafter provided to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Certificate identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 1 and December 1 of each year, commencing June 1, 2006, until said Principal Amount is paid or duly provided for. The principal of this Certificate is payable in lawful money of the United States of America upon presentation hereof at the office maintained for such purpose of Busey Bank, Urbana, Illinois, as paying agent and registrar (the "Certificate Registrar"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the

Certificate Registrar at the close of business on the applicable Record Date (the "*Record Date*"). The Record Date shall be the 15th day of the month next preceding the interest payment date. Interest shall be paid by check or draft of the Certificate Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Certificate Registrar.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts, and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Certificate, including Applicable Law as defined herein, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the obligation to make payments due hereon are a lawful direct general obligation of the City payable from the corporate funds of the City and such other sources of payment as are otherwise lawfully available; that the total amount due under the Agreement, represented by the Certificates, together with all other indebtedness of the City, is within all statutory and constitutional debt limitations; and that the City shall appropriate funds annually and in a timely manner so as to provide for the making of all payments hereon when due. THE OWNER OF THIS CERTIFICATE ACKNOWLEDGES THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE CITY OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

This Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Certificate Registrar.

IN WITNESS WHEREOF, the City of LeRoy, McLean County, Illinois, by its City Council, has caused this Certificate to be signed by the manual or duly authorized facsimile signature of the Mayor on behalf of the City and the City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

\_\_\_\_\_  
Mayor, City of LeRoy  
McLean County, Illinois

ATTEST:

\_\_\_\_\_  
City Clerk, City of LeRoy  
McLean County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 20\_\_

CERTIFICATE  
OF  
AUTHENTICATION

Certificate Registrar and Paying Agent:  
Busey Bank,  
Urbana, Illinois

This Certificate is one of the Certificates described in the within-mentioned Ordinance and is one of the General Obligation Debt Certificates (Limited Tax), Series 2005, having a Dated Date of June 1, 2005, of the City of LeRoy, McLean County, Illinois.

Busey Bank,  
as Certificate Registrar

By \_\_\_\_\_  
Authorized Officer

[FORM OF CERTIFICATE — REVERSE SIDE]

This Certificate is one of a series (the "*Certificates*") in the aggregate principal amount of \$150,000 issued by the City for the purpose of providing funds to pay part of the cost of the Project and Related Expenses, all as described and defined in the ordinance authorizing the Certificates (the "*Ordinance*"), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and in particular as supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended, and the other Omnibus Bond Acts of the State of Illinois ("*Applicable Law*"), and with the Ordinance, which has been duly passed by the City Council of the City on the 6th day of June, 2005, and approved by the Mayor, in all respects as by law required. The Certificates issued by the City in connection with the Project have been issued in evidence of the indebtedness incurred pursuant to a certain Installment Purchase Agreement (the "*Agreement*"), dated as of the 1st day of June, 2005, entered into by and between the City and its City Treasurer, as Seller-Nominee, to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents.

This Certificate is subject to provisions relating to registration, transfer, and exchange; and such other terms and provisions relating to security and payment as are set forth in the Ordinance; to which reference is hereby expressly made; and to all the terms of which the registered owner hereof is hereby notified and shall be subject.

The City and the Certificate Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Certificate Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

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

[Here insert identifying number such as  
TID, SSN, or other]

---

---

(Name and Address of Assignee)

the within Certificate and does hereby irrevocably constitute and appoint

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as attorney to transfer the said Certificate on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatever.

*Section 10. Sale of Certificates.* The Certificates shall be executed as in this Ordinance provided as soon after the passage hereof as may be, shall be deposited with Treasurer of the City, and shall thereupon be delivered to the Purchaser upon payment of the Purchase Price, plus accrued interest to date of delivery. The contract for the sale of the Certificates to the Purchaser, is hereby in all respects approved and confirmed, it being hereby declared that, to the best of the knowledge and belief of the members of the Corporate Authorities, after due inquiry, no person holding any office of the City, either by election or appointment, is in any manner financially interested, either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the contract for the sale of the Certificates.

The use by the Purchaser of any Preliminary Offering Circular and any final Offering Circular relating to the Certificates (the "*Offering Circular*") is hereby ratified, approved and authorized; the execution and delivery of the Offering Circular is hereby authorized; and the Corporate Authorities are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the contract for the sale of the Certificates, this Ordinance, said Preliminary Offering Circular, the Offering Circular and the Certificates.

*Section 11. Creation of Funds and Appropriations.*

A. There is hereby created the "*General Obligation Debt Certificates (Limited Tax), Series 2005, Certificate Fund*" (the "*Certificate Fund*"), which shall be the fund for the payment of the principal of and interest on the Certificates. Accrued interest and premium, if any, received upon delivery of the Certificates shall be deposited into the Certificate Fund and be applied to pay the first interest coming due on the Certificates. Funds lawfully available for the purpose shall be deposited into the Certificate Fund and used solely and only for the purpose of paying the principal of and interest on the Certificates. Interest income or investment profit earned in the Certificate Fund shall be retained in the Certificate Fund for payment of the principal of or interest on the Certificates on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. Moneys in the Certificate Fund shall be applied to pay principal of and interest on the Certificates when due.

B. The amount necessary from the proceeds of the Certificates shall be used either to pay expenses directly at the time of issuance of the Certificates or be deposited into a separate fund, hereby created, designated the "*Expense Fund*," to be used to pay expenses of issuance of the Certificates. Disbursements from such fund shall be made from time to time as necessary.



Moneys not disbursed from the Expense Fund within six (6) months shall be transferred by the appropriate financial officers for deposit into the Project Fund, and any deficiencies in the Expense Fund shall be paid by disbursement from the Project Fund.

C. The remaining proceeds of the Certificates shall be deposited into the Project Fund (the "*Project Fund*"), hereby created. Moneys in the Project Fund shall be used to pay costs of the Project in accordance with the following procedures:

1. Contracts ("*Acquisition Contracts*") shall be entered into by the City or awarded, from time to time, by the Corporate Authorities for the acquisition of Project; and the Corporate Authorities represent and covenant that each Acquisition Contract will be entered into in strict accordance with Applicable Law and the rules and procedures of the City for same.

2. Pursuant to ordinance or resolution to be duly adopted, the Corporate Authorities shall identify all or a designated portion of each Acquisition Contract to the Agreement. This Ordinance and any such further ordinance or resolution shall be filed of record with the Clerk and the Treasurer. The adoption and filing of any such ordinance or resolution and the Acquisition Contracts with such officers shall constitute authority for the officer or officers of the City to make disbursements from the Project Fund to pay amounts due under such Acquisition Contracts from time to time, upon such further resolutions, orders, vouchers, warrants or other proceedings as are required under Applicable Law and the rules and procedures of the City for same. No action need be taken by or with respect to the sellers under the Acquisition Contracts as, pursuant to the Installment Purchase Provisions of the Debt Reform Act, the Treasurer acts as Nominee-Seller of the Project for all purposes, enabling the issuance of the Certificates. Funds on deposit in the Project Fund shall be invested by the appropriate officers of the City in any

lawful manner. Investment earnings shall first be reserved and transferred to such other account as and to the extent necessary to pay any "excess arbitrage profits" or "penalty in lieu of rebate" under Code Section 148 to maintain the Tax-exempt status of the Certificates, and the remainder shall be retained in the fund for costs of the Project. Within sixty (60) days after full depletion of the Project Fund, the appropriate offices of the City shall certify to the Corporate Authorities the fact of such depletion; and, upon approval of such certification by the Corporate Authorities, the Project Fund shall be closed.

3. The Treasurer has contracted with the City to convey to the City that portion of the Project heretofore or hereafter acquired by the City, to the City, for valuable consideration. Said Acquisition Contract between the Treasurer and the City is hereby identified to the Agreement in the full amount of the cost of said Acquisition Contract.

C. Alternatively to the creation of the funds described above, the appropriate officers may allocate the Certificate Moneys or proceeds of the Certificates to one or more related funds of the City already in existence and in accordance with good accounting practice; *provided, however,* that this shall not relieve such officers of the duty to account and invest the Certificate Moneys and the proceeds of the Certificates, as herein provided, as if such funds had in fact been created.

*Section 12. Non-Arbitrage and Tax-Exemption.* One purpose of this Section is to set forth various facts regarding the Certificates and to establish the expectations of the Council and the City as to future events regarding the Certificates and the use of Certificate proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the City for the benefit of the owners from time to time of the Certificates. In addition to providing the certifications, covenants and representations contained herein, the City

hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Certificates) if taking, permitting or omitting to take such action would cause any of the Certificates to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Certificates to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Certificates, under present rules, the City is treated as the "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. The Council and the City certify, covenant and represent as follows:

*1.1. Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

*"Bond Counsel"* means Chapman and Cutler LLP or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

*"Capital Expenditures"* means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the City were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

*"Closing"* means the first date on which the City is receiving the purchase price for the Certificates.

*"Code"* means the Internal Revenue Code of 1986.

*"Commingled Fund"* means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source

of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a commingled fund.

*"Control"* means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

(a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or

(b) to require the use of funds or assets of a Controlled Entity for any purpose.

*"Controlled Entity"* means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

*"Controlling Entity"* means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

*"Controlled Group"* means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has the Control of the other entities.

*"Costs of Issuance"* means the costs of issuing the Certificates, including underwriters' discount and legal fees.

*"De minimis Amount of Original Issue Discount or Premium"* means (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Certificates plus (b) any original issue premium that is attributable exclusively to reasonable underwriter's compensation.

*"External Commingled Fund"* means a Commingled Fund in which the City and all members of the same Controlled Group as the City own, in the aggregate, not more than ten percent of the beneficial interests.

*"GIC"* means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

*"Gross Proceeds"* means amounts in the Certificate Fund and the Project Fund.

*"Placed-in-Service"* means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

*"Qualified Administrative Costs of Investments"* means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions (other than a broker's commission paid on behalf of either the City or the provider of a GIC to the extent such commission exceeds the lesser of a reasonable amount or the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year of the term of the GIC; for this purpose, present value is computed using the taxable discount rate used to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate), but not legal and accounting fees, recordkeeping, custody and similar costs; (b) all administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund; or (c) in the case of purpose investments, costs or expenses paid directly to purchase, carry, sell or retire the investment and costs of issuing, carrying, or repaying the Certificates, and any placement agent fee or underwriter's discount.

*"Qualified Tax Exempt Obligations"* means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. part 344.

*"Rebate Fund"* means the fund, if any, identified and defined in paragraph 4.1 herein.

*"Rebate Provisions"* means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

*"Regulations"* means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

*"Reimbursed Expenditures"* means amounts, if any, used from Sale Proceeds or investment earnings thereon to reimburse the City for an expenditure paid prior to Closing.

*"Sale Proceeds"* means amounts actually or constructively received from the sale of the Certificates, including (a) amounts used to pay underwriters' discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Certificate or is otherwise associated with a Certificate (e.g., a redemption right).

*"Sale Proceeds Funds"* means the funds containing amounts derived by the sale of the Certificates or investment earnings thereon.

*"Yield"* means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation's purchase price (or in the case of the Certificates, the issue price as established in paragraph 5.1 hereof), including accrued interest.

*"Yield Reduction Payment"* means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the Internal Revenue Service may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

*2.1. Purpose of the Certificates.* The Certificates are being issued to finance the Project in a prudent manner consistent with the revenue needs of the City. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance.

*2.2. The Project — Binding Commitment and Timing.* The City has incurred or will, within six months of the Closing, incur a substantial binding obligation (not subject to contingencies within the control of the City or any member of the same Controlled Group as the City) to a third party to expend at least five percent of the Sale Proceeds on the Project. It is expected that the acquisition of the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through June 1, 2008, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

The investment earnings on the Project Fund will be spent to pay costs of the Project and interest on the Certificates not later than the date set forth in the preceding paragraph, the investment earnings on the Certificate Fund will be spent to pay interest on the Certificates, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Certificate Fund will be commingled with substantial revenues from the governmental operations of the City, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Project Fund and the Certificate Fund have not been earmarked or restricted by the Council for a designated purpose. No proceeds of the Certificates will be used more than 30 days after the date of issue of the Certificates for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the City or for the purpose of replacing any funds of the City used for such purpose.

*2.3. Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

*"Qualified Administrative Costs of Investments"* means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions (other than a broker's commission paid on behalf of either the City or the provider of a GIC to the extent such commission exceeds the lesser of a reasonable amount or the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year of the term of the GIC; for this purpose, present value is computed using the taxable discount rate used to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate), but not legal and accounting fees, recordkeeping, custody and similar costs; (b) all administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund; or (c) in the case of purpose investments, costs or expenses paid directly to purchase, carry, sell or retire the investment and costs of issuing, carrying, or repaying the Certificates, and any placement agent fee or underwriter's discount.

*"Qualified Tax Exempt Obligations"* means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of the owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest which is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. part 344.

*"Rebate Fund"* means the fund, if any, identified and defined in paragraph 4.1 herein.

*"Rebate Provisions"* means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

*"Regulations"* means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

*"Reimbursed Expenditures"* means amounts, if any, used from Sale Proceeds or investment earnings thereon to reimburse the City for an expenditure paid prior to Closing.

*"Sale Proceeds"* means amounts actually or constructively received from the sale of the Certificates, including (a) amounts used to pay underwriters' discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Certificate or is otherwise associated with a Certificate (e.g., a redemption right).

2.4. *Working Capital.* All amounts in the Sale Proceeds Funds will be used, directly or indirectly, to finance Capital Expenditures other than the following:

- (a) an amount five percent of the Sale Proceeds for working capital expenditures directly related to Capital Expenditures financed by the Certificates;
- (b) payments of interest on the Certificates for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;
- (c) Costs of Issuance and Qualified Administrative Costs of Investments;
- (d) payments of rebate or Yield Reduction Payments made to the United States under the Regulations; and
- (e) principal of or interest on the Certificates paid from unexpected excess Sale Proceeds and investment earnings thereon.

~~2.5. *Consequences of Contrary Expenditure.* The City acknowledges that if amounts in the Sale Proceeds Funds and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the City will be treated as unspent Sale Proceeds.~~

2.6. *Investment of Certificate Proceeds.* Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Certificates is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Certificates.

2.7. *No Grants.* None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.8. *Hedges.* Neither the City nor any member of the same Controlled Group as the City has entered into or expects to enter into any hedge (e.g., an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Certificates. The City acknowledges that any such hedge could affect the calculation of Certificate Yield under the Regulations, and that the Internal Revenue Service could recalculate Certificate Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction.

3.1. *Use of Proceeds.* (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under the Ordinance at the time of Closing are described in Section 13 of this Ordinance.



(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under this Ordinance.

(c) Principal of and interest on the Certificates will be paid from the Certificate Fund.

(d) Any Costs of Issuance incurred in connection with the Certificates to be paid by the City will be paid from the proceeds of the Certificates at the time of issuance of the Certificates.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein.

3.2. *Purpose of Certificate Fund.* The Certificate Fund will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Certificates in each certificate year. It is expected that the Certificate Fund will be depleted at least once a year, except for a reasonable carry over amount the greater of (a) the earnings on the investment of moneys in the Certificate Fund for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Certificates for the immediately preceding bond year.

3.3. *No Other Gross Proceeds.* (a) Except for the Certificate Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Certificates, after the issuance of the Certificates, neither the City nor any member of the same Controlled Group as the City has or will have any property, including cash or securities that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund and account with respect to the Certificates (other than the Rebate Fund);

(iii) amounts that have a sufficiently direct nexus to the Certificates or to the governmental purpose of the Certificates to conclude that the amounts would have been used for that governmental purpose if the Certificates were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Certificates or any amounts for which there is provided, directly or indirectly, a reasonable assurance that the amount will be available to pay principal of or interest on the Certificates

or any obligations under any credit enhancement or liquidity device with respect to the Certificates, even if the City encounters financial difficulties;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the Certificateholders or any credit enhancement provider, including any liquidity device or negative pledge (any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of Certificateholders or a guarantor of the Certificates); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes or similar arrangement exists with respect to, in any way, the Certificates or any credit enhancement or liquidity device related to the Certificates.

(c) ~~The term of the Certificates is not longer than is reasonably necessary for~~ the governmental purposes of the Certificates. The average reasonably expected economic life of the Project is at least 10 years. The weighted average maturity of the Certificates does not exceed 5 years and does not exceed 120 percent of the average reasonably expected economic life of the Project. The maturity schedule of the Certificates (the "*Principal Payment Schedule*") is based on an analysis of revenues expected to be available to pay debt service on the Certificates. The Principal Payment Schedule is not more rapid (*i.e.*, having a lower average maturity) because a more rapid schedule would place an undue burden on tax rates and cause such rates to be increased beyond prudent levels, and would be inconsistent with the governmental purpose of the Certificates as set forth in paragraph 2.1 hereof.

4.1. *Rebate Fund.* The City is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the "*Rebate Fund*"), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Ordinance. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the Certificateholders. Except as provided in the Regulations, moneys in the Rebate Fund (including earnings and deposits therein) shall be held in trust for payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Ordinance.

4.2. *Compliance with Rebate Provisions.* The City covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Certificates. The City will make, or cause to be made, rebate payments with respect to the Certificates in accordance with law.

4.3. *Records.* The City agrees to keep and retain or cause to be kept and retained until six years after the Certificates are paid in full adequate records with respect to the investment of all Gross Proceeds and amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment is retained after the date the last Certificate is retired, the records required to be kept shall include the fair market value of such investment on the date the last Certificate is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.4. *Prohibited Payments; Certificates of Deposit and Investment Agreements.* In making investments of Gross Proceeds, the City shall take into account prudent investment standards including the date on which moneys to be invested may be needed. The City shall provide that all amounts which constitute Gross Proceeds and any amounts in the Rebate Fund shall be invested at all times to the greatest extent practicable in investments permitted under this Ordinance, and no amounts may be held as cash or be invested in zero Yield investments other than obligations of the United States purchased directly from the United States; *provided, however,* that in the event moneys cannot be invested, other than as provided in this sentence, due to the denomination, price or availability of investments, such amounts shall be invested in an interest bearing deposit account of a bank with a Yield not less than that paid to the general public or held uninvested (but uninvested amounts shall be held to the minimum amount necessary).

For purposes of determining the purchase price of investments (for either yield restriction or rebate purposes), Gross Proceeds and any amounts in the Rebate Fund that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

(a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below.

(b) Investments in GICs shall be made only if:

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review others bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased (i.e., providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Certificates;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Certificates;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Certificates) and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

(c) If a GIC is purchased, the City will retain the following records with its certificate documents until three years after the Certificates are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under paragraph (b)(xi) of this Section;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds or amounts in the Rebate Fund shall be bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this Section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures Trading Commission designated board of trade or an interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the City. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

The foregoing provisions of this paragraph 4.4 satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph 4.4 are contained herein for the protection of the City, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Certificates. The City will contact Bond Counsel if it does not wish to comply with the provisions of this paragraph 4.4 and forego the protection provided by the safe harbors provided herein.

4.5. *Small Issuer Exception.* The City is a governmental unit that has the power to impose a tax or to cause another entity to impose a tax of general applicability that, when collected, may be used for the governmental purposes of the City. The power to impose such tax is not contingent on approval by another governmental unit; a tax of general applicability is one that is not limited to a small number of persons. The City is not subject to Control by any other governmental unit or political subdivision. None of the Certificates is or will be a "private activity bond" (as defined in Section 141 of the Code). Ninety-five percent or more of the Sale Proceeds will be used for local governmental activities of the City. Neither the City, any entity that issues tax-exempt bonds on behalf of the City nor any entity subject to Control by the City will issue, during the calendar year 2005, any tax-exempt bonds in an aggregate face amount in excess of the *maximum aggregate face amount* (as hereinafter defined). As used herein, (a) "*tax-exempt bonds*" means obligations of any kind, the interest on which is excludable from gross income of the holders or owners thereof for federal income tax purposes pursuant to Section 103 of the Code but not including "private activity bonds" (as defined in Section 141 of the Code), (b) "*aggregate face amount*" means, if an issue has more than a De minimis Amount of Original Issue Discount or Premium, the issue price of the issue and otherwise means the face amount of the issue and (c) "*maximum aggregate face amount*" means, the sum of (i) \$5,000,000 and (ii) the aggregate face amount of bonds issued during the calendar year that are allocable to financing construction expenditures for public school facilities, but in no event can the *maximum aggregate face amount* exceed \$10,000,000. As of the date hereof, no tax-exempt bonds or other obligations (other than the Certificates) have been issued by the City, any entity that issues tax-exempt bonds on behalf of the City or any entity subject to Control by the City during the calendar year 2005. The City does not reasonably expect that it, any entity that issues tax-exempt bonds on behalf of the City or any entity subject to Control by the City (including but not limited to the City) will issue any such tax-exempt bonds or other obligations within calendar year 2005. Therefore, subject to compliance with all the terms and provisions hereof, the City is excepted from the required rebate of arbitrage profits on the Certificates under Section 148(f)(4)(D) of the Code and from the terms and provisions of this Ordinance that need only be complied with if the City is subject to the arbitrage rebate requirement.

4.6. *Arbitrage Elections.* The Mayor and Clerk of the Council and the Treasurer of the City are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

5.1. *Issue Price.* For purposes of determining the Yield on the Certificates, the purchase price of the Certificates is equal to the first offering price at which the Purchaser sold at least ten percent of each maturity of the Certificates or is equal to par, plus accrued interest, if the Purchaser does not intend to resell the Certificates.

5.2. *Yield Limits.* (a) Except as provided in paragraph (b) or (c), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Certificates plus, for amounts in the Project Fund only, 1/8th of one percent.

(b) The following may be invested without Yield restriction:

(i) amounts invested in Qualified Tax Exempt Obligations (to the extent permitted by the Act and this Ordinance);

(ii) amounts in the Rebate Fund;

(iii) amounts on deposit in the Certificate Fund (except for capitalized interest) that have not been on deposit under the Ordinance for more than 13 months, so long as the Certificate Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof;

(iv) amounts on deposit in the Project Fund prior to the earlier of three years after Closing or the completion (or abandonment) of the Project;

(v) amounts in the Certificate Fund to be used to pay capitalized interest on the Certificates prior to the earlier of three years after Closing or the payment of all capitalized interest;

(vi) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(vii) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

(c) An amount the lesser of \$100,000 or five percent of the Sale Proceeds may be invested without regard to Yield restriction.

5.3. *Continuing Nature of Yield Limits.* Except as provided in paragraph 7.6, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

5.4. *Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(b) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury, obligations guaranteed

by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, any guarantee by the Bonneville Power Authority pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984, or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (e.g., Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code). Except as permitted in the immediately prior sentence and in the Regulations, no portion of the payment of principal or interest on the Certificates or any other credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

*6.1. Payment and Use Tests.* (a) No more than five percent of the Sale Proceeds plus investment earnings thereon will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit.

(b) The payment of more than five percent of the principal of or the interest on the Certificates will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any activity carried on by any person other than a state or local governmental unit or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the City or a member of the same Controlled Group as the City) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit.

(c) No more than the lesser of five percent of the Sale Proceeds and investment earnings thereon or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public; and no person other than a state or local governmental unit will be a user of more than five percent of the Project, in the aggregate, as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral.

(e) The City has not and will not enter into any arrangement that conveys to any person, other than a state or local government unit, special legal entitlements to any portion of the Project that is available for use by the general public. No person, other than a state or local governmental unit, is receiving or will receive any special economic



benefit from use of any portion of the Project that is not available for use by the general public.

(f) No more than the lesser of five percent of the proceeds of the Certificates or \$5,000,000 have been or will be used to provide professional sports facilities. For purposes of this paragraph, the term "professional sports facilities" (i) means real property or related improvements used for professional sports exhibitions, games or training, regardless of whether the admission of the public or press is allowed or paid and (ii) includes any use of a facility that generates a direct or indirect monetary benefit (other than reimbursement for out-of-pocket expenses) for a person who uses such facilities for professional sport exhibitions, games or training.

6.2. *I.R.S. Form 8038-G.* The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The City will file Form 8038-G (and all other required information reporting forms) in a timely manner.

6.3. *Bank Qualification.* (a) The City hereby designates each of the Certificates as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the City hereby certifies that (i) none of the Certificates will be at anytime a "private activity bond" (as defined in Section 141 of the Code) other than a "qualified 501(c)(3) bond" (as defined in Section 145 of the Code), (ii) as of the date hereof in calendar year 2005, the City has not issued any tax-exempt obligations of any kind other than the Certificates nor have any tax-exempt obligations of any kind been issued on behalf of the City and (iii) not more than \$10,000,000 of obligations of any kind (including the Certificates) issued by or on behalf of the City during calendar year 2005 will be designated for purposes of Section 265(b)(3) of the Code.

(b) The City is not subject to Control by any entity, and there are no entities subject to Control by the City.

(c) On the date hereof, the City does not reasonably anticipate that for calendar year 2005 it will issue any Section 265 Tax-Exempt Obligations (other than the Certificates), or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The City will not issue or permit the issuance on behalf of it or by any entity subject to Control by the City (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations (including the Certificates) that exceed the aggregate amount of \$10,000,000 during calendar year 2005 unless it first obtains an opinion of Bond Counsel to the effect that such issuance will not adversely affect the treatment of the Certificates as "qualified tax-exempt obligations" for the purposes and within the meaning of Section 265(b)(3) of the Code.

7.1. *Termination; Interest of City in Rebate Fund.* The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Certificates have been fully paid and retired or (b) the date on which all amounts remaining on deposit in the Rebate Fund, if any, shall have been paid to or upon the order of the United States and any other payments required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraph 4.3 hereof shall not terminate until the sixth anniversary of the date the Certificates are fully paid and retired.

7.2. *No Common Plan of Financing.* Since a date that is 15 days prior to the date of sale of the Certificates by the City to the Purchaser, neither the City nor any member of the same Controlled Group as the City has sold or delivered any obligations other than the Certificates that are reasonably expected to be paid out of substantially the same source of funds as the Certificates. Neither the City nor any member of the same Controlled Group as the City will sell or deliver within 15 days after the date hereof any obligations other than the Certificates that are reasonably expected to be paid out of substantially the same source of funds as the Certificates. No obligation other than the Certificates were sold on the same date as the Certificates, are being issued on the date of the Closing and were or are being offered pursuant to a single offering document.

7.3. *No Sale of the Project.* (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the City of the property (determined on the date of issuance of the Certificates) or (ii) the last maturity date of the Certificates. The City may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the City of the property (determined on the date of issuance of the Certificates) or (ii) the last maturity of the Certificates, provided: (A) the weighted average maturity of the Certificates financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the City reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the City deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the City reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The City acknowledges that if Certificate-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a "deliberate action" within the meaning of the Regulations that may require remedial actions to prevent the Certificates from becoming private activity bonds. The City shall promptly contact Bond Counsel if a sale or other disposition of Certificate-financed property is considered by the City.

7.4. *Use of Project.* The City acknowledges and agrees that it will not use, or allow the Project to be used, in a manner which is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America or by any comparable provisions of the Constitution of the State of Illinois.

7.5. *Future Events.* The City acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. Such changes in facts or expectations might include, but are not in any respect whatsoever limited to, moneys or investments being pledged or otherwise set aside for payment of principal of or interest on the Certificates, amounts being derived from the sale of any right that is part of the terms of a Certificate or is otherwise associated with a Certificate (e.g., a redemption right), the City entering into any agreement to maintain certain levels of types of assets for the benefit of a holder of a bond or any credit enhancement with respect to the Certificates or the sale of any Certificate-financed property. The City shall promptly contact Bond Counsel if such changes do occur.

7.6. *Permitted Changes; Opinion of Bond Counsel.* The Yield restrictions contained in paragraph 5.2 or any other restriction or covenant contained herein need not be observed or may be changed if the City receives an opinion of Bond Counsel to the effect that such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Certificates is otherwise entitled.

7.7. *Successors and Assigns.* The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the Council and the City.

7.8. *Expectations.* The Council has reviewed the facts, estimates and circumstances in existence on the date of issuance of the Certificates. Such facts, estimates and circumstances, together with the expectations of the City as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained herein, the City has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that the Sale Proceeds or investment earnings thereon or any other moneys or property will be used in a manner that will cause the Certificates to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The City also agrees and covenants with the purchasers and holders of the Certificates from time to time outstanding that, to the extent possible under Illinois law, it will comply with

whatever federal tax law is adopted in the future which applies to the Certificates and affects the tax-exempt status of the Certificates.

The Corporate Authorities hereby authorize the officials of the City responsible for issuing the Certificates, the same being the Mayor, Clerk and the Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Certificates to be arbitrage bonds and to assure that the interest on the Certificates will be exempt from federal income taxation. In connection therewith, the City and the Corporate Authorities further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Certificates and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Certificates; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

*Section 13. Duties of the Certificate Registrar.* If requested by the Certificate Registrar, any officer of the City is authorized to execute a standard form of agreement between the City and the Certificate Registrar with respect to the obligations and duties of the Certificate Registrar hereunder which may include the following:

(a) to act as registrar, paying agent, authenticating agent, and transfer agent as provided herein;

(b) to maintain a list of Certificateholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) to cancel and/or destroy Certificates which have been paid at maturity or upon redemption or submitted for exchange or transfer;

(d) to furnish the City at least annually a certificate with respect to Certificates cancelled and/or destroyed; and

(e) to furnish the City at least annually an audit confirmation of Certificates paid, Certificates outstanding and payments made with respect to interest on the Certificates.

*Section 14. Publication of Ordinance.* Under Applicable Law, this Ordinance need not be published.

*Section 15. Superseder and Effective Date.* All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect upon its passage and approval as provided by law.

AYES: John Haney II, Dave McClelland, Gary Koerner, T.A. Whitsitt, Dawn Thompson, Theresa O'Hare, George Cook, Jr. and Jerry Henson.

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ADOPTED: June 6, 2005

APPROVED: June 6, 2005

\_\_\_\_\_  
Mayor, City of LeRoy  
McLean County, Illinois

Recorded In City Records: June 6, 2005.

ATTEST:

\_\_\_\_\_  
City Clerk, City of LeRoy  
McLean County, Illinois

PASSED by the City Council of the City of Le Roy, Illinois, upon the motion made by Gary Koerner, and seconded by T.A. Whitsitt, by roll call vote on the 6th day of June, 2005 as follows:

Aldermen elected 8

Aldermen Present 5

Voting Aye:

Jerry Henson, George Cook Jr., T.A. Whitsitt, Gary Koerner, and Dave McClelland

Voting Nay:

None

Absent:

Dawn Thompson, Theresa O'Hare, and John Haney II

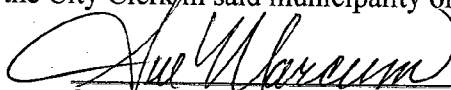
Abstain:

None

Other:

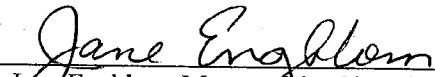
None

and deposited and filed in the office of the City Clerk in said municipality on the 6<sup>th</sup> day of June, 2005.




Sue Marcum, City Clerk of the City of Le Roy  
Mc Lean County, Illinois

APPROVED BY the Mayor of the City of Le Roy, Illinois, this 6<sup>th</sup> day of June, 2005.



Jane Engblom, Mayor of the City of Le Roy,  
Mc Lean County, Illinois

ATTEST: (SEAL)



Sue Marcum, City Clerk of the City of Le Roy  
Mc Lean County, Illinois

STATE OF ILLINOIS        )  
  ) SS:  
COUNTY OF MCLEAN        )

I, Sue Marcum, do hereby certify that I am the duly qualified and acting City Clerk of the City of Le Roy, McLean County, Illinois, and as such City Clerk that I am the keeper of the records and files of the Mayor and the City Council of said City.


I do further certify that the foregoing is a true, correct and complete copy of an ordinance entitled:

**AN ORDINANCE OF THE CITY OF LE ROY, MCLEAN COUNTY, ILLINOIS, AUTHORIZING AND PROVIDING FOR AN INSTALLMENT PURCHASE AGREEMENT FOR THE PURPOSE OF PAYING A PART OF THE COST OF FINANCING IMPROVEMENTS TO THE CITY'S WATER TOWER, AND AUTHORIZING AND PROVIDING FOR THE ISSUE OF NOT TO EXCEED \$150,000 GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2005, EVIDENCING THE RIGHTS TO PAYMENT UNDER SUCH AGREEMENT, PRESCRIBING FOR THE DETAILS OF THE AGREEMENT AND CERTIFICATES, AND PROVIDING FOR THE SECURITY FOR AND MEANS OF PAYMENT UNDER THE AGREEMENT OF THE CERTIFICATES**

I do further certify said *ordinance* was adopted by the City Council of the City of Le Roy at a regular meeting on the 6<sup>th</sup> Day of June, 2005, and prior to the making of this certificate the said ordinance was on file with the permanent records of said City where it now appears and remains as a permanent record of said ordinance in the record books.

Dated this *6th* day of June, 2005

(SEAL)

  
City Clerk

CERTIFICATE

I, Sue Marcum, certify that I am the duly appointed and acting municipal clerk of the City of Le Roy, of McLean County, Illinois.

I further certify that on **June 6, 2005**, the Corporate Authorities of such municipality passed and approved Ordinance No. **05-06-01-10** entitled:

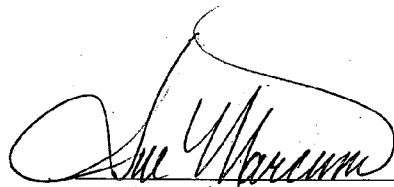
**AN ORDINANCE OF THE CITY OF LE ROY, MCLEAN COUNTY, ILLINOIS, AUTHORIZING AND PROVIDING FOR AN INSTALLMENT PURCHASE AGREEMENT FOR THE PURPOSE OF PAYING A PART OF THE COST OF FINANCING IMPROVEMENTS TO THE CITY'S WATER TOWER, AND AUTHORIZING AND PROVIDING FOR THE ISSUE OF NOT TO EXCEED \$150,000 GENERAL OBLIGATION DEBT CERTIFICATES (LIMITED TAX), SERIES 2005, EVIDENCING THE RIGHTS TO PAYMENT UNDER SUCH AGREEMENT, PRESCRIBING FOR THE DETAILS OF THE AGREEMENT AND CERTIFICATES, AND PROVIDING FOR THE SECURITY FOR AND MEANS OF PAYMENT UNDER THE AGREEMENT OF THE CERTIFICATES**

which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. **05-06-01-10**, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted at the municipal building, commencing on **June 6, 2005** and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

Dated at Le Roy, Illinois this 6<sup>th</sup> day of June, 2005.

(SEAL)

  
Municipal Clerk