



AGENDA ITEM # 14B

AGENDA ITEM EXECUTIVE SUMMARY

Village Board Meeting

June 13, 2022

Item Title: **Sale of \$3,600,000 General Obligation Bonds (Alternate Revenue Source)**

Staff Contact: Tom Dahl, Finance Director

VILLAGE BOARD ACTION

Adopt an Ordinance authorizing and providing for the issuance of not to exceed \$3,600,000 General Obligation Bonds (Alternate Revenue Source), Series 2022, of the Village of Roselle, DuPage and Cook Counties, Illinois, for the purpose of paying or reimbursing certain redevelopment project costs in and for the East Irving Park Road Redevelopment Project Area, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said Village, providing for the imposition of taxes to pay the same and authorizing the sale of said Bonds to the purchaser thereof.

Executive Summary:

At its May 9, 2022 Village Board meeting, the Village Board held a public hearing concerning the intent to sell \$14,750,000 in General Obligation Bonds (Alternate Revenue Source). Attached is an ordinance authorizing the sale of \$3,600,000 of the authorized amount and pledging certain revenues (TIF increment) to pay the principal and interest. Several areas of the ordinance are blank and a final copy of the ordinance will be provided to the Village Board.

Implications:

Is this item budgeted? N/A

Any other implications to be considered? No

Attachments:

Ordinance

ORDINANCE NUMBER _____

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$3,600,000 General Obligation Bonds (Alternate Revenue Source), Series 2022, of the Village of Roselle, DuPage and Cook Counties, Illinois, for the purpose of paying or reimbursing certain redevelopment project costs in and for the East Irving Park Road Redevelopment Project Area, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said Village, providing for the imposition of taxes to pay the same and authorizing the sale of said Bonds to the purchaser thereof.

WHEREAS, the Village of Roselle, DuPage and Cook Counties, Illinois (the "*Village*"), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois (the "*State*"), is now operating under the provisions of the Illinois Municipal Code, as amended (the "*Municipal Code*"), including therein specifically, the Tax Increment Allocation Redevelopment Act, as amended (the "*TIF Act*"), the Local Government Debt Reform Act, as amended (the "*Reform Act*"), and the other Omnibus Bond Acts, as amended (collectively, the "*Applicable Law*"); and

WHEREAS, the President and Board of Trustees of the Village (the "*Corporate Authorities*") has heretofore determined and does hereby determine that it is advisable, necessary and in the best interests of the Village and its residents, in order to promote the public health, welfare, safety and convenience, to undertake a redevelopment plan (as most recently amended, the "*Plan*") and project (as most recently amended, the "*Project*") in order to assure the redevelopment of the East Irving Park Road Redevelopment Project Area (the "*East Irving Park Road Redevelopment Project Area*"), all as provided in the TIF Act; and

WHEREAS, the total estimated redevelopment project costs as approved in the Plan equal \$85,300,000; and

WHEREAS, the Corporate Authorities have heretofore, and it hereby expressly is, determined that it is advisable, necessary and in the best interests of the Village and its residents to undertake a portion of the Project as approved in the Plan, including, but not limited to

acquisition of land or rights in land, site preparation, the construction of an approximately 150,000 square foot parking garage to be located in the East Irving Park Road Redevelopment Project Area and to be owned by the Village and be leased by the Village to 400 Roselle, LLC, an Illinois limited liability company, and the construction and installation of necessary public capital infrastructure improvements, together with related appurtenances, all electrical, professional, financial, bond registrar, legal, mechanical and other services necessary, useful or advisable to such acquisition, construction and installation (said portion of the Project being, collectively, the “*Redevelopment Project*”), at an estimated cost, including expenses and contingencies, of not more than \$3,600,000, plus investment earnings thereon, for which there are insufficient funds of the Village on hand and lawfully available for the purpose, and of said amount the entire sum will need to be obtained through the borrowing of money and the issuance of bonds, all as provided in the Applicable Law; and

WHEREAS, the Redevelopment Project was contemplated by, and was included in, the Plan when the Plan was approved by ordinance; and

WHEREAS, the Plan and Project were approved and amended, the East Irving Park Road Redevelopment Project Area was designated and the boundaries thereof were expanded, and tax increment allocation financing was adopted by the Village therefor, all in compliance with and as provided by the TIF Act; and

WHEREAS, the Village receives certain incremental property taxes (being the hereinafter defined “*East Irving Park Road Incremental Property Taxes*”) derived from the East Irving Park Road Redevelopment Project Area which are now expected to be available to pay or reimburse the costs of the Redevelopment Project and/or to pay principal of and interest on bonds issued to pay or reimburse such costs; and

WHEREAS, the Village has no outstanding obligations secured by the East Irving Park Road Incremental Property Taxes; and

WHEREAS, the Village also receives certain incremental property taxes (being the hereinafter defined “*Irving-Central Incremental Property Taxes*”) derived from the Irving-Central Redevelopment Project Area heretofore designated by the Village pursuant to the TIF Act (the “*Irving-Central Redevelopment Project Area*”); and

WHEREAS, the Irving-Central Redevelopment Project Area is contiguous to the East Irving Park Road Redevelopment Project Area; and

WHEREAS, pursuant to Section 74.4-4(q) of the TIF Act, the Irving-Central Incremental Property Taxes may be utilized for eligible costs of the Redevelopment Project because the Irving-Central Redevelopment Project Area is contiguous to the East Irving Park Road Incremental Project Area; and

WHEREAS, the Village has heretofore entered into an agreement with VL3 Enterprises, LLC (“*VL3*”) to build a corporate headquarters for Amperage Electrical Supply, Inc. within the Irving-Central Redevelopment Project Area pursuant to which VL3 receives 100% of the Incremental Property Taxes generated by the property owned by VL3 within the Irving-Central Redevelopment Project Area (the “*Amperage Payment Amount*”); and

WHEREAS, that portion of the Irving-Central Incremental Property Taxes, net of the Amperage Payment Amount, which may be from time to time on deposit in and to the credit of the General Account of the Irving-Central Redevelopment Project Area Special Tax Allocation Fund (said portion being the hereinafter defined “*Net Irving-Central Incremental Property Taxes*”) are now also expected to be available to pay or reimburse the costs of the Redevelopment Project and/or to pay principal of and interest on bonds issued to pay or reimburse such costs, all as provided by and permitted under the TIF Act; and

WHEREAS, the East Irving Park Road Redevelopment Project Area terminates on December 31, 2038, and the Irving-Central Redevelopment Project Area terminates on December 31, 2043; and

WHEREAS, pursuant to the provisions of Section 15 of the Reform Act, the Village is authorized to issue “alternate bonds,” being bonds issued in lieu of revenue bonds whenever the Village has available one or more “revenue sources”; and

WHEREAS, the East Irving Park Road Incremental Property Taxes and the Net Irving-Central Incremental Property Taxes (together, the “*Pledged Revenues*”) each constitute a “revenue source” as defined in the Reform Act; and

WHEREAS, it is necessary and for the best interests of the Village that the Redevelopment Project be undertaken, and in order to raise the funds required for such purpose, it will be necessary for the Village to borrow an amount not to exceed \$3,600,000 and in evidence thereof to issue alternate bonds, being general obligation bonds payable from the Pledged Revenues, all as provided by the Reform Act (the “*Bonds*”); and

WHEREAS, to such ends and in accordance with the provisions of Applicable Law, the Corporate Authorities have heretofore adopted an ordinance (the “*Alternate Bond Authorizing Ordinance*”), authorizing the issuance of alternate bonds, being bonds issued payable from one or more revenue sources, as provided in the Reform Act, to the amount of not more than \$3,600,000 for the Redevelopment Project, and that the Alternate Bond Authorizing Ordinance, together with a notice of intent to issue the Bonds was timely published in a newspaper of general circulation in the Village, and an affidavit evidencing the publication of the Alternate Bond Authorizing Ordinance and said notice of intent has heretofore been presented to the Corporate Authorities and made a part of the permanent records of the Corporate Authorities; and

WHEREAS, the Corporate Authorities have heretofore determined, and it is hereby expressly determined, that more than thirty (30) days have expired since the date of publication of the Alternate Bond Authorizing Ordinance and said notice, and the Village has determined that no legally sufficient petition with the requisite number of valid signatures thereon was timely filed with the Village Clerk of the Village, requesting that the question of the issuance of any of the Bonds be submitted to referendum; and

WHEREAS, the Corporate Authorities have heretofore given due notice of and held a public hearing on the intent of the Village to issue the Bonds all pursuant to and as required by the Bond Issue Notification Act, as amended; and

WHEREAS, the Corporate Authorities have heretofore, and it hereby expressly is, determined that the Village is authorized to issue the Bonds to pay the costs of the Redevelopment Project in an amount not to exceed \$3,600,000 in accordance with the provisions of Applicable Law, and the Corporate Authorities hereby determine that it is necessary and desirable that there be issued at this time only so much of the Bonds as are currently necessary for the Redevelopment Project; and

WHEREAS, the Bonds to be issued will be payable from all or any portion of the Pledged Revenues and will also be payable from the Full Faith and Credit Taxes, as hereinafter defined; and

WHEREAS, the Corporate Authorities have heretofore and it is herein more explicitly determined that the Pledged Revenues will be sufficient to provide or pay in each year to final maturity of the Bonds all of the following (1) all other contractual or tort liability obligations, if any, payable from the Pledged Revenues and (2) in each year, an amount not less than 1.25 times debt service of the Bonds; and

WHEREAS, the Corporate Authorities have determined and do hereby determine that there are no other bonds or other obligations of the Village currently outstanding payable from the Pledged Revenues; and

WHEREAS, such determination of the sufficiency of the Pledged Revenues is supported by reference to the most recent audit of the Village for the fiscal year ended December 31, 2021 (the “*Audit*”), being a fiscal year ending not earlier than 18 months previous to the issuance of the Bonds; and

WHEREAS, the Audit has been presented to the Corporate Authorities and is now on file with the Village Clerk of the Village:

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Roselle, DuPage and Cook Counties, Illinois, as follows:

Section 1. Definitions. A. The following words and terms are as defined in the preambles.

Alternate Bond Authorizing Ordinance

Amperage Payment Amount

Applicable Law

Audit

Bonds

Corporate Authorities

East Irving Park Road Incremental Property Taxes

East Irving Park Road Redevelopment Project Area

Irving-Central Incremental Property Taxes

Irving-Central Redevelopment Project Area

Municipal Code

Net Irving-Central Incremental Property Taxes

Plan

Pledged Revenues

Project

Redevelopment Project

Reform Act

State

TIF Act

Village

VL3

B. The words and terms used in this Ordinance shall have the meanings set forth and defined for them herein unless the context or use clearly indicates another or different meaning is intended, including the words and terms as follows:

“Additional Bonds” means any Alternate Bonds issued in the future in accordance with the provisions of the Act on a parity with and sharing equally in the Pledged Revenues with the Bonds.

“Administrative Account Requirement” means the amount, if any, so defined in the Bond Order.

“Alternate Bonds” means any Outstanding Bonds issued as alternate bonds under and pursuant to the provisions of the Reform Act, and includes, expressly, the Bonds.

“Authorized Denomination” means \$5,000 or any integral multiple thereof.

“Bond Counsel” means Chapman and Cutler LLP, Chicago, Illinois.

“Bond Fund” means, collectively, the Full Faith and Credit Taxes Fund and the Senior Lien Principal and Interest Account of the East Irving Park Road Special Tax Allocation Fund, each as established or continued hereunder and as defined in Section 17.B. of this Ordinance.

“Bond Moneys” means Pledged Revenues on deposit in the Senior Lien Principal and Interest Account of the Special Tax Allocation Fund and investment earnings thereon.

“*Bond Order*” means a written bond order and notification of sale to be executed by the Designated Officers, or any two of them, as hereinafter provided.

“*Bond Register*” means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

“*Bond Registrar*” or “*Paying Agent*” means the Treasurer, the Purchaser, or a bank and trust company authorized to do business in the State as set forth in the Bond Order, or a successor thereto or a successor designated as Bond Registrar hereunder.

“*Bond Year*” means that twelve-calendar month period beginning on June 1 of any calendar year and ending on December 1 of the calendar year.

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

“*County Clerks*” means the County Clerks of The Counties of DuPage and Cook, Illinois.

“*Depository*” means The Depository Trust Company, New York, New York, or success depository duly qualified to hold securities in a book-entry only system, and assigns.

“*Designated Officers*” means the President, Clerk, Treasurer, Administrator or Finance Director of the Village, or successors or assigns, or any of them acting together.

“*DuPage County Clerk*” means the County Clerk of The County of DuPage, Illinois.

“*East Irving Park Road Incremental Property Taxes*” means the Incremental Property Taxes, if, as and when received, to be derived from the East Irving Park Road Redevelopment Project Area.

“*East Irving Park Road Special Tax Allocation Fund*” means the Special Tax Allocation Fund for the East Irving Park Road Redevelopment Project Area, heretofore established by the Village by an ordinance adopted by the Corporate Authorities, and expressly continued hereunder.

“*Expense Fund*” means the fund established hereunder and further described by Section 21 of this Ordinance.

“*Fiscal Year*” means that twelve-calendar month period selected by the Corporate Authorities as the Fiscal Year for the Village.

“*Full Faith and Credit Taxes*” means the ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, pledged hereunder by the Village as security for the Bonds.

“Incremental Property Taxes” means, as to the East Irving Park Road Redevelopment Project Area or the Irving-Central Redevelopment Project Area, the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the respective Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the respective Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the respective Redevelopment Project Area over and above the Total Initial Equalized Assessed Value of each such piece of property in the respective Redevelopment Project Area, all as determined by the DuPage County Clerk in accord with Section 11-74.4-9 of the TIF Act.

“Interest Payment Date” means a Stated Maturity of interest on the Bonds.

“Interest Requirement” means for any Bonds, Additional Bonds, or Junior Lien Bonds and for any Bond Year the aggregate amount of interest on such Bonds, Additional Bonds, or Junior Lien Bonds having a Stated Maturity during such Bond Year.

“Irving-Central Incremental Property Taxes” means the Incremental Property Taxes, if, as and when received, to be derived from the Irving-Central Redevelopment Project Area.

“Irving-Central Special Tax Allocation Fund” means the Special Tax Allocation Fund for the Irving-Central Redevelopment Project Area, heretofore established by the Village by an ordinance adopted by the Corporate Authorities, and expressly continued hereunder.

“Junior Lien Bonds” means any obligations of the Village hereafter issued and payable from Pledged Taxes, if any, on deposit in the Junior Lien Principal and Interest Account.

“Junior Lien Principal and Interest Account” means the account of the Special Tax Allocation Fund so named and created in Section 12 of this Ordinance.

“Ordinance” means this ordinance as supplemented or amended from time to time.

“Outstanding” or *“outstanding”* refers to Bonds, Additional Bonds, or Junior Lien Bonds which are outstanding and unpaid; *provided, however*, such term shall not include Bonds, Additional Bonds, or Junior Lien Bonds which (i) have matured and for which moneys are on deposit with proper escrow agents or similar institutions having trust powers, or are otherwise properly available, sufficient to pay all principal and interest thereof, or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow account of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all of the principal of and interest and any applicable premium on such Bonds, Additional Bonds, or Junior Lien Bonds.

“*Pledged Moneys*” means, collectively, the Pledged Revenues and the Full Faith and Credit Taxes.

“*Principal Requirement*” means for any Bonds, Additional Bonds, or Junior Lien Bonds and for any Bond Year the aggregate principal amount of such Bonds, Additional Bonds, or Junior Lien Bonds having a Stated Maturity during such Bond Year.

“*Purchase Price*” means the price paid by the Purchaser for the Bonds, *provided*, that said price shall be not less than 98% of the aggregate par amount of the Bonds and *further provided* that no Bonds shall be sold at such price that either the true interest cost (yield) or the net interest rate, as may be selected by the Designated Officers, for said Bonds shall exceed the maximum rate otherwise authorized by law for that Bonds, plus accrued interest.

“*Purchaser*” means Robert W. Baird & Co. Incorporated, Naperville, Illinois (“*Baird*”), or in a private placement, (i) a bank or financial institution authorized to do business in the State, (ii) a “governmental unit” as defined in the Reform act, or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that a Purchaser selected pursuant to a private placement shall be selected only upon the recommendation of Speer that the sale of the Bonds on a private placement basis to such Purchaser is in the best interest of the Village because of (i) the pricing of said Bonds by such Purchaser, (ii) then current market conditions, or (iii) the timing of the sale of said Bonds; and *further provided*, that such Purchaser may be selected through the utilization of Baird, as placement agent, after consultation with Speer, if the use of such placement agent is determined by the Designated Officers to be in the best interest of the Village. In the event that a Purchaser is selected through the utilization of a placement agent, the execution of a standard form of placement agent agreement between the Village and Baird is hereby approved and authorized.

“*Qualified Investments*” means any investment authorized under Illinois law for Village investment of public funds.

“*Record Date*” means the fifteenth day next preceding an Interest Payment Date and fifteen days prior to any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled Interest Payment Date.

“*Senior Lien Bonds*” means the Bonds and any Additional Bonds.

“*Series*” means, when appearing as a capitalized term, any one of the separate series of Bonds authorized by this Ordinance.

“*Stated Maturity*” when used with respect to any Bond, Additional Bond, or Junior Lien Bond or any interest thereon means the date specified in such Bond, Additional Bond, or Junior Lien Bond as the fixed date on which the principal of such Bond, Additional Bond, or Junior Lien Bond or such interest is due and payable whether by maturity, mandatory redemption, or otherwise.

“*Subordinate Lien Bonds*” means any bonds or other obligations of the payable with a lien on the Pledged Revenues subordinate to the lien on the Senior Lien Bonds.

“*Tax Exempt*” means, with respect to the Bonds, the status of interest paid and received thereon as excludable from 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.

“*Tax Year*” means the year for which an ad valorem tax levy is made by any and all taxing Cities or municipal corporations having the power to tax real property in the Redevelopment Project Area. The 2022 Tax Year shall be that year during which ad valorem taxes levied for the year 2022 (collectible in the year 2023) are extended and collected, and so on.

“*Total Initial Equalized Assessed Value*” means the total initial equalized assessed value of the taxable real property within the Redevelopment Project Area determined by the DuPage County Clerk in accordance with the provisions of Section 11-74.4-9 of the TIF Act.

C. For all purposes of this Ordinance, except as otherwise expressly provided herein or unless the context otherwise requires:

1. The terms defined in this Section or elsewhere in this Ordinance have the meanings assigned to them and include the plural as well as the singular (or vice-versa).

2. All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles for municipal enterprise funds.

3. All references in this Ordinance to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted.

4. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

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

the Audit demonstrates the requisite coverage for the Bonds and as otherwise set forth in the Reform Act, and such finding shall be conclusive and final.

Section 3. Determination to Issue Bonds. It is necessary and in the best interests of the Village for the Village to pay or reimburse the costs of the Redevelopment Project and to issue the Bonds to enable the Village to pay the costs thereof.

Section 4. Determination of Public Purpose. The Corporate Authorities hereby determine the Redevelopment Project to be a proper corporate and public purpose as heretofore approved in the Plan and Project for the East Irving Park Road Redevelopment Project Area and further expressly hereby determine that each of the costs of the Redevelopment Project is a “redevelopment project cost” as defined in the TIF Act and as heretofore approved in the Plan.

Section 5. Bond Details. For the purpose of providing for the payment of the costs of the Redevelopment Project, there shall be issued and sold the Bonds in the aggregate principal amount of not to exceed \$3,600,000. The Bonds shall be Senior Lien Bonds and shall be designated “General Obligation Bond (Alternate Revenue Source), Series 2022,” or such other title or Series designation as shall be provided in the Bond Order, and be dated the date of delivery thereof, or such other date not earlier than June 1, 2022, or later than December 31, 2022, as shall be provided in the Bond Order, and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form, shall be in Authorized Denominations (but no single Bond shall represent principal maturing on more than one date), shall be numbered in such reasonable fashion as may be selected by the Bond Registrar. The Bonds shall become due and payable serially or be subject to mandatory redemption as shall be set forth in the Bond Order (with option of prior redemption as hereinafter set forth) and in such principal amounts as shall be set forth therein; *provided, however,* that the final maturity shall be due on or before December 1, 2041, and each maturity or sinking fund payment shall not exceed \$300,000.

Each Bond shall bear interest, at a rate not to exceed 5.50% per annum, from the later of its Dated Date as hereinabove provided or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semiannually on each June 1 and December 1, commencing on June 1, 2023, or such later date as may be provided in the Bond Order. Interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the Record Date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal office maintained for the purpose by the Paying Agent or at successor Paying Agent and address. If an Interest Payment Date is not a Business Day at the place of payment, then payment may be made at that place on the next Business Day, and no interest shall accrue for the intervening period.

Section 6. Execution; Authentication. The Bonds shall be executed on behalf of the Village with the manual or duly authorized facsimile signature of the Village President and attested with the manual or duly authorized facsimile signature of the Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond 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 Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Registration of Bonds; Persons Treated as Owners. (a) General. The Village shall cause the Bond Register to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount of Outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 1st day of the month of any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond 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 Bond 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 Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond 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 Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 5 hereof. If so requested by the Purchaser, upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the Outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. Any officer of the Village who is a signatory on the Bonds is authorized to execute and deliver, on behalf of the Village, such letters to or agreements with DTC as shall be necessary to

effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the Village and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Village and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The Village and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Village’s obligations with respect to payment of the

principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the Village to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 1st day of the month of the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the Village determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the Village, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the Village determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the Village may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the Village, or such depository's agent or designee, and if the Village does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 6(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal

of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 8. Redemption. (a) *Optional Redemption.* If so provided in the Bond Order, all or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Order shall be subject to redemption prior to maturity at the option of the Village from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Order and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Order are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date for the Bonds, on January 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Order.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the Village may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Corporate Authorities shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

Section 9. Redemption Procedure. The Village shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify

the Bond Registrar of such redemption date and of the maturities and principal amounts of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided, however*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion.

The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall include the full name of the Bonds and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

(e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the Village shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with

the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 10. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, 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 Bond - Front Side]

REGISTERED
No.

REGISTERED
\$

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTIES OF DUPAGE AND COOK

VILLAGE OF ROSELLE

**GENERAL OBLIGATION BOND
(ALTERNATE REVENUE SOURCE)
SERIES 2022**

See Reverse Side for
Additional Provisions

Interest Maturity Dated
Rate: Date: December 1, 20__ Date: _____, 2022 CUSIP

Registered Owner: CEDE & Co.

Principal Amount: _____ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Roselle, DuPage and Cook Counties, Illinois, a municipality and unit of local government and political subdivision of the State of Illinois (the "*Village*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, (subject to right of prior redemption as hereinafter stated) 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 Bond 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 semiannually on June 1 and December 1 of each year, commencing on June 1, 2023, until the Principal Amount is paid or duly provided for. The Principal Amount of this Bond and

premium, if any, hereon are payable in lawful money of the United States of America upon presentation at the principal office maintained for the purpose by _____, Illinois, as bond registrar and paying agent (the "*Bond Registrar*"). Payment of interest shall be made to the Registered Owner hereof, as shown on the registration books of the Village maintained by the Bond Registrar at the close of business on the Regular Record Date and shall be paid by check or draft of the Bond 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 Bond Registrar, or as shall otherwise be agreed by the Village and the Depository for so long as this Bond remains in Book-Entry Form. If an Interest Payment Date is not a Business Day at the place of payment, then payment may be made at that place on the next Business Day, and no interest shall accrue for the intervening period.

Reference is hereby made to the further provisions of this Bond 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 acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the Village, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the hereinafter defined Pledged Revenues, the levy and collection of the Full Faith and Credit Taxes, and the segregation of the Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the Village hereby covenants and agrees that it will properly account for said Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the

Ordinance. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the Village are hereby irrevocably pledged.

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

IN WITNESS WHEREOF, the Village of Roselle, DuPage and Cook Counties, Illinois, by its President and Board of Trustees, has caused this Bond to be executed with the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village 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.

President, Village of Roselle
DuPage and Cook Counties, Illinois

ATTEST:

Village Clerk, Village of Roselle
DuPage and Cook Counties, Illinois

[SEAL]

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, _____

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds (Alternate Revenue Source), Series 2022, of the Village of Roselle, DuPage and Cook Counties, Illinois.

_____, Illinois
as Bond Registrar

[Form of Bond - Reverse Side]

VILLAGE OF ROSELLE, DUPAGE AND COOK COUNTIES, ILLINOIS

GENERAL OBLIGATION BOND

(ALTERNATE REVENUE SOURCE)

SERIES 2022

This bond and the bonds of the series of which it forms a part (“*Bond*” and “*Bonds*” respectively) are of an authorized issue of \$___,000,000 of like dated date and tenor except as to maturity, right of redemption and rate of interest and are issued pursuant to Division 4 of Article 8 and Division 74.4 of Article 11 of the Illinois Municipal Code and pursuant to the Local Government Debt Reform Act, and the other Omnibus Bond Acts, all acts of the General Assembly of the State of Illinois, and as supplemented and amended (collectively, the “*Applicable Law*”), for the purpose of paying the costs of the Redevelopment Project of the Village, as more fully described in the Ordinance as hereinbelow defined. The Bonds are issued pursuant to an authorizing ordinance passed by the Corporate Authorities and by a more complete bond ordinance passed by the Corporate Authorities on the 16th day of June, 2022, as supplemented by a Bond Order and Notification of Sale (the “*Ordinance*”), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the Registered Owner by the acceptance of this Bond assents. The Bonds are payable from (i) the East Irving Park Road Incremental Property Taxes and the Net Irving-Central Incremental Property Taxes, each as defined and described in the Ordinance, and (ii) *ad valorem* taxes levied against all of the taxable property in the Village without limitation as to rate or amount (the “*Full Faith and Credit Taxes*”) (the Pledged Revenues together with the Full Faith and Credit Taxes being the “*Pledged Moneys*”), all in accordance with the provisions of the Applicable Law.

This Bond shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory provision or limitation, unless the Full Faith and Credit Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds shall have been paid from the Pledged Taxes for a complete Fiscal Year.

Under the Applicable Law and the Ordinance, the Pledged Revenues shall be deposited into certain special tax allocation funds, which shall be used only and have been heretofore pledged for the purposes as set forth in the TIF Act, and in making all payments required to maintain the accounts established under the Ordinance. Bonds may be issued in the future to share in the Pledged Revenues, or in any portion of the Pledged Revenues, on a parity as to lien with the Bonds as provided in the Ordinance and the Applicable Law. The Full Faith and Credit Taxes secure, solely and only, the Bonds, and are not pledged to and will not be available for payment of any Additional Bonds. Junior Lien Bonds may be issued in the priority of lien as provided in the Ordinance.

The Bonds coming due on and after December 1, 20__, are subject to redemption prior to maturity, at the option of the Village, from any available moneys, on December 1, 20__, and any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the Village and within any maturity by lot, at a redemption price of par plus accrued interest to the date fixed for redemption. Further provisions relating to any such redemption are as set out more fully in the Ordinance.

This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance.

The Village and the Bond 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 Village nor the Bond Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

[Identifying Numbers]

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

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

Dated: _____

Signature guaranteed: _____

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

Section 11. Treatment of Bonds as Debt. The Bonds shall be payable from the Pledged Moneys and shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the Full Faith and Credit Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in Section 15 hereof, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds have been paid from the Pledged Revenues for a complete Fiscal Year, in accordance with the Reform Act.

Section 12. East Irving Park Road Special Tax Allocation Fund – Accounts; Net Irving-Central Incremental Property Taxes .

A. THE EAST IRVING PARK ROAD SPECIAL TAX ALLOCATION FUND. The East Irving Park Road Special Tax Allocation Fund is hereby expressly continued as a special fund of the Village, to be held by the Village except as hereinafter expressly provided, which fund shall be held separate and apart from all other funds and accounts of the Village. All of the East Irving Park Road Incremental Property Taxes and any other revenues, from any source whatsoever designated to pay principal of, interest on and premium, if any, on the Bonds and any Additional Bonds shall be set aside as collected and be remitted by the Village Treasurer for deposit in the East Irving Park Road Special Tax Allocation Fund, which is a trust fund heretofore established and hereby continued for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by the TIF Act and by this Ordinance. The Bonds are secured by a pledge of all of the East Irving Park Road Incremental Property Taxes on deposit in the East Irving Park Road Special Tax Allocation Fund, and such pledge is irrevocable until the obligations of the Village are discharged under this Ordinance.

As provided in the TIF Act the East Irving Park Road Incremental Property Taxes are to be paid to the Village Treasurer by the officers who collect or receive the East Irving Park Road Incremental Property Taxes. Whenever the Village Treasurer receives any of the East Irving Park Road Incremental Property Taxes, he or she shall promptly remit the same for deposit into and credit to the separate accounts hereby created within the East Irving Park Road Special Tax Allocation Fund and to be known as the “*Senior Lien Principal and Interest Account*,” the “*Administrative Account*,” the “*Junior Lien Principal and Interest Account*,” and the “*General Account*”. As moneys are deposited into the East Irving Park Road Special Tax Allocation Fund, without any further official action or direction, the Village Treasurer shall credit to and deposit the same as follows:

(i) *The Senior Lien Principal and Interest Account.* The Village Treasurer shall first credit to and immediately transfer into the Senior Lien Principal and Interest Account all of the East Irving Park Road Incremental Property Taxes, and, except as hereinafter provided, moneys to the credit of the Senior Lien Principal and Interest Account shall be used solely and only for the purpose of paying principal of and interest and applicable premium on the Outstanding Bonds as the same become due. Not later than each November 15, commencing November 15, 2022, the Village Treasurer shall conduct an accounting (a “*TIF Accounting*”) to determine the balance of East Irving Park Road Incremental Property Taxes on deposit in and to the credit of the Senior Lien Principal and Interest Account.

Each TIF Accounting shall determine for the Bonds the Principal Requirement and the Interest Requirement for the next Bond Year commencing after the Tax Year from which the East Irving Park Road Incremental Property Taxes have been derived; that is, the Incremental Property Taxes derived from the 2022 Tax Year (collectible in 2023) shall be used to pay the Principal Requirement and the Interest Requirement for the Bond Year commencing June 1, 2023, and so on. If, upon any TIF Accounting, there are funds on deposit in and to the credit of the Senior Lien Principal and Interest Account in excess of such Principal Requirement and such Interest Requirement, such funds shall be transferred by the Village Treasurer to the Administrative Account as hereinbelow provided.

(ii) *The Administrative Account.* The Village Treasurer shall next credit to and immediately deposit into the Administrative Account East Irving Park Road Incremental Property Taxes until the amount on deposit in and to the credit of the Administrative Account equals the Administrative Account Requirement. Amounts on deposit in and to the credit of the Administrative Account shall be used solely and only to pay the annual

administrative expenses of the Village related to the Plan, the Project and the Redevelopment Project Area.

If, upon any TIF Accounting, there are funds on deposit in and to the credit of the Administrative Account in excess of the Administrative Account Requirement, such funds shall be transferred by the Village Treasurer to the Junior Lien Principal and Interest Account as hereinbelow provided.

(iii) *The Junior Lien Principal and Interest Account.* If, upon any TIF Accounting, any Junior Lien Bonds are outstanding, the Village Treasurer shall next credit to and immediately transfer into the Junior Lien Principal and Interest Account the balance of the East Irving Park Road Incremental Property Taxes, and, except as hereinafter provided, moneys to the credit of the Junior Lien Principal and Interest Account shall be used solely and only for the purpose of paying principal of and interest and applicable premium on the Junior Lien Bonds, if any, as the same become due.

If, upon any TIF Accounting, there are funds on deposit in and to the credit of the Junior Lien Principal and Interest Account in excess of any Junior Lien Principal Requirement and the Junior Lien Interest Requirement, such funds shall be transferred by the Village Treasurer to the General Account as hereinbelow provided.

(iv) *The General Account.* All moneys remaining in the East Irving Park Road Special Tax Allocation Fund, after crediting the required amounts to the Senior Lien Principal and Interest Account, the Administrative Account and, if any, the Junior Lien Principal and Interest Account hereinabove provided for, shall be transferred by the Village Treasurer for deposit in and credit to the General Account. At any time and from time to time the Village Treasurer shall transfer any moneys on deposit in the General Account, in order to remedy any deficiencies in any prior accounts of the East Irving Park Road Special Tax Allocation Fund. Except as hereinbefore provided in this subsection (iii), moneys on deposit in the General Account shall be used for one or more of the following purposes, without any priority among them:

(a) for the purpose of paying any Project costs; or

(b) for the purpose of redeeming Outstanding Bonds or Junior Lien Bonds;

or

(c) for the purpose of purchasing Outstanding Bonds or Junior Lien Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or

(d) for the purpose of refunding, advance refunding or prepaying any Bond or Junior Lien Bond; or

(e) for the purpose of creating such additional reserves as may be deemed necessary by the Corporate Authorities, it being the express intent of the Corporate

Authorities to reserve unto the Village the right to establish such reserve or reserves in order to assure that the Full Faith and Credit Taxes may be abated in each Tax Year while any Bonds remain outstanding; or

(f) for the purpose of reimbursing the Village for any transfer of general corporate funds of the Village for purposes relating to the Plan, the Project, the Redevelopment Project Area, or the Redevelopment Project, including but not limited to funds disbursed for the payment of redevelopment project costs incurred by the Village or advanced to abate the Full Faith and Credit Taxes and whether or not such reimbursement occurs in the relevant Tax Year for which such advance was made; or

(g) for the purpose of distributing East Irving Park Road Incremental Property Taxes to the taxing districts or municipal corporations having the power to tax real property in the East Irving Park Road Redevelopment Project Area or to the Village pursuant to any redevelopment agreement; or

(h) for the purpose of paying principal of, or premium, if any, or interest on any obligation of the Village issued to pay redevelopment project costs for the East Irving Park Road Redevelopment Project Area, whether or not secured by a pledge of the monies to the credit of the East Irving Park Road Special Tax Allocation Fund; or

(i) for any other purpose related to the Plan, the Project, the East Irving Park Road Redevelopment Project Area or the Redevelopment Project pursuant to the TIF Act.

B. IRVING-CENTRAL REDEVELOPMENT PROJECT AREA SPECIAL TAX ALLOCATION FUND.

The Irving-Central Redevelopment Project Area Special Tax Allocation Fund is hereby expressly continued as a special fund of the Village, which fund shall be held separate and apart from all other funds and accounts of the Village. Whenever a TIF Accounting shall determine that the East Irving Park Road Incremental Property Taxes shall be insufficient to pay the Principal Requirement and the Interest Requirement, without official action by or direction of the Corporate Authorities, the Village Treasurer is authorized to transfer moneys, if any, then on deposit in and to the credit of the General Account of the Irving-Central Redevelopment Project Area Special Tax Allocation Fund to the Senior Lien Principal and Interest Account, and such transferred Net Irving-Central Incremental Property Taxes shall be used solely to pay principal of and interest on

the Bonds at Stated Maturity or as called for mandatory or optional redemption as hereinabove provided. The remainder, if any, of the Net Irving-Central Incremental Property Taxes remaining on deposit in the General Account of the Irving-Central Redevelopment Project Area shall be deemed upon any such transfer to be released from the pledge of this Ordinance and shall not be “Net Irving-Central Incremental Property Taxes” for any purpose of this Ordinance but rather shall be available to the Village for any purpose as may be authorized pursuant to the TIF Act.

C. INVESTMENTS. Except as otherwise expressly provided, moneys to the credit of the the East Irving Park Road Special Tax Allocation Fund may be invested by the Village Treasurer without further direction from or official action by the Corporate Authorities, but only in Qualified Investments or as otherwise provided by any authorization granted to municipal corporations by Illinois statute or court decision. Such investments may be sold from time to time by the Treasurer as funds may be needed.

All earnings or profit on any funds so invested in the East Irving Park Road Special Tax Allocation Fund shall be retained therein.

Moneys in any of said Accounts shall be invested by the Treasurer, if necessary, in investments restricted as to yield, which investments may be in United States Treasury Obligations—State and Local Government Series, if available, and to such end the Treasurer shall refer to any investment restrictions covenanted by the Village or any Designated Officer thereof as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

E. ACCOUNT EXCESSES. Any amounts to the credit of the Accounts of the East Irving Park Road Special Tax Allocation Fund in excess of the then current requirements therefor may be transferred at any time by the Village Treasurer to such other Account or Accounts,

respectively, of the East Irving Park Road Special Tax Allocation Fund as it may in his or her sole discretion designate.

Section 13. Full Faith and Credit Taxes Fund. There is hereby created a special fund of the Village, which fund shall be held by the Paying Agent separate and apart from all other funds and accounts of the Village and be known as the “Alternate Bond Fund” (the “*Full Faith and Credit Taxes Fund*”). The purpose of the Full Faith and Credit Taxes Fund is to provide a fund to receive and disburse Full Faith and Credit Taxes for any (or all) of the Bonds. All payments made with respect to the Bonds from the Pledged Revenues shall be made by the Paying Agent directly from the Senior Lien Principal and Interest Account. All Full Faith and Credit Taxes shall be deposited to the credit of the Full Faith and Credit Taxes Fund. The Full Faith and Credit Taxes Fund constitutes a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by this Ordinance.

Full Faith and Credit Taxes on deposit to the credit of the Full Faith and Credit Taxes Fund shall be fully spent to pay the principal of and interest on the Bonds prior to use of any moneys on deposit in the Senior Lien Principal and Interest Account.

Section 14. Full Faith and Credit Taxes; Tax Levy. The Bonds are Alternate Bonds. For the purpose of providing funds to pay the principal of and interest on the Bonds, and as provided in Section 15 of the Reform Act, there is hereby levied upon all of the taxable property within the Village, in the years for which any of such Bonds are Outstanding, a direct annual tax for each of the years while such Bonds or any of them are Outstanding, in amounts sufficient for that purpose (but not to exceed \$325,000 in a yearly amount), and there be and there hereby is levied upon all of the taxable property in the Village direct annual taxes in the amounts and for the years as shall be provided in a relevant Bond Order (the “*Full Faith and Credit Taxes*”).

Following any extension of Full Faith and Credit Taxes, interest or principal coming due at any time when there are insufficient funds on hand from the Full Faith and Credit Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Full Faith and Credit Taxes herein levied; and when the Full Faith and Credit Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

Section 15. Filing with County Clerks. After this Ordinance becomes effective, a copy hereof, certified by the Village Clerk, together with an executed copy of each Bond Order, shall be filed with the County Clerks. The County Clerks shall in and for each of the years required ascertain the rate percent required to produce the aggregate Full Faith and Credit Taxes hereinbefore provided to be levied in each of said years as set forth in each Bond Order; and the County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the Village for general corporate purposes of the Village; and in said years the Full Faith and Credit Taxes shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes of the Village for said years are levied and collected, and in addition to and in excess of all other taxes. The Full Faith and Credit Taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying principal of and interest on the Bonds.

Section 16. Abatement of Full Faith and Credit Taxes. Not earlier than January 2 and not later than the last date in any Tax Year that the County Clerks will accept the filing of an ordinance levying a tax to be extended for such Tax Year for the payment of principal of and interest on general obligation bonds, the Village Treasurer shall determine (i) the amounts on deposit in and to the credit of the East Irving Park Road Special Tax Allocation Fund, and available to pay the Principal Requirement and the Interest Requirement for which the Full Faith and Credit Taxes have been levied for such Tax Year and (ii) the amount of any additional monies reasonably

anticipated to be transferred to the East Irving Park Road Special Tax Allocation Fund (including, specifically, the Net Irving-Central Incremental Property Taxes), by proper proceedings of the Corporate Authorities. The Village Treasurer shall set forth the aggregate amount of funds which are on deposit in the East Irving Park Road Special Tax Allocation Fund, and which are available for the purpose of abating the Full Faith and Credit Taxes to be extended during that Tax Year. By proper proceedings the Corporate Authorities shall direct the abatement of the Full Faith and Credit Taxes for that Tax Year by the aggregate amounts available and on deposit in the Senior Lien Principal and Interest Account, as evidenced by such determination. *The Village hereby expressly covenants and agrees that Pledged Incremental Property Taxes shall not be used to abate any Full Faith and Credit Taxes levied to pay any portion of the Bonds issued to pay costs other than eligible redevelopment project costs as provided in the TIF Act.*

Section 17. General Covenants. The Village covenants and agrees with the registered owners of the Bonds, so long as any Bonds remain Outstanding, as follows:

A. The Village pledges the Pledged Revenues to the payment of the Bonds, and the Corporate Authorities covenant and agree to provide for, collect and apply Pledged Revenues to the payment of the Bonds payable from such Pledged Revenues as hereinabove provided and the provision of not less than an additional .25 times debt service. The determination of the sufficiency of the Pledged Revenues pursuant to this subsection (A) shall be supported by reference to the Audit, and the reference to and acceptance of the Audit by the Corporate Authorities shall be conclusive evidence that the conditions of Section 15 of the Reform Act have been met.

B. The Village will punctually pay or cause to be paid from the Full Faith and Credit Taxes Fund and the Senior Lien Principal and Interest Account (being, together, the “*Bond Fund*”), the principal of and interest on the Bonds in strict conformity with the

terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

C. The Village will pay and discharge, or cause to be paid and discharged, from the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Moneys, or any part thereof, or upon any funds in the hands of the Paying Agent, or which might impair the security of the Bonds. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

D. The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Pledged Moneys and the Bond Fund.

E. The Village will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, the Bonds shall be incontestable by the Village.

F. The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

G. As long as any Bonds are Outstanding, the Village will continue to deposit and apply the Pledged Revenues and, if applicable, the Full Faith and Credit Taxes as provided herein. The Village covenants and agrees with the purchasers of the Bonds and

with the registered owners thereof that so long as any Bonds remain Outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy the Full Faith and Credit Taxes and to collect and to segregate the Pledged Moneys. The Village and its officers will comply with all present and future applicable laws in order to assure that the Full Faith and Credit Taxes can be levied and extended and that the Pledged Revenues and the Full Faith and Credit Taxes may be collected and deposited into the respective Bond Fund as provided herein.

H. The Outstanding Bonds shall be and forever remain until paid or defeased the general obligation of the Village, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to from the Pledged Revenues, as herein provided, from the levy of the Full Faith and Credit Taxes as provided in the Reform Act.

I. Within 270 days following the close of each Fiscal Year, the Village will cause the books and accounts of the Fund to be audited by independent certified public accountants in accordance with appropriate audit standards. Said audit will be available for inspection by the registered owners of any of the Bonds.

Section 18. General Arbitrage Covenants. The Village 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 Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the Village may be treated as a “taxpayer” in such examination and

agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The Village also agrees and covenants with the purchasers and holders of the Bonds 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 Bonds and affects the Tax-exempt status of the Bonds.

The Corporate Authorities hereby authorize the officials of the Village responsible for issuing the Bonds, the same being the President, Village Clerk and Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the Village 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 Bonds 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 Bonds; (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 Village in such compliance.

Section 19. Registered Form. The Village recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain Tax-exempt. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 20. Reimbursement. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof except architectural, engineering costs or construction costs incurred prior to commencement of the Redevelopment Project or expenditures for which an intent to reimburse was properly declared under Treasury Regulations Section 1.150-2.

Section 21. Additional Bonds. The Village reserves the right to issue Additional Bonds from time to time payable from the Pledged Revenues, or from any portion of the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; *provided, however,* that no Additional Bonds shall be issued except upon compliance with the provisions of the Reform Act as the Reform Act is written at this time.

Section 22. Defeasance. The Bonds may be discharged, payment provided for, and the Village's liability terminated as follows:

(a) *Discharge of Indebtedness.* If (i) the Village shall pay or cause to be paid to the registered owners of the Bonds the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein and herein, (ii) all fees and expenses of the Bond Registrar shall have been paid, and (iii) the Village shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Ordinance expressed as to be kept, performed and observed by it or on its part, then these presents and the rights hereby granted shall cease, determine and be void. If the Village shall pay or cause to be paid to the registered owners of all Outstanding Bonds, or of a particular maturity of the Bonds, the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein and herein, such Bonds shall cease to be entitled to any lien, benefit or security under this Ordinance, and all covenants, agreements and obligations of the Village to the holders of such Bonds shall thereupon cease, terminate and become void and discharged and satisfied.

(b) *Provision for Payment.* Bonds for the payment or redemption of which sufficient monies or sufficient Government Securities shall have been deposited with the Bond Registrar (whether upon or prior to the maturity or the redemption date of such Bonds) or similar institution having trust powers shall be deemed to be paid within the meaning of this Ordinance and no longer outstanding under this Ordinance; *provided, however,* that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given as provided in this Ordinance or arrangements satisfactory to the Bond Registrar shall have been made for the giving thereof. Government Securities shall be considered sufficient only if said investments are not redeemable prior

to maturity at the option of the issuer and mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal and redemption premiums if any when due on the Bonds.

The Village may at any time surrender to the Bond Registrar for cancellation by it any Bonds previously authenticated and delivered hereunder, which the Village may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) *Termination of Village's Liability.* Upon the discharge of indebtedness under paragraph (a) hereof, or upon the deposit with the Bond Registrar or similar institution having trust powers of sufficient money and Government Securities (such sufficiency being determined as provided in paragraph (b) hereof) for the retirement of any particular Bond or Bonds, all liability of the Village in respect of such Bond or Bonds shall cease, determine and be completely discharged and the holders thereof shall thereafter be entitled only to payment out of the money and the proceeds of the Government Securities deposited with the Bond Registrar or similar institution as aforesaid for their payment.

Section 23. Sale of the Bonds. The Designated Officers are hereby authorized to sell all or any portion of the Bonds to the Purchaser in exchange for the Purchase Price on such terms as they may deem to be in the best interests of the Village, *provided* that the terms and parameters of this Ordinance shall be satisfied in full. The Bonds or any portion thereof may be sold as the Designated Officers shall determine that the proceeds of such sales are needed. Nothing contained in this Ordinance shall limit the sale of the Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof.

Subsequent to each such sale, the Designated Officers shall file in the office of the Village Clerk the Bond Order directed to the Corporate Authorities identifying the terms of the sale, the amount of the Bonds being sold, the dated date of the Bonds sold, the aggregate principal amount of Bonds sold, the principal amount of Bonds maturing and mandatorily redeemable in each year, the optional redemption provisions applicable to the Bonds, the interest rate or rates on the Bonds, and the information regarding the title and Series designation of the Bonds, and thereafter the Bonds so sold shall be duly prepared and executed in the form and manner provided herein and delivered to the Purchaser in accordance with the terms of sale.

Prior to the sale of the Bonds, any one of the Designated Officers is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Any Designated Officer and such other officers of the Village as may be necessary are hereby authorized to execute such other documents, as may be necessary to effectuate the issuance and delivery of the Bonds, including but not limited to:

(a) a Contract of Purchase by and between the Village and the Purchaser, which form shall be acceptable to the Designated Officers and as customarily entered into by the Village; and

(b) such other closing certifications and documents as are customary in financings such as the Bonds;

and execution thereof by such officers is hereby deemed conclusive evidence of approval thereof with such changes, additions, insertions, omissions or deletions as such officers may determine, with no further official action of or direction by the Corporate Authorities.

The preparation, use and distribution of a preliminary official statement and an official statement relating to each sale and issuance of the Bonds are hereby ratified and approved. The Designated Officers are each hereby authorized to execute and deliver an official statement relating to each sale and issuance of the Bonds on behalf of the Village. Any preliminary official statement and official statement herein authorized shall be in substantially the forms previously used for general obligation financings of the Village with appropriate revisions to reflect the terms and provisions of the Bonds and to describe accurately the current condition of the Village and the parties to the financing.

Section 24. Use of Proceeds. The proceeds received from the sale of each Series of the Bonds shall be used as follows:

A. Accrued interest and capitalized interest in the amount and for the period as specified in the Bond Order, shall be credited to such fund or account as may be provided in the Bond Order and be applied to pay first interest due on the Bonds.

B. The amount necessary of the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the "*Expense Fund*" to be used to pay expenses of issuance of Bonds. Disbursements from such fund shall be made (A) directly by the Purchaser on the date of delivery of the Bonds or (B) from time to time by the Treasurer of the Village, without further action of the Corporate Authorities. Any excess in said fund shall be deposited into the hereinafter defined Project Fund after six months from the date of issuance of the Bonds and shall be used to pay costs of the Project.

C. The remaining funds shall be set aside as specified into a separate fund hereby created and designated as the "East Irving Park Road Redevelopment Project Area Project Fund" (the "*Project Fund*") to be held by the Village Treasurer in a separate and segregated account. Money in said fund shall be withdrawn from time to time as needed for the payment of costs of the Redevelopment Project and paying the fees and expenses incidental thereto not paid out of the Expense Fund and said money shall be disbursed by the Village Treasurer in accordance with normal and customary Village disbursement procedures.

Within 60 days after full depletion of the Project Fund or payment of all costs of the Redevelopment Project, as herein referred to, and as heretofore approved by the Corporate Authorities, the Village Treasurer shall provide certification in writing (a "*Completion Certificate*") to the Corporate Authorities of the fact of such depletion, and,

upon approval of such Completion Certificate by the Corporate Authorities, funds (if any) remaining in the Project Fund shall be remitted by the Village Treasurer for deposit to the Special Tax Allocation Fund, and the Project Fund shall be closed.

Alternative, the Village Treasurer may deposit such proceeds to one or more Village accounts already in existence and may hold and disburse such proceeds for the Redevelopment Project in accordance with customary Village disbursement procedures, but such deposit shall not relieve the Village of its obligations under this Ordinance to separately account for such Bond proceeds.

Funds on deposit in the Project Fund may be invested by the Village Treasurer in Qualified Investments without further direction of the Corporate Authorities and may be transferred by the Village Treasurer, without further direction of the Corporate Authorities, as necessary to the Bond Fund for the payment of principal of and interest on the Bonds when due, and any such transfers shall be promptly reimbursed to the Project Fund from Full Faith and Credit Taxes or Pledged Revenues, as appropriate, when available.

Section 25. Bond Registrar Covenants. If requested by the Bond Registrar, the President and Village Clerk of the Village are authorized to execute the Bond Registrar's standard form of agreement between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;

(e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 26. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, each in accordance with terms hereof; and no changes, additions or alterations of any kind shall be made hereto.

Section 27. Supplemental Ordinances. The rights and obligations of the Village and of the owners of Outstanding Bonds may from time to time be modified or amended by a supplemental ordinance adopted by the Corporate Authorities with the written consent of the owners of not less than two-thirds (2/3rds) of the principal amount of all Outstanding Bonds (excluding any of said Bonds owned by or under the control of the Village); *provided, however,* that no such modification or amendment shall extend or change the maturity of or date of redemption prior to maturity, or reduce the interest rate on, or permit the creation of a preference or priority of any Outstanding Bond or Outstanding Bonds over any other Outstanding Bond or Outstanding Bonds, or otherwise alter or impair the obligation of the Village to pay the principal of and interest on any of the Outstanding Bonds at the time, place, rate, and in the currency provided therein, or alter or impair the obligations of the Village with respect to registration, transfer, exchange or notice of redemption of Bonds, without the express consent of the owners of all the Outstanding Bonds affected; nor shall any such modification or amendment reduce the percentage of the owners of Outstanding Bonds required for the written consent of such modification or amendment without the consent of the owners of all of the Outstanding Bonds of that Series.

Section 28. Continuing Disclosure Undertaking. The President or Treasurer is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) in substantially the same form as now before the Corporate Authorities, or with such changes therein as the individual executing the Continuing

Disclosure Undertaking on behalf of the Village shall approve, the official's execution thereof to constitute conclusive evidence of the approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the Continuing Disclosure Undertaking will be binding on the Village and the officers, employees and agents of the Village, and the officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Continuing Disclosure Undertaking.

Section 29. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the Village and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment hereof, or other terms, as approved by the President on advice of counsel, their approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this section.

Section 30. Qualified Tax-exempt Obligations. To the extent permitted by law, all or a portion of the Bonds, if any, may be issued as "bank qualified bonds" as set forth in the Bond Order (the "*BQ Bonds*"). The BQ Bonds are designated as "qualified tax-exempt obligations" for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 31. Record-Keeping Policy and Post-Issuance Compliance Matters. On March 26, 2012, the Corporate Authorities adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the Village, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the Village or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Corporate Authorities and the Village hereby reaffirm the Policy.

Section 32. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 33. Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 34. Effective Date. This ordinance shall be effective immediately upon its passage and approval.

PASSED by the Corporate Authorities on June 16, 2022.

APPROVED: June 16, 2022.

President

AYES: _____

NAYS: _____

ABSENT: _____

RECORDED in the Village Records on _____, 2022.

ATTEST:

Village Clerk

[SEAL]

