
ORDINANCE NO. 17-045

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE
ISSUE OF ITS \$1,300,000 GENERAL OBLIGATION BONDS,
SERIES 2017, OF THE VILLAGE OF DOLTON, COOK COUNTY,
ILLINOIS, FOR THE LEVY OF A DIRECT ANNUAL TAX
SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON
SAID BONDS, AND APPROVING A TAX ESCROW AGREEMENT**

Passed by the Mayor and Board of
Trustees on the 20th day of
November, 2017.

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AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUE OF ITS \$1,300,000 GENERAL OBLIGATION BONDS, SERIES 2017, OF THE VILLAGE OF DOLTON, COOK COUNTY, ILLINOIS, FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS, AND APPROVING A TAX ESCROW AGREEMENT

WHEREAS, the Village of Dolton, Cook County, Illinois (the "Village"), pursuant to the provisions of Article VII, Section 6(a) of the Constitution of the State of Illinois, is a home rule unit and may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt payable from *ad valorem* tax receipts maturing within 40 years from the time it is incurred and without prior referendum approval;

WHEREAS, the Village has accumulated bills and expenses for the collection and disposal of waste (the "Project") which need to be paid and for which no funds are available;

WHEREAS, the estimated cost of the Project, including bond discount, bond issuance expenses and capitalized interest, is not less than \$1,300,000, plus investment earnings thereon, as heretofore reported to and determined by the Mayor and Board of Trustees and there are insufficient funds of the Village on hand and lawfully available to pay said costs, such that the Village expects to pay such costs by borrowing such money and issuing its general obligation bonds in evidence thereof;

WHEREAS, as a home rule unit, the Village by ordinance passed by the Mayor and Board of Trustees is authorized to borrow money and in evidence thereof issue general obligation bonds of the Village without referendum in an amount not to exceed \$1,300,000 for the purpose of paying all or a portion of the costs of the Project; and

WHEREAS, the Mayor and Board of Trustees does hereby determine that it is advisable and in the best interest of the Village at this time to borrow money and in evidence thereof issue general obligation bonds of the Village without referendum in an amount not to exceed \$1,300,000 for the purpose of paying all or a portion of the costs of the Project, and in evidence of such borrowing, issue its full faith and credit bonds, in the principal amount not to exceed \$1,300,000.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Trustees of the Village of Dolton, Cook County, Illinois, as follows:

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

“Act” means the home rule powers of the Village, the Illinois Municipal Code, and the Local Government Debt Reform Act.

“Authorized Denominations” means \$100,000 or any amount in excess thereof.

“Bond Counsel” means, with respect to the original issuance of the Bonds, Louis F. Cainkar, Ltd., Chicago, Illinois, and thereafter, any firm of attorneys of nationally recognized expertise with respect to the tax-exempt obligations of political subdivisions, selected by the Village.

“Bond Fund” means the Bond Fund created in Section 9 of this Ordinance.

“Bond Transfer Agreement” means the contract for the transfer of the Bonds by and between the Village and the Bondholder.

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

“Bond Registrar” means the Village Treasurer.

“Bondholder” means Homewood Disposal Service, Inc.

“Bonds” means the not to exceed \$1,300,000 General Obligation Bonds, Series 2017 authorized to be issued by this Ordinance, including bonds issued in exchange for or upon transfer or replacement of bonds previously issued under this Ordinance.

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

“Corporate Authorities” means the Mayor and Board of Trustees of the Village.

“County Clerk” means the County Clerk of Cook County, Illinois.

“Designated Officers” mean the officers of the Village as follows: Mayor, Village Clerk, and Village Treasurer.

“Ordinance” or *“Bond Ordinance”* means this Ordinance No. 17-045 passed by the Corporate Authorities on November 20, 2017 and approved by the Mayor on that date.

“Outstanding” when used with reference to any bond, means a bond is outstanding and unpaid; provided, however, such term shall not include bonds: (a) which have matured or for which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal thereof and interest thereon; or (b) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, or other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such bonds, and will not result in the loss of exclusion from gross income of the interest thereon under Section 103 of the Code.

“Paying Agent” means the Village Treasurer.

“Pledged Taxes” is defined in Section 9 of this Ordinance.

“Project” is defined in the Preambles of this Ordinance.

“Record Date” means the fifteenth day of the month next preceding any regular or other interest payment date which occurs on the first day of any month and the fifteenth day preceding any interest payment date occasioned by the redemption of the Bonds on other than the first day of a month.

“Stated Maturity” means, with respect to any Bond, the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable, whether by maturity or otherwise.

“Tax Escrow Agreement” means the Tax Escrow Agreement among the Village, the Village Treasurer and US Bank National Association, Chicago, Illinois, as Escrow Trustee which provides for the Pledged Taxes for any series of Bonds to be paid directly to the Escrow Trustee by Cook County.

“Tax-Exempt” means, with respect to all or any portion of 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.

“Village” means Village of Dolton, Cook County, Illinois.

Definitions also appear in the Preambles hereto or in specific sections, as appear below.

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

Section 3. Authorization. It is hereby found and determined that the Corporate Authorities has been authorized by law to borrow the sum of not to exceed \$1,300,000 upon the credit of the Village and as evidence of such indebtedness to issue at this time general obligation bonds in the aggregate principal amount not to exceed \$1,300,000 (the “Bonds”) in order to pay the costs of the Project. The Bonds shall be issued pursuant to the Act.

Section 4. Bond Details. There shall be borrowed on the credit of and for and on behalf of the Village the aggregate sum not to exceed \$1,300,000 for the Project. The Bonds shall bear interest at a rate of 3.0% per annum (computed on the basis of a 360-day year of twelve 30-day months), and shall mature on December 1, 2018. The Bonds shall be in fully registered form. The Bonds shall be dated their date of issuance (the “Dated Date”); the Bonds shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due or be subject to optional redemption (in whole or in part) on any date after the Dated Date. Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for on June 1, 2018 and December 1, 2018 until the principal thereof shall be paid or duly provided for.

Section 5. Execution; Authentication. The Bonds shall be signed by the manual or duly authorized facsimile signatures of the Mayor and the Village Clerk and may have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any such 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 signatory of the Bond Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Registration of Bonds; Persons Treated as Owners. The Village shall cause books (the “Bond Register”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office designated for such purpose 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 or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds. Any 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 this Ordinance. Upon surrender for transfer or exchange of any Bond at the office designated for such purpose of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner 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 or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. 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 Bonds and maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of the Bonds and maturity less the amount of such Bonds which have been paid. 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 (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 to any registered owner of Bonds 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.

Section 7. Form of Bond. The Bonds shall be in substantially the following form:

REGISTERED NO.

REGISTERED \$

UNITED STATES OF AMERICA, STATE OF ILLINOIS, COOK COUNTY
VILLAGE OF DOLTON
GENERAL OBLIGATION BOND, SERIES 2017

Interest Rate: %

Maturity Date:

Dated Date:

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS, that the Village of Dolton, Cook County, 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, 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 Dated Date 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 on June 1, 2018 and December 1, 2018 or until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may be and become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the office designated for such purpose of the Village Treasurer, as paying agent (the "Paying Agent") and bond registrar (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 Record Date for each interest payment date and shall be paid by check or draft of the Paying Agent, payable upon presentation at the Bond Registrar 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. Record Date means the fifteenth day of the month next preceding any regular or other interest payment date which occurs on the first day of any month and the fifteenth day preceding any interest payment date occasioned by the redemption of the Bonds on other than the first day of a month.

The Bonds shall be direct and general obligations of the Village. 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 is subject to optional redemption, in whole or in part, on any date after the Dated Date.

This Bond is one of the Bonds issued by the Village to pay for the costs of the Project, all as authorized pursuant to the provisions of Illinois law, including, specifically, the Illinois Municipal Code, as amended, the Local Government Debt Reform Act, as amended, and as further supplemented and, where necessary, superseded, by the powers of the Village as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 under Ordinance No. 17-045, duly passed by the Mayor and Board of Trustees on November 20, 2017 authorizing the Bonds (the "Bond Ordinance").

The Bonds are secured by the general obligation of the Village for the payment of which the Village in the Bond Ordinance has pledged its full faith and credit, and covenanted to levy *ad valorem* taxes, unlimited as to rate or amount, upon all taxable property within the Village sufficient to pay the principal and interest thereon, when due. The Village reserves the right to issue obligations on a parity basis with the Bonds.

The Village and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of the principal of or interest thereon, and for all other purposes whatsoever; all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid; and neither the Village nor the Bond Registrar shall not be affected by any notice to the contrary. 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 Bond Ordinance.

The Village has designated each of the Bonds as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

It is hereby certified and recited that all acts, conditions, and things required by law to exist or to be done precedent to or in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the Village including the issuance of the Bonds of which this is one, does not exceed any limitation imposed by law, and that a covenant has been made for the levy of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

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 Dolton, Cook County, Illinois, by its Mayor and Board of Trustees, has caused this Bond to be signed by the duly authorized manual or facsimile signatures of the Mayor and the Village Clerk, all as appearing hereon and as of the Dated Date as identified above.

Mayor

Village Clerk

Date of Authentication: _____

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar
and Paying Agent: Village Treasurer
Dolton, Illinois

This Bond is one of the bonds issued in the within mentioned Bond Ordinance.

By _____
Authorized Signatory

ASSIGNMENT

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

(Name and Address and Social Security or other identifying number 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 of Assignee

Signature guaranteed: _____

NOTICE: The signature to this assignment and transfer 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 8. Transfer of Bonds. The Mayor is hereby authorized to enter into a Bond Transfer Agreement for the transfer of the Bonds to the Bondholder, substantially in the form as approved for execution by the Village Attorney, which is hereby in all respects authorized and approved. The Mayor by signing the Bond Transfer Agreement is hereby authorized to execute the same, and execution shall constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein.

Section 9. Security; Tax Levy, Bond Fund and Abatement. The Bonds are a general obligation of the Village, for which the full faith and credit of the Village are irrevocably pledged, and are payable from the levy of the taxes on all of the taxable property in the Village, without limitation as to rate or amount, in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity (the "Pledged Taxes").

For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all the taxable property within the Village, in the years for which any of the Bonds are outstanding, the following direct annual tax to wit:

For the Year	A Tax Sufficient to Produce the Sum of:
2017	\$1,547,000

It shall be the duty of said County Clerk to ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the Village in connection with other taxes levied in said year for general and special purposes, in order to raise the respective amounts aforesaid and in said year such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general and special purposes of the Village, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated "Series 2017 Bond Fund" (the "Bond Fund"), which fund is hereby irrevocably pledged to and shall be used only for the purpose of paying the principal and interest on the Bonds.

Principal or interest coming due at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the Village, and the fund from which such payment was made shall be reimbursed from the Pledged Taxes when the same shall be collected.

The Village covenants and agrees with the Bondholders that so long as any of the Bonds remains Outstanding, except as herein otherwise specifically provided, 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 and collect the foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Section 10. Tax Escrow Agreement. The Bond Fund shall be held by the Tax Escrow Agent under a Tax Escrow Agreement between the Village, the Village Treasurer and the Tax Escrow Agent. The Mayor, the Village Clerk and the Village Treasurer are hereby authorized and directed to execute the Tax Escrow Agreement or an amendment to any existing Tax Escrow Agreement. When the Tax Escrow Agreement is executed and delivered on behalf of the Village as herein provided, the Tax Escrow Agreement 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 Tax Escrow Agreement as executed.

The County Treasurer shall deposit the Pledged Taxes directly into the Bond Fund held by the Tax Escrow Agent; such Pledged Taxes to be used for paying the principal of and interest on the Bonds. In the special case of an advance of other Village funds, the Pledged Taxes may be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds or to receipt of Pledged Taxes. Investment income or profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such income or profit is received or, to the extent lawful and as determined by the Village Treasurer, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes on deposit in the Bond Fund for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Village Treasurer to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as provided herein.

Section 11. General Tax 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 examination.

The Village also agrees and covenants with the Bondholder 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 authorizes the officials of the Village responsible for issuing the Bonds, the same being the Mayor, Village Clerk, and Village 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 Tax-Exempt. In furtherance therewith, the Village and the Corporate Authorities further agree: (a) through its 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 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 the Designated Officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 12. Not Private Activity Bonds. In order to preserve the exclusion of interest on the Bonds from gross income for federal tax purposes under Section 103 of the Code as existing on the date of issuance of the Bonds and as an inducement to the Bondholders, the Village represents, covenants and agrees that:

(a) No more than 10% of the payment of the principal of or interest on the Bonds will be (under the terms of the Bonds, this Bond Ordinance or any underlying arrangement), directly or indirectly, (i) secured by any interest in property used or to be used for a private business use or payments in respect of such property, or (ii) derived from payments (whether or not to the Village) in respect of such property or borrowed money used or to be used for a private business use.

(b) No more than 5% of the Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No more than 5% of the Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(c) The Village reasonably expects, as of the date hereof, that the Bonds will not meet either the private business use test described in paragraph (a) above or the private loan test described in paragraph (b) above during the entire term of the Bonds.

(d) Neither the Village nor the Corporate Authorities will take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the Village or the Corporate Authorities act in any other manner which would adversely affect such exclusion.

(e) It shall not be an event of default under this Ordinance if the interest on any Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.

(f) Except for the payment of taxes of general applicability, no direct or indirect payments will be made with respect to the Bonds and with respect to any private business use by any person other than a state or local government.

(g) The payment of the principal of or the interest on the Bonds will not be directly or indirectly secured other than by taxes of general applicability as defined in the Code and Regulations issued pursuant thereto.

(h) These covenants are based solely on current law in effect and in existence of the date of delivery of the Bonds.

The Village hereby authorizes the officials of the Village responsible for issuing the Bonds, the same being the Mayor, the Village Clerk and the Village 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 excludable from gross income for federal income tax purposes. In connection therewith, the Village further agrees: (i) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (ii) to consult with counsel approving the Bonds; (iii) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated thereunder; (iv) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (v) 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 13. Continuing Disclosure Undertaking. The issuance of the Bonds is exempt from the continuing disclosure provisions of SEC Rule 15c2-12 as the minimum authorized denomination is \$100,000 or more and is being sold to no more than 35 persons, each of whom the Village reasonably believes: (a) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (b) is not purchasing for more than one account or with a view to distributing securities.

Section 14. Qualified Tax-Exempt Obligations; Project Bonds. The Bonds used to pay for the Project shall be “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the Village hereby certifies that: (a) that none of the Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code) other than a “qualified 501(c)(3) bond” (as defined in Section 145 of the Code); (b) as of the date hereof the Village has not issued any tax-exempt obligation of any kind in calendar year 2017 (or any calendar year if the Bonds are issued in that calendar year) other than the Bonds or obligations which were current refunding obligations with a lower weighted average maturity than the obligations being refunded; and (c) not more than \$10,000,000 of obligations of any kind (including the Bonds) issued by or on behalf of the Village during calendar year 2017 (or any calendar year if the Bonds are issued in that calendar year) will be designated for purposes of Section 265(b)(3) of the Code.

The Village is not subject to Control by any entity, and there are no entities subject to Control by the Village.

On the date hereof, the Village does not reasonably anticipate that for calendar year 2017 (or any calendar year if the Bonds are issued in that calendar year) it will issue any Section 265 Tax-Exempt Obligations (other than the Bonds or obligations issued for the current refunding of previously designated “qualified tax-exempt obligations”), or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. “Section 265 Tax-Exempt Obligations” are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The Village will not issue or permit the issuance on behalf of it or by any entity subject to Control by the Village (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations (including the Bonds) that exceed the aggregate amount of \$10,000,000 during calendar year 2017 (or any calendar year if the Bonds are issued in that calendar year) unless it first obtains an opinion of Bond Counsel to the effect that such issuance will not adversely affect the treatment of the Bonds as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 15. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance and other documents executed by the Village which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law need not be complied with if the Village receives an opinion of nationally recognized bond counsel that any such provision is unnecessary to preserve the exemption from federal taxation.

Section 16. Registered Form. The Village recognizes that Section 149(j) of the Code, as amended, requires the Bonds to be issued and to remain in fully registered form in order that interest thereon not be includable in gross income for federal income tax purposes under laws in force at the time the Bonds are delivered. The Village will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 17. Ordinance to Constitute a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds. Any pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Village shall be for the equal benefit, protection and security of the owners of the Bonds. Each of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Bonds.

Section 18. Amendments of and Supplements to the Ordinance.

A. *Without Consent of Bondholders.* The Village may amend or supplement this Ordinance or the Bonds without notice to or consent of any Bondholder:

- (1) to cure any ambiguity, inconsistency or formal defect or omission;
- (2) to grant for the benefit of the Bondholders additional rights, remedies, powers or authority;
- (3) to provide for additional collateral for the Bonds or to add other agreements of the Village;
- (4) to modify this Ordinance or the Bonds to permit qualifications under the Trust Indenture Act of 1939 or any similar Federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States; or
- (5) to make any change (including, but not limited to, a change to

reflect any amendment to the Code or interpretations by the IRS of the Code) that does not materially adversely affect the rights of any Bondholder.

B. *With Consent of Bondholders.* If an amendment of or supplement to this Ordinance or the Bonds without any consent of Bondholders is not permitted by the preceding paragraph, the Village may enter into such amendment or supplement upon not less than 30 days, notice to Bondholders and with the consent of the holders of at least a majority in principal amount of the Outstanding Bonds. However, without the consent of each Bondholder affected, no amendment or supplement may:

- (1) extend the maturity of the principal of, or interest on, any Bond;
- (2) reduce the principal amount of, or rate of interest on, any Bond;
- (3) affect a privilege or priority of any Bond over any other Bond;
- (4) reduce the percentage of the principal amount of the Bonds required for consent to such amendment or supplement;
- (5) impair the exclusion of interest on the Bonds from the federal gross income of the owner of any Bond; or
- (6) eliminate any mandatory redemption of the Bonds or call for mandatory redemption or reduce the redemption price of such Bonds.

So long as the Bond Insurance Policy securing all of the Outstanding Bonds is in effect, the Bond Insurer shall be deemed to be the registered owner of the Bonds secured thereby for the purpose of amending, modifying or supplementing this Ordinance, provided, however, the Bond Insurer shall not be deemed the registered owner of the Bonds with respect to any amendment or supplement described in clauses (1) through (6) of the preceding paragraph.

C. *Effect of Consents.* After an amendment or supplement becomes effective, it will bind every Bondholder. For purposes of determining the total number of Bondholders' consents, each Bondholder's consent will be effective with respect to the Bondholder who consented to it and each subsequent bondholder or portion of a Bond evidencing the same debt as the consenting holder's Bond.

D. *Notation on or Exchange of Bonds.* If an amendment or supplement changes the terms of the Bond, the Village may require the holder to deliver it to the Bond Registrar. The Bond Registrar may place an appropriate notation on the Bond about the changed terms and return it to the holder. Alternatively, if the Bond Registrar and the Village determine, the Village

in exchange for the Bond will issue and the Bond Registrar will authenticate a new Bond that reflects the changed terms.

Section 19. Home Rule Authority. This Ordinance is prepared in accordance with the powers of the Village as a home rule unit under Article VII of the 1970 Illinois Constitution.

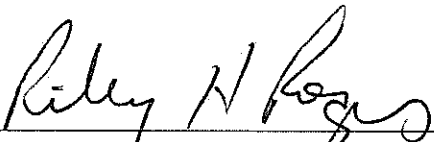
Section 20. Loss in Collection of Tax Levy. The County Clerk is hereby directed to add 14% to the tax levied in Section 9 hereof to provide for loss in collection.

Section 21. Supplemental Documents. The Designated Officers are hereby authorized to execute or attest such documents as necessary to carry out the intent of this Ordinance, the execution of such documents to constitute conclusive evidence of their approval and approval hereunder.

Section 22. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 23. Repealer and Effective Date. All resolutions, ordinances, orders or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its passage and approval.

PASSED AND APPROVED this 20th day of November, 2017.



RILEY H. ROGERS, Mayor

ATTEST:



MARYKAY DUGGAN, Village Clerk

Ayes: 5 Denton, House, Muhammad, Person, Stubbs

Nays: 1 Hengard

Absent: 0

Abstain: 0