

## MEMORANDUM

February 26, 2020

TO: Mayor John P. Kahl and Members of the City Council

FROM: Scott A. Brunton, City Attorney's Office

SUBJECT: Ordinance Authorizing Refunding of the City's 2016A and 2016B Bonds

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### DISCUSSION:

In 2012, the City issued its taxable Series 2012-C Bonds (General Obligation – Target Area Business District Tax Alternate Revenue Source) to fund expenses incurred by the City in connection with the infrastructure improvements supporting the portion of the new downtown (The Levee District) development project in the W. Washington Street TIF District that includes the Target shopping center and the adjacent retail facilities located northeast of W. Washington Street in The Levee District. At that same time, the City issued its taxable Series 2012-D Bonds (General Obligation – Costco Area Business District Tax Alternate Revenue Source) in connection with the infrastructure improvements supporting the portion of the new downtown development project in the W. Washington Street TIF District that comprises the Costco Target shopping center located southwest of W. Washington Street in The Levee District.

In 2016, when interest rates became more favorable for the City in relation to the Series 2012-C and Series 2012-D bond issues, the City issued refunding bonds for both of these Series 2012 bond issues. At that time, the City issued the Series 2016-A Bonds (General Obligation – Target Area Business District Tax Alternate Revenue Source) that refunded the Series 2012-C Bonds, and issued the Series 2016-B Bonds (General Obligation – Costco Area Business District Tax Alternate Revenue Source) that refunded the Series 2012-D Bonds.

Recently, long-term interest rates on taxable municipal bonds have again declined since the Series 2016 refunding bonds were issued back. Moreover, the City has the authority at any time in its discretion to refund the Series 2016-A and 2016-B Bonds to take advantage of lower interest rates.

As a result of this transaction, the City will realize an estimated reduction in total debt service after expenses of approximately \$377,000 over the course of the remaining 12 years of debt service payments on these taxable general obligation bonds (alternate revenue source), with an approximate savings of \$30,000 per year over these 12 years.

As these savings projections are based upon the current favorable market rates, actual savings will be determined on the date of sale.

Chapman & Cutler will be acting as the City's Bond Counsel in this matter, as they have done on past occasions with the City bond issues, which includes the issuance of the Series 2012 Bonds and 2016 Refunding Bonds. Also, Robert W. Baird and Company, who has assisted the City with numerous bond issues in the past including the Series 2012 Bonds and 2016 Refunding Bonds, will be acting as the placement agent for these refunding bond issues.

**RECOMMENDATION:**

Approval of this Ordinance.

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**ORDINANCE NUMBER 4490**

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$7,100,000 Taxable General Obligation Refunding Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2020A, and \$2,820,000 Taxable General Obligation Refunding Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2020B, of the City of East Peoria, Tazewell County, Illinois, for the purpose of refunding certain outstanding alternate revenue bonds of said City, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said City and authorizing the sale of said bonds to Morton Community Bank.

Introduced by the Council on  
the 3rd day of March, 2020.  
Adopted by the Council on the  
17th day of March, 2020.

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## ORDINANCE NUMBER 4490

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$7,100,000 Taxable General Obligation Refunding Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2020A, and \$2,820,000 Taxable General Obligation Refunding Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2020B, of the City of East Peoria, Tazewell County, Illinois, for the purpose of refunding certain outstanding alternate revenue bonds of said City, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said City and authorizing the sale of said bonds to Morton Community Bank.

WHEREAS, the City of East Peoria, Tazewell County, Illinois (the “*City*”), is a duly organized and existing municipality incorporated and existing under the provisions of the laws of the State of Illinois (the “*State*”), and 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*”), and the Business District Development and Redevelopment Act, as amended (the “*Business District Act*”); and

WHEREAS, the Municipal Code, including specifically the TIF Act and the Business District Act, as supplemented by the Local Government Debt Reform Act, as amended (the “*Reform Act*”), and the other Omnibus Bond Acts, as amended, constitutes the “Applicable Law” (the “*Applicable Law*”) under the Reform Act; and

WHEREAS, pursuant to Applicable Law the City is authorized to take certain actions, including issuing the hereinafter described bonds; and

WHEREAS, certain terms used in these preambles are defined in Section 1 of this Ordinance; and

WHEREAS, the City has heretofore issued and there are now outstanding Taxable General Obligation Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2016A (the “*Series 2016A Bonds*”), which were issued to refund a portion of the City’s Taxable

General Obligation Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2012C (the “*Series 2012C Bonds*”); and

WHEREAS, the City has heretofore issued and there are now outstanding Taxable General Obligation Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2016B (the “*Series 2016B Bonds*”), which were issued to refund a portion of the City’s Taxable General Obligation Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2012D (the “*Series 2012D Bonds*” and collectively with the Series 2012C Bonds, the Series 2016A Bonds and the Series 2016A Bonds, the “*Prior Business District Bonds*”); and

WHEREAS, in the various proceedings adopted by the Corporate Authorities to authorize the issuance of the Prior Business District Bonds, the City expressly reserved the right to issue “Additional Bonds” to be ratably and equally secured with the respective series of Prior Business District Bonds by any portion of the Pledged Revenues; and

WHEREAS, the City, acting through Council of the City (the “*Corporate Authorities*”), has determined that it is advisable, necessary and in the best interests of the City to refund all or a portion of the Series 2016A Bonds and the Series 2016B Bonds and thereby accomplish a debt service savings (the “*Refunding*”); and

WHEREAS, the Series 2016A Bonds and the Series 2016B Bonds to be refunded (the “*Refunded Bonds*”) will be specifically identified in the Bond Order, to be executed by the City as hereinafter provided; and

WHEREAS, the expenses and contingencies relating to the Refunding include legal, financial, bond discount, capitalized bond interest, bond reserve initial deposits, bond registrar, paying agent, escrow agent and related banking fees, printing and publication costs and other miscellaneous costs; and

WHEREAS, the estimated costs of effectuating the Refunding, including, as applicable, such expenses and contingencies, is not more than \$9,920,000 plus investment earnings thereon, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, the Reform Act provides that Alternate Bonds can be issued to refund the Refunded Bonds without meeting any of the provisions and requirements of Section 15 of the Reform Act provided that the term of such Alternate Bonds is not longer than the term of the Refunded Bonds and that the debt service payable in any year on such Alternate Bonds shall not exceed the debt service payable in such year on the Refunded Bonds (the “*Refunding Conditions*”); and

WHEREAS, the Corporate Authorities have heretofore, and it is hereby expressly, determined that the Refunding Conditions can be met and accordingly, Alternate Bonds can be issued to pay the costs of the Refunding; and

WHEREAS, the Series 2020A Bonds to be issued will be payable (a) ratably and equally with the outstanding Series 2012C Bonds from (i) distributions to the City by the State of business district sales taxes imposed by the City in the Target Area Business District heretofore designated by the City, or successor taxes thereto (the “*Target Area Business District Taxes*”), if, as and when received and (ii) as to certain of the Series 2020A Bonds, on and after such date as no Series 2012D Bonds or Series 2016B Bonds or bonds issued to refund the Series 2012D Bonds or Series 2016B Bonds, or Additional Bonds shall remain outstanding, distributions to the City by the State of business district sales taxes imposed by the City in the Costco Area Business District heretofore designated by the City, or successor taxes thereto (the “*Costco Area Business District Taxes*”), if, as and when received (collectively, the “*2020A Pledged Revenues*”); and (b) *ad valorem* taxes levied against all of the taxable property in the City without limitation as to rate or amount (the “*2020A Full Faith and Credit Taxes*”); and

WHEREAS, the Series 2020B Bonds to be issued will be payable (a) ratably and equally with the outstanding Series 2012D Bonds from (i) the Costco Area Business District Taxes, if, as and when received and (ii) as to certain of the 2020B Bonds, on and after such date as no Series 2012C Bonds or Series 2020A Bonds or bonds issued to refund the 2012C Bonds or the 2020A Bonds or Additional Bonds shall remain outstanding, the Target Area Business District Taxes, if, as and when received (collectively, the “2020B Pledged Revenues” and together with the 2020A Pledged Revenues, the “Pledged Revenues”); and (b) *ad valorem* taxes levied against all of the taxable property in the City without limitation as to rate or amount (the “2020B Full Faith and Credit Taxes” and together with the 2020A Full Faith and Credit Taxes, the “Full Faith and Credit Taxes”):

NOW, THEREFORE, Be It Ordained by the Council of the City of East Peoria, Tazewell County, Illinois, as follows:

*Section 1. Definitions.* A. 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, as to any Series of Bonds, 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 such Bonds.

“*Administrative Account Requirement*” means the amount, if any, so defined in a 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 \$100,000 or any amount in excess of \$100,000 which is an integral multiple of \$5,000, and any integral multiples thereof.

“*Bond*” or “*Bonds*” means one or more, as applicable, of the Series 2020A Bonds and the Series 2020B Bonds.

“*Bond Fund*” means, collectively, the Full Faith and Credit Taxes Fund, the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, each as established or continued hereunder and as defined in Section 12 of this Ordinance.

“*Bond Moneys*” means the Pledged Revenues on deposit in the Target Area Business District Tax Allocation Fund or the Costco Area Business District 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, for a Series of Bonds.

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

“*Bond Registrar*” or “*Paying Agent*” means that financial institution, having trust powers, or a successor bank with trust powers or a trust company, duly authorized to do business as bond registrar and paying agent as herein required, and so identified in the Bond Order.

“*Bond Year*” means that twelve-calendar month period beginning on January 1 of any calendar year and ending on December 31 of that calendar year.

“*Book Entry Form*” means the issuance of the Bonds in the form of a separate single fully registered Bond for each maturity.

“*Business Districts*” means, collectively, the Target Area Business District and the Costco Area Business District.

“*Business District Plans*” means, collectively, the Target Area Business District Plan and the Costco Area Business District Plan, each previously approved by the Corporate Authorities in order to assure the redevelopment of the Business Districts, all as provided in the Business District Act.

“*Business District Taxes*” means, collectively, the Target Area Business District Taxes and the Costco Area Business District Taxes.

“*Business Districts Accounting*” is defined in Section 12.C. hereof.

“*City Clerk*” means the City Clerk of City.

“*City Treasurer*” means the City Treasurer of City.

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

“*Costco Area Business District*” means that business district heretofore designated by the Corporate Authorities pursuant to Ordinance Number 4024, adopted on the 6th day of March, 2012.

“*Costco Area Business District Tax Allocation Fund*” means the Costco Area Business District Tax Allocation Fund of the City, which is a tax allocation fund for the Costco Area Business District established pursuant to the Business District Act and created by Ordinance Number 4025, adopted by the Corporate Authorities on the 6th day of March, 2012, as continued and further described by this Ordinance.

“*Costco Area Business District Taxes*” means the one-half of one percent (0.50%) retailers’ occupation and service occupation taxes imposed by the City pursuant to 65 ILCS 5/11-74.3-6 within the Costco Area Business District, if, as and when received.

“*County Clerk*” means the County Clerk of The County of Tazewell, 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 Mayor, Clerk, Treasurer or Administrator of the City, or successors or assigns, or any of them acting together.

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

“*Extraordinary Mandatory Redemption Account*” is defined in Section 12.C. hereof.

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

“*Independent*” when used with respect to any specified person means such person who is in fact independent and is not connected with the City as an officer, employee, underwriter, or person performing a similar function. Whenever it is herein provided that the opinion or report of any Independent person shall be furnished, such person shall be appointed by the City, and such opinion or report shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“*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.

“*Junior Lien Bonds*” means any obligations of the City hereafter issued and payable from Pledged Revenues, or any portion thereof, on a junior lien basis.

“*Maximum Annual Debt Service*” means an amount equal to the highest aggregate Principal Requirement and Interest Requirement for any Series of Bonds in any Bond Year, including and subsequent to the Bond Year in which the computation is made.

“*Mayor*” means the Mayor of the City.

“*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 City 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, for any Series of Bonds, the price paid by the Purchaser for that Series of Bonds, *provided*, that said price shall be not less than 98% of the aggregate par amount of that Series of 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 Morton Community Bank, Morton, Illinois.

“*Qualified Investments*” means any investment authorized under Illinois law for City 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, as to any Bonds, Prior Bonds or Additional Bonds, a Bond, Prior Bond or Additional Bond secured on a senior lien basis by all or a portion of the Pledged Revenues.

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

“*Series 2020A Bonds*” means Taxable General Obligation Refunding Bond (Target Area Business District Tax Alternate Revenue Source), Series 2020A.

“*Series 2020B Bonds*” means Taxable General Obligation Refunding Bond (Costco Area Business District Tax Alternate Revenue Source), Series 2020B.

“*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.

“*Target Area Business District*” means that certain business district heretofore designated by the Corporate Authorities pursuant to Ordinance Number 4022, adopted on the 6th day of March, 2012.

“*Target Area Business District Tax Allocation Fund*” means the Target Area Business District Tax Allocation Fund of the City, which is a tax allocation fund for the Target Area Business District established pursuant to the Business District Act and created by Ordinance Number 4023, adopted by the Corporate Authorities on the 6th day of March, 2012, as continued and further described by this Ordinance.

“*Target Area Business District Taxes*” means the one percent (1.00%) retailers’ occupation and service occupation taxes imposed by the City pursuant to 65 ILCS 5/11-74.3-6 within Target Area Business District, if, as and when received.

“*Taxable*” means, with respect to the Bonds, the status of interest paid and received thereon as not excludable from the gross income of the owners thereof under the Code for federal income tax purposes. The Series 2020A Bonds and the Series 2020B Bonds shall be issued as Taxable Bonds.

“*Term Bonds*” means Bonds which are subject to mandatory redemption prior to maturity by operation of the Bond Fund, as hereinafter provided.

“2012 Infrastructure Project” means that certain additional public capital infrastructure improvements be constructed in the West Washington Street Redevelopment Project Area which would also assist in the redevelopment of the Target Area Business District and the Costco Area Business District, including, but not limited to, the extension of Altorfer Drive and the installation of certain levee and stormwater detention improvements, all in accordance with the Business District Act and as heretofore approved in the Business District Plans.

B. 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 hereby incorporate them into this Ordinance by this reference.

*Section 3. Determination to Issue Bonds.* It is necessary and in the best interests of the City for the City to undertake the Refunding to achieve debt service savings, and to issue the Bonds to enable the City to pay the costs thereof.

*Section 4. Determination of Public Purpose.* The Corporate Authorities hereby determine the Refunding to be a proper corporate and public purpose.

*Section 5. Bond Details.* For the purpose of providing for the payment of the costs of the Refunding, there shall be issued and sold the Series 2020A Bonds in the principal amount of not to exceed \$7,100,000 and the Series 2020B Bonds in the principal amount of not to exceed

\$2,820,000. The Bonds shall be Senior Lien Bonds and shall each be designated “Taxable General Obligation Refunding Bond (Target Area Business District Tax Alternate Revenue Source), Series 2020A,” or “Taxable General Obligation Refunding Bond (Costco Area Business District Tax Alternate Revenue Source), Series 2020B,” 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 later than September 15, 2020, 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, and shall mature serially (or as subject to mandatory redemption) on January 1 of the years (not later than 2032), in the amounts (not exceeding \$890,000 per year for the Series 2020A Bonds and not exceeding \$355,000 per year for the Series 2020B Bonds) and bearing interest at the rates percent per annum as shall be set forth in the Bond Order, *provided*, that no Bond shall bear interest at a rate percent per annum in excess of 5.00%.

The Bonds shall be issued as Taxable Bonds.

Each Bond shall bear interest 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 January 1 and July 1, commencing on July 1, 2020 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, or as otherwise agreed by the City and the Depository while the Bonds remain in Book-Entry Form as

hereinafter provided. 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 City with the manual or duly authorized facsimile signature of the Mayor and attested with the manual or duly authorized facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. 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 City 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. Redemption.* A. MANDATORY REDEMPTION. If so provided in a relevant Bond Order, any Bonds may be issued as Term Bonds and be subject to mandatory redemption

by operation of the respective Bond Fund on January 1 of the years and in the amounts as shall be provided in such Bond Order (provided that no Term Bond shall be mandatorily redeemed in an amount so as to reduce the principal amount of such Term Bond remaining outstanding to an amount which is less than \$100,000) at a redemption price of par plus accrued interest to the date fixed for redemption.

The City hereby covenants and agrees that it will redeem Term Bonds pursuant to the mandatory redemption required for such Term Bonds. Proper provision for mandatory redemption having been made, the City covenants that the Term Bonds so selected for redemption shall be payable as at maturity.

Unless otherwise stated in a relevant Bond Order, if the City purchases or redeems Term Bonds of any maturity from Bond Moneys and cancels the same as hereinafter described, then an amount equal to the principal amount of Term Bonds so purchased shall be deducted from the mandatory redemption requirement as provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of payment on the Term Bonds as due at maturity or subject to mandatory redemption in any year as the City shall at such time determine.

If the City purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year as the City shall at such time determine.

B. EXTRAORDINARY MANDATORY REDEMPTION. The Bonds shall subject to extraordinary mandatory redemption by operation of the respective Extraordinary Mandatory Redemption Accounts, at a price of par plus accrued interest without premium, commencing on the dates as shall be provided in a relevant Bond Order and upon the terms as follows: Subject to

the provisions of Section 12.C. of this Ordinance, whenever as of any Business Districts Accounting there is on deposit in an Extraordinary Mandatory Redemption Account an amount sufficient to provide for the extraordinary mandatory redemption of the Bonds in amounts not less than \$5,000 of outstanding principal amount, the City Treasurer shall direct the Bond Registrar to make provision for the redemption of the respective Bonds on such dates as shall be provided in the relevant Bond Order to the fullest extent practicable. Bonds shall be redeemed in the amount of not less than \$5,000 as aforesaid.

C. OPTIONAL REDEMPTION. If so provided in a relevant Bond Order, any Bonds shall be subject to redemption prior to maturity at the option of the City, from any available funds on any date. As may be provided in a Bond Order, any Bonds may be issued subject to optional redemption in whole or in part, and if in part, in such principal amounts and from such maturities as shall be determined by the City, and if less than an entire maturity, in any amount, in integral multiples of \$5,000, which will not reduce the outstanding principal amount of any Bond to an amount which is less than \$100,000, selected by lot by the Bond Registrar as hereinafter provided, at such redemption price as shall be set forth in the Bond Order, *provided*, that no Bond shall bear a redemption price in excess of 103% of the principal amount being redeemed, plus accrued interest to the date fixed for redemption.

*Section 8. Redemption Procedure.* The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

1. *Redemption Notice.* For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed to redeem the Term Bonds without any further order or direction from the City whatsoever. For an optional or extraordinary mandatory redemption, the City shall, at least 45 days prior to any optional or extraordinary mandatory 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 principal amount and maturities of Bonds to be redeemed.

2. *Selection of Bonds within a Maturity.* For purposes of any redemption of less than all of the Bonds of a single maturity of a Series, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such maturity and such Series by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$100,000 Bond or \$100,000 portion of a Bond shall be as likely to be called for redemption as any other such \$100,000 Bond or \$100,000 portion. The Bond Registrar shall make such selection (1) upon or prior to the time of the giving of official notice of redemption, or (2) in the event of a refunding or defeasance, upon advice from the City that certain Bonds have been refunded or defeased and are no longer Outstanding as defined.

3. *Official Notice of Redemption.* The Bond Registrar shall promptly notify the City 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 City by mailing the redemption notice by first class U.S. 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 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 of a Series 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 of such Series 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 office designated for that purpose of the Bond Registrar.

4. *Conditional Redemption.* Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar 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 City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

5. *Bonds Shall Become Due.* Official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, subject to the

stated condition in paragraph (D) immediately preceding, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City 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 Bond Registrar 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.

6. *Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver.* Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond of a Series, shall affect the sufficiency of such notice with respect to other registered owners of Bonds of that Series. 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. *In lieu of the foregoing official notice, so long as the Bonds are held in book entry form, notice may be given as provided in the Representation Letter, and the giving of such notice shall constitute a waiver by DTC and the book entry owner, as registered owner, of the foregoing notice. After giving proper notification of redemption to the Bond Registrar, as applicable, the City shall not be liable for any failure to give or defect in notice.*

7. *New Bond in Amount Not Redeemed.* 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 Series, and bearing the same rate of interest in the amount of the unpaid principal.

8. *Effect of Nonpayment upon Redemption.* If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall become due and payable on demand, as aforesaid, but, until paid or duly provided for, shall continue to bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

9. *Bonds to Be Cancelled; Payment to Identify Bonds.* All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the issue date and maturity date of the Bonds being redeemed with the proceeds of such check or other transfer.

10. *Additional Notice.* The City agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however,* that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the City (unless a separate agreement shall be made), (3) not be a condition precedent of a valid redemption or a part of the Bond

contract, and (4) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given.

11. *Bond Registrar to Advise City.* As part of its duties hereunder, the Bond Registrar shall prepare and forward to the City a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

*Section 9. Book-Entry System Authorized; Registration of Bonds; Owners.* A. BOOK-ENTRY SYSTEM AUTHORIZED. The Bonds shall be initially issued in Book-Entry Form. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register therefor in the name of CEDE & Co., or any successor thereto, as nominee of the Depository. All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository. Any Designated Officer is authorized to execute and deliver on behalf of the City a Representation Letter. Without limiting the generality of the authority given to such Designated Officer with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interest therein, (c) redemption notices or procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institutions for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting

the meaning of the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, CEDE & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, or any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository 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 principal of or interest on the Bonds.

No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of CEDE & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "CEDE & Co." in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the City determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the City, the Bond Registrar and the Depository evidenced by the Representation Letter shall be terminated for any reason, or (c) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify the Depository of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository. The City may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the

City, or such depository's agent or designee, and if the City does not select such alternate 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 hereof. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of CEDE & Co., as nominee of the Depository, 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 manner provided in the Representation Letter.

In the event that the Bonds ever become generally registrable, as aforesaid, the City Treasurer may, in his or her discretion at such time, designate a bank with trust powers or trust company, duly authorized to do business as a bond registrar, paying agent, or both, to act in one or both such capacities hereunder, in the event that the City Treasurer shall determine it to be advisable. Notice shall be given to the registered owners of any such designation in the same manner, as near as may be practicable, as for a notice of redemption of Bonds, and as if the date of such successor taking up its duties were the redemption date.

B. REGISTRATION OF BONDS; OWNERS. The City shall cause the Bond Register to be kept at the office maintained for the purpose by the Bond Registrar, which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Subject to limitations in the Bond legend set forth below, 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 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 City 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 from the close of business on the relevant Record Date or the giving of notice of redemption of Bonds to the opening of business on such interest payment date or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The execution by the City 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 of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such 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 the owner's 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 City 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.

Each Bond will bear the following legend, unless the City determines otherwise in compliance with applicable law:

BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN,  
THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933 [A “*QIB*”]) OR (B) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT [AN “*IAI*”]), AND

(2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS BOND EXCEPT (A) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A *QIB* PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A *QIB* OR (B) TO AN *IAI* AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

*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]

BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN,  
THE HOLDER:

(1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933 [A “QIB”]) OR (B) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT [AN “IAI”]), AND

(2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS BOND EXCEPT (A) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB OR (B) TO AN IAI AND, IN EACH CASE, IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF TAZEWELL  
CITY OF EAST PEORIA  
TAXABLE GENERAL OBLIGATION BOND  
(\_\_\_\_\_ ALTERNATE REVENUE SOURCE)  
SERIES 2020\_

See Reverse Side for  
Additional Provisions

Interest                      Maturity                      Dated  
Rate: \_\_\_%                  Date: January 1, 20\_\_                  Date: \_\_\_\_\_, 2020                  CUSIP 274407

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the City of East Peoria, Tazewell County, Illinois, a municipality and unit of local government and political subdivision of the State of

Illinois (the “City”), 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 January 1 and July 1 of each year, commencing on \_\_\_\_\_ 1, 20\_\_\_\_, 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 office maintained for the purpose by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, 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 City 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 City 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 City, 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 City 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 City 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 City of East Peoria, Tazewell County, Illinois, by its Council, has caused this Bond to be executed with the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

SPECIMEN  
\_\_\_\_\_  
Mayor, City of East Peoria  
Tazewell County, Illinois

ATTEST:

SPECIMEN  
\_\_\_\_\_  
City Clerk, City of East Peoria  
Tazewell County, 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 Taxable General Obligation Bonds (\_\_\_\_\_ Alternate Revenue Source), Series 2020\_, of the City of East Peoria, Tazewell County, Illinois.

\_\_\_\_\_,  
as bond registrar

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

[Form of Bond - Reverse Side]

**CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS**

**TAXABLE GENERAL OBLIGATION BOND**

(\_\_\_\_\_ **ALTERNATE REVENUE SOURCE**)

**SERIES 2020\_**

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 refunding certain outstanding alternate bonds of the City, as more fully described in the Ordinance as hereinbelow defined. The Bonds are issued pursuant to a bond ordinance introduced on the 3rd day of March, 2020, and passed by the Corporate Authorities on the 17th day of March, 2020, 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 Pledged Revenues (as defined in the Ordinance) and (ii) *ad valorem* taxes levied against all of the taxable property in the City without limitation as to rate or amount (the “*Full Faith and Credit Taxes*”) (together with the Pledged Revenue being, collectively, the “*Pledged Moneys*”), all in accordance with the provisions of the Applicable Law.

This Bond shall not constitute an indebtedness of the City 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 City for purposes of all statutory provisions or limitations until such time as an audit of the City 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 \_\_\_ Area Business District Taxes shall be deposited into the \_\_\_ Area Business District Tax Allocation Fund, which shall be used only and has been heretofore pledged for the purposes as set forth in the Reform 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 Prior Business District Bonds and/or 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 Prior Business District Bond or Additional Bonds. Junior Lien Bonds may be issued in the priority of lien as provided in the Ordinance.

The Bonds coming due on January 1, 20\_\_\_, are Term Bonds and are subject to mandatory redemption by operation of the Bond Fund at a redemption price of par plus accrued interest, without premium, on January 1 of the years and in the amounts as follows:

FOR THE 20\_\_ TERM BONDS

YEAR	AMOUNT (\$)
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The Bonds are also subject to extraordinary mandatory redemption on any date following a determination by the City that any Pledged Revenues are available therefor, as provided in the Ordinance.

The Bonds coming due on and after January 1, 20\_\_, are [also] subject to redemption prior to maturity, at the option of the City, from any available moneys, on January 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 City 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.

Subject to the legend on the face of this Bond, 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 City 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 City 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]

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

*Section 12. Target Area Business District Tax Allocation Fund - Accounts; Costco Area Business District Tax Allocation Fund - Accounts .* A. TARGET AREA BUSINESS DISTRICT TAX ALLOCATION FUND; COSTCO AREA BUSINESS DISTRICT TAX ALLOCATION FUND. There are hereby continued the heretofore created special funds of the City, to be held by the City except as hereinafter expressly provided, which funds shall be held separate and apart from all other funds and accounts of the City and shall be known as the “Target Area Business District Tax Allocation Fund” and the “Costco Area Business District Tax Allocation Fund” (together, the “*Business District Tax Allocation Funds*”). All of the Target Area Business District Taxes and the Costco Area Business District Taxes shall be set aside as collected and be remitted by the City Treasurer for deposit in the respective Business District Tax Allocation Fund, each of which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance and the Business District Act. Each Series 2020A Bond is secured, on a senior lien basis, by a pledge of all of the moneys on deposit in the Target Area Business District Tax Allocation Fund, and such pledge is irrevocable until the obligations of the City are discharged under this Ordinance. Each Series 2020B Bond is secured, on a senior lien basis, by a pledge of all of the moneys on deposit in the Costco Area Business District Tax Allocation Fund, and such pledge is irrevocable until the obligations of the City are discharged under this Ordinance.

As provided in the Business District Act the Business District Taxes are to be paid to the City Treasurer by the Department of Revenue of the State. Whenever the City Treasurer receives any of the Target Area Business District Taxes or the Costco Area Business District Taxes, he or she shall promptly remit the same for deposit into the separate accounts hereby created within each Business District Tax Allocation Fund and to be known as the “*Principal and Interest Account*” and the “*Extraordinary Mandatory Redemption Account.*” As moneys are

deposited into the Target Area Business District Tax Allocation Fund or the Costco Area Business District Tax Allocation Fund, respectively, without any further official action or direction, the City Treasurer shall credit to and deposit the same as follows:

(i) *The Principal and Interest Accounts.* The City Treasurer shall first credit to and immediately transfer into the respective Principal and Interest Account all of the respective Target Area Business District Taxes and the Costco Area Business District Taxes, and, except as hereinafter provided, moneys to the credit of the respective 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 Series 2012C Bonds and Series 2020A Bonds (together, the “*Target Area Bonds*”) or the Outstanding Series 2012D Bonds and Series 2020B Bonds (together, the “*Costco Area Bonds*”), respectively, and any Additional Bonds as the same become due.

Not later than each November 15, commencing November 15, 2020, the City Treasurer shall conduct an accounting (a “*Business Districts Accounting*”) to determine the balance of the respective Target Area Business District Taxes and the Costco Area Business District Taxes on deposit in and to the credit of each respective Principal and Interest Account.

Each Business Districts Accounting shall determine for the Target Area Bonds or the Costco Area Bonds, respectively, the respective Principal Requirement and the respective Interest Requirement for the next Bond Year. If, upon any Business Districts Accounting, there are funds on deposit in and to the credit of a respective Principal and Interest Account in excess of such respective Principal Requirement and such respective Interest Requirement, such funds shall be transferred by the City Treasurer to the respective Extraordinary Mandatory Redemption Account as hereinbelow provided.

(ii) *The Extraordinary Mandatory Redemption Accounts.* The City Treasurer shall next credit to and shall immediately transfer for deposit into the Target Area Bonds Extraordinary Mandatory Redemption Account or the Costco Area Bonds Extraordinary Mandatory Redemption Account, respectively, the remaining Target Area Business District Taxes or Costco Area Business District Taxes, respectively, such moneys to be held by the City Treasurer and used to provide for extraordinary mandatory redemption of the Target Area Bonds or the Costco Area Bonds, respectively, as determined by the City Treasurer. Incidental to each Business Districts Accounting the City Treasurer shall determine the amount of Target Area Business District Taxes, if any, or of Costco Area Business District Taxes, if any, available to provide for such extraordinary mandatory redemption of the Target Area Bonds or the Costco Area Bonds, respectively, and, without further official action by or direction from the Corporate Authorities shall so provide for such extraordinary mandatory redemption of such Target Area Bonds or such the Costco Area Bonds, respectively

It is hereby expressly provided that whenever no Target Area Bonds (or bonds issued to refund Target Area Bonds) or Additional Bonds shall remain outstanding, any remaining Target Area Business District Taxes shall be used to provide for the extraordinary mandatory redemption of that portion of the Series 2012D Bonds issued to pay costs of the 2012 Infrastructure Project.

It is further hereby expressly provided that whenever no Costco Area Bonds (or bonds issued to refund Costco Area Bonds) or Additional Bonds shall remain outstanding, any remaining Costco Area Business District Taxes shall be used to provide for the extraordinary mandatory redemption of that portion of the Series 2012C Bonds issued to pay costs of the 2012 Infrastructure Project.

B. INVESTMENTS. Except as otherwise expressly provided, moneys to the credit of the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund may be invested by the City 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 State statute or court decision. Such investments may be sold from time to time by the City Treasurer as funds may be needed.

All earnings or profit on any funds so invested in the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund shall be retained therein.

C. ACCOUNT EXCESSES. Any amounts to the credit of the Accounts of the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund in excess of the Interest Requirement and the Principal Requirement for the respective Series of Bonds shall be used solely and only as permitted under this Ordinance as permissible under Applicable Law.

*Section 13. 2020 Alternate Bond Full Faith and Credit Taxes Fund.* There is hereby created a special fund of the City, which fund shall be held by the City separate and apart from all other funds and accounts of the City and be known as the “Alternate Bond Fund” (the “*2020 Alternate Bonds Full Faith and Credit Taxes Fund*”). The purpose of the 2020 Alternate Bond

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 respective Series of Bonds. All payments made with respect to the respective Series of Bonds from the respective Pledged Revenues shall be made by the City directly from the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, as appropriate. All Full Faith and Credit Taxes shall be deposited to the credit of the respective accounts, hereby created for each Series of Bonds, of the 2020 Alternate Bonds Full Faith and Credit Taxes Fund. The 2020 Alternate Bonds 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 City by this Ordinance.

Full Faith and Credit Taxes on deposit to the credit of the respective accounts of the 2020 Alternate Bond Full Faith and Credit Taxes Fund shall be fully spent to pay the principal of and interest on the respective Series of Bonds prior to use of any moneys on deposit in the the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, respectively.

*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 any Series of the Bonds, and as provided in Section 15 of the Reform Act, there is hereby levied upon all of the taxable property within the City, 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, and there be and there hereby is levied upon all of the taxable property in the City 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 Clerk.* After this Ordinance becomes effective, a copy hereof, certified by the City Clerk, together with an executed copy of each Bond Order, shall be filed with the County Clerk. The County Clerk 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 Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and in said years the Full Faith and Credit Taxes shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes of the City 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 Clerk 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 City Treasurer shall determine (i) the respective amounts on deposit in and to the credit of the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund and available to pay the respective

Principal Requirements and the respective Interest Requirements for each Series of Bonds 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 Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, by proper proceedings of the Corporate Authorities. The City Treasurer shall set forth the respective aggregate amounts of funds which are or are expected to be on deposit in the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, and which are or are expected to be available for the purpose of abating the respective Full Faith and Credit Taxes to be extended during that Tax Year. By proper proceedings the Corporate Authorities shall direct the abatement of the respective Full Faith and Credit Taxes for that Tax Year by the respective amounts which are or are expected to be deposit in the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund, as evidenced by such determination. The City hereby expressly covenants and agrees that (i) Target Area Business District Taxes will be used to abate only those Full Faith and Credit Taxes levied to pay the Series 2020A Bonds until such time as no Series 2020A Bonds (or bonds issued to refund Series 2020A Bonds) or Additional Bonds shall remain outstanding and thereafter shall be used to abate only those Full Faith and Credit Taxes levied to pay that portion of the Series 2020B Bonds (or bonds issued to refund the Series 2020B Bonds) or Additional Bonds issued to pay costs of the 2012 Infrastructure Project, and (ii) Costco Area Business District Taxes will be used to abate only those Full Faith and Credit Taxes levied to pay the Series 2020B Bonds until such time as no Series 2020B Bonds (or bonds issued to refund Series 2020B Bonds) or Additional Bonds shall remain outstanding and thereafter shall be used to abate only those Full Faith and Credit Taxes levied to pay that portion of the

Series 2020A Bonds (or bonds issued to refund the Series 2020A Bonds ) or Additional Bonds issued to pay costs of the 2012 Infrastructure Project.

*Section 17. General Covenants; Specific Pledges of Pledged Revenues.* The City covenants and agrees with the registered owners of the Bonds, so long as any Bonds remain Outstanding, as follows:

A. The City pledges the Pledged Revenues to the payment of the Bonds as follows:

(i) Target Area Business District Taxes to the Target Area Bonds and, on and after such date as no Target Area Bonds (or bonds issued to refund Target Area Bonds) or Additional Bonds shall remain outstanding, to that portion of the Series 2012D Bonds issued to pay costs of the 2012 Infrastructure Project; and

(ii) Costco Area Business District Taxes to the Costco Area Bonds, and, on and after such date as no Costco Area Bonds (or bonds issued to refund Costco Area Bonds) or Additional Bonds shall remain outstanding, to that portion of the Series 2012C Bonds issued to pay costs of the 2012 Infrastructure Project.

The Corporate Authorities covenant and agree to provide for, collect and apply Pledged Revenues to the payment of the respective Series of 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 City will punctually pay or cause to be paid from the 2020 Alternate Bonds Full Faith and Credit Taxes Fund, the Target Area Business District Tax Allocation Fund and the Costco Area Business District Tax Allocation Fund (being, collectively, the “*Bond Fund*”), the principal of and interest on the respective Series of Bonds as hereinabove provided and in strict conformity with the terms of the respective

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

C. The City 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 City to make any such payment so long as the City in good faith shall contest the validity of said claims.

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

E. The City 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 City, the Bonds shall be incontestable by the City.

F. The City 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 City will continue to deposit and apply the Pledged Revenues and, if applicable, the Full Faith and Credit Taxes as provided herein. The City covenants and agrees with the purchasers of the Bonds and

with the registered owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy the Full Faith and Credit Taxes and to collect and to segregate the Pledged Moneys. The City 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 City, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to from the respective 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 City 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. Additional Bonds.* The City 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 respective Pledged Revenues with the respective Series of 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 19. Defeasance.* The Bonds may be discharged, payment provided for, and the City's liability terminated as follows:

(a) *Discharge of Indebtedness.* If (i) the City 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 City 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 City 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 City 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 City may at any time surrender to the Bond Registrar for cancellation by it any Bonds previously authenticated and delivered hereunder, which the City 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 City'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 City 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 20. Sale of the Bonds.* Any two or more of the Designated Officers are hereby authorized to sell all or any portion of the Bonds to the Purchaser on such terms as they may deem to be in the best interests of the City, *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 such sale, the Designated Officers shall file in the office of the City 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 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.

Any Designated Officer and such other officers of the City 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 City and the Purchaser (the "*Purchase Contract*"), which form shall be acceptable to the Designated Officers and as customarily entered into by the City; 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. Prior to the execution

and delivery of the Purchase Contract, the Designated Officers shall find and determine that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

In the Bond Order, the Designated Officers shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by Applicable Law and that the net present value debt service savings to the City as a result of the issuance of the Bonds and the refunding of the Refunded Bonds is not less than 3.00% of the principal amount of the Refunded Bonds.

The preparation, use and distribution of a term sheet relating to the sale of the Bonds (in substantially the form now before the Council) is hereby ratified and approved.

*Section 21. 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, if any, in the amount and for the period as specified in a Bond Order, shall be credited to such fund or account as may be provided in a Bond Order and be applied to pay first interest due on the respective Series of 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 the 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 City, without further action of the Corporate Authorities. Any excess in said fund shall be deposited into the Bond Fund.

C. The amount necessary from the proceeds of the Bonds, together with such money in the bond funds for the Refunded Bonds as may be advisable for the purpose, shall be deposited with Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent for the Prior Bonds (the “*Prior Paying Agent*”), to provide for the Refunding of the Refunded Bonds. Subject only to the delivery of the Bonds and the necessary deposit with the Prior Paying Agent, such of the Refunded Bonds as are identified in the Bond Order as the Refunded Bonds are hereby determined to be Refunded Bonds and are called for redemption at their earliest possible call dates set forth in the Bond Order, and with the appropriate notice to be given as set forth authorizing the bond ordinance for the Refunded Bonds.

*Section 22. Bond Registrar Covenants.* If requested by the Bond Registrar, the Designated Officers are authorized to execute a Bond Registrar's agreement by and between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder. Such duties shall 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 City upon request, but otherwise to keep such list confidential to the extent permitted by law;
- (c) to give notice, if any, of redemption of Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

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

The City Clerk is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

The City covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees as follows:

A. The City shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry.

B. The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the City that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the City and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Bonds.

C. The City may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of

the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the City covenants and agrees that it will thereupon appoint a successor Bond Registrar. The City shall give notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment in the same manner, or as nearly the same as may be practicable, as for a redemption of Bonds. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association maintaining its principal corporate trust office in Illinois, and having capital and surplus and undivided profits in excess of \$50,000,000.

*Section 23. This Ordinance a Contract.* The provisions of this Ordinance shall constitute a contract between the City 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 24. Supplemental Ordinances.* The rights and obligations of the City 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 City); *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 City 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 City 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 25. 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 26. 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.

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*Section 27. Publication; Effective Date.* This ordinance shall be published once within ten days of adoption in pamphlet form and shall be effective immediately upon its passage and approval.

INTRODUCED by the Corporate Authorities on March 3, 2020.

PASSED by the Corporate Authorities on March \_\_\_\_, 2020.

APPROVED: March \_\_\_\_, 2020.

\_\_\_\_\_  
Mayor

AYES: \_\_\_\_\_

\_\_\_\_\_

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

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

RECORDED in the City Records on March \_\_\_\_, 2020.

Published in pamphlet form by authority of the Corporate Authorities on March \_\_\_\_, 2020, at \_\_\_\_:\_\_\_\_ P.M.

ATTEST:

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

[SEAL]

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF TAZEWELL        )

**CERTIFICATION OF INTRODUCTION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of East Peoria, Tazewell County, Illinois (the “City”), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the City and of the Council thereof (the “Corporate Authorities”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legally convened meeting of the Corporate Authorities held on the 3rd day of March, 2020, insofar as same relates to the introduction of Ordinance Number \_\_\_\_\_ entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$7,100,000 Taxable General Obligation Refunding Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2020A, and \$2,820,000 Taxable General Obligation Refunding Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2020B, of the City of East Peoria, Tazewell County, Illinois, for the purpose of refunding certain outstanding alternate revenue bonds of said City, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said City and authorizing the sale of said bonds to Morton Community Bank.

a true, correct and complete copy of which said ordinance as introduced at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the introduction of said ordinance were taken openly; that the vote on the introduction of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice of said meeting was duly given to all of the news media requesting such notice; that notice of the meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting; that said agenda remained continuously posted until the adjournment of said meeting; that said agenda described or made specific reference to the introduction of said ordinance; that a true, correct and complete copy of said agenda as so posted is attached hereto; that said meeting was called and held in strict accordance with the provisions of the Illinois Municipal Code and the Open Meetings Act of the State of Illinois, as amended; and that the Corporate Authorities have complied with all of the applicable provisions of said laws and its own procedural rules in the introduction of said ordinance.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the City this 3rd day of March, 2020.

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City Clerk, City of East Peoria,  
Tazewell County, Illinois

[SEAL]

**City Clerk to Attach Agenda**

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF TAZEWELL        )

**CERTIFICATION OF ADOPTION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of East Peoria, Tazewell County, Illinois (the “City”), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the City and of the Council thereof (the “Corporate Authorities”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legally convened meeting of the Corporate Authorities held on the 17th day of March, 2020, insofar as same relates to the adoption of Ordinance Number \_\_\_\_\_ entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$7,100,000 Taxable General Obligation Refunding Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2020A, and \$2,820,000 Taxable General Obligation Refunding Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2020B, of the City of East Peoria, Tazewell County, Illinois, for the purpose of refunding certain outstanding alternate revenue bonds of said City, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said City and authorizing the sale of said bonds to Morton Community Bank.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the introduction of said ordinance were taken openly; that the vote on the introduction of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice of said meeting was duly given to all of the news media requesting such notice; that notice of the meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting; that said agenda remained continuously posted until the adjournment of said meeting; that said agenda described or made specific reference to the introduction of said ordinance; that a true, correct and complete copy of said agenda as so posted is attached hereto; that said meeting was called and held in strict accordance with the provisions of the Illinois Municipal Code and the Open Meetings Act of the State of Illinois, as amended; and that the Corporate Authorities have complied with all of the applicable provisions of said laws and its own procedural rules in the introduction of said ordinance.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the City this 17th day of March, 2020.

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City Clerk, City of East Peoria, Tazewell  
County, Illinois

[SEAL] **City Clerk to Attach Agenda**

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF TAZEWELL        )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Tazewell, Illinois (the “*County*”), and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2020, there was filed in my office a duly certified copy of an ordinance numbered \_\_\_\_\_ and entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$7,100,000 Taxable General Obligation Refunding Bonds (Target Area Business District Tax Alternate Revenue Source), Series 2020A, and \$2,820,000 Taxable General Obligation Refunding Bonds (Costco Area Business District Tax Alternate Revenue Source), Series 2020B, of the City of East Peoria, Tazewell County, Illinois, for the purpose of refunding certain outstanding alternate revenue bonds of said City, authorizing the execution of a bond order in connection therewith, pledging certain revenues of said City and authorizing the sale of said bonds to Morton Community Bank.

passed by the Council of the City of East Peoria, Tazewell County, Illinois, on the 17th day of March, 2020, and approved by the Mayor of said City; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the County this \_\_\_\_ day of \_\_\_\_\_, 2020.

---

County Clerk of The County of  
Tazewell, Illinois

[SEAL]