

ORDINANCE NO. 2017-O-26

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$4,000,000 GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2017A OF THE VILLAGE OF WILLOW SPRINGS, COOK COUNTY, ILLINOIS, AND FOR THE LEVY OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS

WHEREAS, the Village of Willow Springs, Cook County, Illinois (the "Village"), is a duly organized and existing Village created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, 65 ILCS 5/1-1-1, *et seq.*, the Omnibus Bond Acts (5 ILCS 70/8), and the Local Government Debt Reform Act (30 ILCS 350/1, *et seq.*), and all laws amendatory thereof and supplementary thereto (collectively, the "Act"); and

WHEREAS, the Village, pursuant to Ordinance No. 29-O-2004 passed December 9, 2004 (the "Series 2004B Bond Ordinance"), has previously issued its \$2,585,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2004B (the "Series 2004B Bonds") of which the following maturities are outstanding:

MATURITY DATE	PRINCIPAL AMOUNT
12/15/2017	\$ 275,000
12/15/2018	\$ 290,000
12/15/2019	\$ 335,000

WHEREAS, the Village, pursuant to Ordinance No. 25-O-2006 passed June 29, 2006 (the "Series 2006 Bond Ordinance"), has previously issued its \$5,000,000 General Obligation Bonds (Alternate Revenue Source), Series 2006 (the "Series 2006 Bonds") of which the following maturities are outstanding:

MATURITY DATE	PRINCIPAL AMOUNT
12/15/2017	\$ 325,000
12/15/2018	\$ 345,000
12/15/2019	\$ 400,000
12/15/2020	\$ 420,000
12/15/2021	\$ 445,000
12/15/2022	\$ 510,000
12/15/2023	\$ 535,000
12/15/2024	\$ 565,000

WHEREAS, the Village President and Board of Trustees (the “Board”) has determined that it is advisable, necessary and in the best interests of the Village that the December 15, 2017 through the December 15, 2019 maturities of the Series 2004B Bonds and the December 15, 2017 through the December 15, 2024 maturities of the Series 2006 Bonds (the “Refunded Bonds”) shall be currently refunded in order to effect an interest rate savings thereon (the “Refunding”); and

WHEREAS, the Series 2004B Bonds are, by their terms, subject to redemption on any date on or after December 15, 2014, and the Series 2006 Bonds are, by their terms, subject to redemption on any date on or after December 15, 2016; and the Board has received reports which indicate that a refunding of the Series 2004B Bonds and the Series 2006 Bonds will effect a savings and benefit to the Village; and

WHEREAS, pursuant to the provisions of the Local Government Debt Reform Act, 30 ILCS 350/1, *et seq.* (the “Debt Reform Act”), obligations which are “alternate bonds” (as defined in the Debt Reform Act) may be issued to refund or advance refund previously issued and outstanding alternate bonds without meeting any of the conditions set forth in Section 15 of the Debt Reform Act (such section authorizing and providing for the issuance of alternate bonds), provided that the term of the refunding bonds shall not be longer than the term of the refunded bonds and that the debt service payable in any year on the refunding bonds shall not exceed the debt service payable in such year on the refunded bonds; and

WHEREAS, the Series 2004B Bonds and the Series 2006 Bonds have been properly authorized and issued pursuant to Section 15 of the Debt Reform Act; and

WHEREAS, the term of the Bonds shall not be longer than the term of the Refunded Bonds; and

WHEREAS, the debt service payable in any year on the Bonds shall not exceed the debt service payable in such year on the Refunded Bonds; and

WHEREAS, the Bonds may be issued pursuant to the provisions of the Debt Reform Act, and shall be payable from certain Limited Incremental Property Taxes in the Willow Springs Village Center Redevelopment Project Area including amounts on deposit in and to the credit of the Municipal Account of the Special Tax Allocation Fund (the “Pledged Revenues”); and if such revenue source shall be insufficient to pay the Bonds, then payable from the levy and collection of real property taxes upon all taxable property in the Village without limitation as to rate or amount (the “2017A Full Faith and Credit Taxes”); and

WHEREAS, the Board hereby determine that the amount of bonds required to be issued to effectuate the Refunding is \$4,000,000 (being the “2017A Alternate Bonds”); and

WHEREAS, it is necessary and for the best interests of the Village that the Refunding be undertaken, and in order to raise the funds required for such purpose, it will be necessary for the Village to borrow an amount of \$4,000,000 and in evidence thereof to issue Alternate Bonds, being general obligation bonds, all as provided by the Debt Reform Act, in an aggregate principal amount of \$4,000,000; and

WHEREAS, there are now also outstanding General Obligation Refunding Bonds (Alternate Revenue Source), Series 2009B and General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012B (collectively, the "Prior Alternate Bonds"); and

WHEREAS, pursuant to the proceedings authorizing the issuance of the Prior Alternate Bonds the Board expressly reserved the right to issue Additional Bonds from time to time payable from the hereinafter defined Limited Incremental Property Taxes, any such Additional Bonds to share ratably and equally in the Limited Incremental Property Taxes with the Prior Alternate Bonds, upon compliance with the provisions of the Debt Reform Act as the Debt Reform Act is written at the time the Prior Alternate Bonds were issued; and

WHEREAS, the Board have heretofore and it hereby is determined that the provisions of the Debt Reform Act as the Debt Reform Act was written at the time the Prior Alternate Bonds were issued can now be met and the Village is now authorized to issue such additional bonds and is further authorized to leave such Prior Alternate Bonds outstanding as shall be deemed desirable, and such Prior Alternate Bonds and the 2017A Alternate Bonds shall be ratably and equally secured by the hereinafter defined Limited Incremental Property Taxes; and

WHEREAS, the 2017A Alternate Bonds to be issued will be payable from: (i) ratably and equally with the Prior Alternate Bonds, the Limited Incremental Property Taxes; and (ii) the 2017A Full Faith and Credit Taxes; and

WHEREAS, the Board hereby expressly recite that the 2017A Alternate Bonds proposed to be issued are issued in part pursuant to the Debt Reform Act and that such recital shall be conclusive as against the Village, the Board and any other person as to the validity of the 2017A Alternate Bonds proposed to be issued and as to their compliance with the Debt Reform Act; and

WHEREAS, the Board have heretofore, and it hereby expressly is, determined that the Bond Issue Notification Act, as amended, does not require any public hearing for the issuance of refunding bonds; and

WHEREAS, in the exercise of its intergovernmental cooperation authority and power as provided in the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation

Act, as amended, and as supplemented by the TIF Act, the Village has heretofore entered into that certain Intergovernmental Tax Increment Financing Agreement, dated as of March 11, 1999, with certain taxing Districts (the “School Districts”) affected by the Plan and Project (as amended, the “Intergovernmental Agreement”); and

WHEREAS, pursuant to the Intergovernmental Agreement the Board have heretofore, and it is expressly hereby, determined that it is advisable and necessary that the Village assist said taxing Districts and that accordingly, the Village shall make certain payments thereto as therein provided; and

NOW, THEREFORE, Be It Ordained by the Village President and Board of Trustees of the Village of Willow Springs, Cook County, Illinois, as follows:

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

“Accounting” means the annual accounting so defined in Section 12 of this Ordinance.

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

“Additional Bonds” means any bonds or obligations issued in the future on a parity with and sharing ratably and equally in the Limited Incremental Property Taxes with the Prior Alternate Bonds and the Bonds and which are senior to the Junior Lien Bonds and the Second Subordinated Lien Bonds as to the lien thereof on the Limited Incremental Property Taxes.

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

“Applicable Law” means, collectively, the Municipal Code, including, specifically, the TIF Act and the Debt Reform Act.

“Authorized Denominations” means \$5,000 and integral multiples of \$5,000.

“Board” means the Village President and Board of Trustees of the Village.

“Bond Counsel” means Louis F. Cainkar, Ltd., Chicago, Illinois.

“Bond Fund” means the Series 2017A Bond Fund created in Section 17 of this Ordinance.

“Bond Insurer” is defined in Section 54 of this Ordinance.

“Bond Moneys” means the Pledged Moneys and investment income thereon.

“Bond Order” means that certain bond order, to be executed by the Village President, and setting forth certain details of the Bonds as provided in this Ordinance and includes the levy of the 2017A Full Faith and Credit Taxes.

“Bond Purchase Agreement” is defined in Section 16 of this Ordinance.

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

“Bond Year” means that 12-calendar month period beginning on December 16 of any calendar year and ending on the subsequent December 15.

“Bonds” or *“Series 2017A Bonds”* means the not to exceed \$4,000,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017A, authorized to be issued by this Ordinance, including bonds issued in exchange for or upon transfer or replacement of bonds previously issued under this Ordinance.

“Book Entry Form” means the form of the Bonds as fully registered and available in physical form only to the Depository.

“Business Day” means any day other than a day on which banks in the City of Chicago are authorized or required to close.

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

“Commitment” means the commitment to issue a municipal bond insurance policy for the Bonds issued by a Bond Insurer.

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

“Debt Reform Act” is defined in the Preambles of this Ordinance.

“Defeasance Obligations” means: (a) direct and general full faith and credit obligations of the United States Treasury (“Directs”); (b) certificates of participation or trust receipts in trusts comprised wholly of Directs; or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury or the Federal Deposit Insurance Corporation.

“Defeased Bonds” means such bonds as are described and defined by such term in Section 20 of this Ordinance.

“Depository” means The Depository Trust Company or successor depository duly qualified to act as a securities depository and acceptable to the Village.

“Designated Officers” mean the following officers of the Village: Village President, Village Clerk, Village Treasurer, and Village Administrator.

“Expense Account” means the account in the Proceeds Fund established hereunder and further described by Section 18 of this Ordinance.

“Fiscal Year” means that twelve-calendar month period selected by the Board as the fiscal year for the Village.

“2017A Full Faith and Credit Taxes” is defined in the Preambles of this Ordinance.

“Global Book-Entry System” means the system for the initial issuance of the Bonds as described in Section 5.

“Government Securities” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of the United States of America and all securities or obligations, the prompt payment of principal and interest of which is guaranteed by a pledge of the full faith and credit of the United States of America.

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

“Independent” when used with respect to any specified person means such person who is in fact independent and is not connected with the Village 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 Village, 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, Prior Alternate Bonds, Additional Bonds, Junior Lien Bonds, or Second Subordinated Lien Bonds and for any Bond Year the aggregate

amount of interest on such Bonds, Additional Bonds, Junior Lien Bonds or Second Subordinated Lien Bonds having a Stated Maturity during such Bond Year.

“Intergovernmental Agreement” means that certain Intergovernmental Tax Increment Financing Agreement dated March 11, 1999, among the Village, School District Number 108, Cook County, Illinois, and Community High School District Number 217, Cook County, Illinois, as amended.

“Intergovernmental Share” means not more than 25% of the Incremental Property Taxes, adjusted as provided in the Intergovernmental Agreement.

“Junior Lien Bonds” means any obligations of the Village heretofore or hereafter issued and payable from Limited Incremental Property Taxes, if any, on deposit in the Junior Lien Principal and Interest Account and includes, specifically, any redevelopment notes issued pursuant to Section 3.1(b) of the Redevelopment Agreement.

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

“Limited Incremental Property Taxes” means not less than 75% of the Incremental Property Taxes, adjusted as provided in Section 17 in the Intergovernmental Agreement.

“Municipal Bond Insurance Policy” is defined in Section 54 of this Ordinance.

“Municipal Code” means the Illinois Municipal Code, as supplemented and amended.

“Ordinance” or *“Bond Ordinance”* means Ordinance No. 2017-O-26 passed September 14, 2017 by the Board of Trustees and approved by the Village President.

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

“Plan” means the comprehensive program of the Village for the redevelopment of the Project Area heretofore approved by the Board by an ordinance adopted on March 11, 1999, and together with any further amendments and supplements thereto.

“Pledged Moneys” means, collectively, the Pledged Revenues and the 2017A Full Faith and Credit Taxes as both are defined herein.

“Pledged Revenues” is defined in the Preambles of this Ordinance.

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

“Program Expenses” means the annual administrative costs of the Village, not to exceed \$100,000 in any one calendar year, related to the administration of the Plan, the Project, the Project Area, and the Project.

“Prior Alternate Bonds” is defined in the Preambles of this Ordinance.

“Prior Obligations” means the Village’s \$2,650,000 General Obligation Bonds (Alternate Revenue Source), Series 1999.

“Prior Project” means the facilities financed, directly or indirectly, with the proceeds of the Prior Alternate Bonds or financed, directly or indirectly, with the proceeds of the Prior Obligations which were refunded by the Prior Alternate Bonds.

“Proceeds Fund” means the Proceeds Fund created in Section 18 of this Ordinance.

“Project” means the redevelopment project heretofore approved by the Board pursuant to an ordinance, adopted on March 11, 1999, in furtherance of the objectives of the Plan.

“Project Area” means the Willow Springs Village Center Redevelopment Project Area.

“Purchase Price” means the price to be paid by the Purchaser for the Bonds.

“Purchaser” means George K. Baum & Company, Chicago, Illinois.

“Qualified Investments” means Government Securities and such other investments as are authorized for the Village under Illinois law.

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

“*Redevelopment Agreement*” means that certain agreement dated as of September 9, 1999, as supplemented and amended, by and between the Village and Heritage Renaissance Partners, L.L.C., an Illinois limited liability company,

“*Refunded Bonds*” is defined in the Preambles of this Ordinance.

“*Refunding*” is defined in the Preambles of this Ordinance.

“*Refunding Account*” means the account in the Proceeds Fund established hereunder and further described by Section 13 of this Ordinance.

“*Representations Letter*” means such agreement or agreements by and among the Village, the Bond Registrar, and the Depository as shall be necessary to effectuate a book-entry system for the Bonds, and includes the Blanket Letter of Representations executed by the Village and the Depository.

“*School Districts*” means the school districts which are parties to the Intergovernmental Agreement.

“*Second Subordinated Lien Bonds*” means any obligations of the Village hereafter issued and payable from Limited Incremental Property Taxes, if any, on deposit in the Second Subordinated Lien Principal and Interest Account and includes, specifically, any subordinate redevelopment notes issued pursuant to Section 3.1(e) of the Redevelopment Agreement.

“*Second Subordinated Lien Principal and Interest Account*” means the account so named and created in Section 12 of this Ordinance.

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

“*Special Tax Allocation Fund*” means the Special Tax Allocation Fund for the Willow Springs Village Center Redevelopment Project Area, heretofore established by the Village on March 11, 1999, and expressly continued hereunder.

“*Stated Maturity*” when used with respect to any Bond, Additional Bond, Junior Lien Bond or Second Subordinated Lien Bond or any interest thereon means the date specified in such Bond, Additional Bond, Junior Lien Bond, or Second Subordinated Lien Bond as the fixed date on which the principal of such Bond, Additional Bond, Junior Lien Bond, or Second Subordinated

Lien Bond or such interest is due and payable whether by maturity, mandatory redemption, or otherwise.

“Tax-exempt” means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

“Tax Year” means the year for which an ad valorem tax levy is made by any and all taxing districts or municipal corporations having the power to tax real property in the Project Area. The 2017 Tax Year shall be that year during which ad valorem taxes levied for the year 2017 (collectible in the year 2018) are extended and collected, and so on.

“Term Bonds” means Bonds subject to mandatory redemption by operation of the Bond Fund and designated as term bonds in the Bond Order.

“TIF Act” means the Tax Increment Allocation Redevelopment Act of the State of Illinois, as supplemented and amended (65 ILCS 5/11-74.4-1 *et seq.*).

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

“Trustee” means Amalgamated Bank of Chicago, Chicago, Illinois, having trust powers, or a successor bank with trust powers or a trust company, duly authorized to do business as a trustee, bond registrar and paying agent as herein required.

“Village” means the Village of Willow Springs, Cook County, Illinois.

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

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

Section 3. Authorization. It is necessary and in the best interests of the Village for the Village to undertake the Refunding in order to achieve a debt service savings, and to issue the Bonds to enable the Village to pay the costs thereof. The Board hereby determine the Refunding to be a proper corporate and public purpose as heretofore approved in the redevelopment plan and

project for the Project Area and further expressly hereby determine that the costs of the Refunding are “redevelopment project costs” as defined in the TIF Act.

Section 4. Bond Details. There shall be borrowed on the credit of and for and on behalf of the Village the aggregate sum not to exceed \$4,000,000 for the Refunding. The Bonds shall be in fully registered form, and shall be in Book Entry Form. The Bonds shall be dated as of a date (the “Dated Date”) no earlier than the date of passage of this Ordinance and no later than their initial date of issuance as shall be set forth in the Bond Order; each Bond shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. The Bonds shall become due or be subject to mandatory redemption (subject to right of prior redemption) on such date of each year as shall be designated as shall be set forth in the Bond Order. The Bonds shall be in Authorized Denominations, but no single such bond shall represent principal maturing on more than one date, and shall be numbered 1 and upwards. Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, commencing on a date within one year of the Dated Date, as shall be set forth in the Bond Order, and upon regular semiannual intervals thereafter, at the respective rates percent per annum provided, until the principal thereof shall be paid or duly provided for. So long as the Bonds are held in Book Entry Form, interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed in the Representations Letter; and if the Bonds are in physical form to registered owners other than the Depository, 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 applicable Record Date, and mailed to the address of such registered owner as it appears on the Bond Register or at such other address as may be furnished in writing to the Bond Registrar. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of the Bonds shall be payable upon presentation at the office designated for such purpose of the Bond Registrar.

Section 5. Global Book-Entry System. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds bearing the same rate of interest. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in such name as may be provided by the Depository (the “Book Entry Owner”) and, accordingly, in Book Entry Form as provided and defined herein. One of the Designated Officers is authorized to execute a Representations Letter or to utilize the provisions of an existing Representations Letter. Without limiting the generality of the authority given with respect to entering into a Representations Letter for the Bonds, it may contain provisions relating to: (i) payment procedures; (ii) transfers of the Bonds or of beneficial interests therein; (iii) redemption notices and procedures unique to the Depository; (iv) additional notices or communications; and (v) 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 the Book Entry Owner, neither the Village nor the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution 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, neither the Village nor the Bond Registrar shall have any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository, the Book Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds; (ii) 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 as expressly provided in the Representations Letter, of any notice with respect to the Bonds, including any notice of redemption; or (iii) 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. In the event that: (i) the Village determines that the Depository is incapable of discharging its responsibilities described herein or in the Representations Letter; (ii) the agreement among the Village and the Depository evidenced by the Representations Letter shall be terminated for any reason; or (iii) the Village determines that it is in the best interests of the Village or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds; the Village shall notify the Depository of the availability of Bond certificates, and such Bonds shall no longer be restricted to being registered in the Bond Register to the Book Entry Owner. The Village may determine at such time that such Bonds shall be registered in the name of and deposited with a successor depository operating a book entry only system, as may be acceptable to the Village, or such depository’s agent or designee, but if the Village does not select such successor depository, then such Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

Section 6. Execution; Authentication. The Bonds shall be signed by the manual or duly authorized facsimile signatures of the Village President and the Village Clerk and may have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond

shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Bond Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Redemption.

A. *Mandatory Redemption.* If so provided in the Bond Order, any Bonds may be issued as Term Bonds and be subject to mandatory redemption by operation of the Bond Fund, at a price of par, without premium, plus accrued interest to the date fixed for redemption, on such date of each year as may be provided in the Bond Order (the “Mandatory Redemption Date”) and in the amounts and subject to such provisions as shall be set forth in the Bond Order. Bonds subject to mandatory redemption shall be deemed to become due on the Mandatory Redemption Dates except for any remainder to be paid at maturity. The Village covenants that it will redeem any Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds and levy taxes accordingly.

The principal amount of Bonds to be mandatorily redeemed on the Mandatory Redemption Date may be reduced through the earlier optional redemption thereof. In addition, on or prior to the 60th day preceding the Mandatory Redemption Date, the Bond Registrar may, and if directed by the Village shall, purchase Bonds required to be retired on the Mandatory Redemption Date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on the Mandatory Redemption Date.

B. *Optional Redemption.* If so provided in the Bond Order, any Bonds may be subject to redemption prior to maturity at the option of the Village, in whole or in part on any date, at such times and at such optional redemption prices as may be provided in the Bond Order. If less than all of the Outstanding Bonds are to be optionally redeemed, the Bonds may be called in any order of their maturity as determined by the Village (less than all of the Bonds of a single maturity to be selected by the Bond Registrar).

C. *General Redemption Terms.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The Village shall, at least 30 days prior to any optional 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 maturity or maturities of Bonds to be redeemed. The Bonds subject to mandatory redemption shall be called by the Bond Registrar for redemption without any further action of the Village. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions thereof to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity 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 \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions thereof selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

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

A. *Mandatory Redemption Procedure.* For a mandatory redemption, the Bond Registrar and Paying Agent shall proceed to redeem Bonds without any further order or direction from the Village whatsoever.

B. *Optional Redemption Procedure.* Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class mail or e-mail at least 30 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 notices of redemption shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed;
- (4) 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;
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Paying Agent; and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall

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

Subject to the provisions for a conditional optional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions thereof 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. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

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

Section 9. Registration of Bonds; Persons Treated as Owners. The Village shall cause the Bond Register for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office designated for such purpose of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village is authorized to prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office designated for such purpose of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an

exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of Authorized Denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, the principal amount of Bonds and maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of the Bonds and maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or their legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 10. Form of Bond. The Bonds shall be in substantially the following form:

REGISTERED NO.

REGISTERED \$

UNITED STATES OF AMERICA, STATE OF ILLINOIS, COUNTY OF COOK

VILLAGE OF WILLOW SPRINGS

GENERAL OBLIGATION REFUNDING BONDS (ALTERNATE REVENUE SOURCE), SERIES 2017A

Interest Rate: %

Maturity Date:

Dated Date:

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS, that the Village of Willow Springs, Cook County, Illinois (the "Village"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Dated Date identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above on June 15 and December 15 each year, commencing December 15, 2017, until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may be and become applicable hereto. The Principal Amount of this Bond and premium, if any, hereon are payable in lawful money of the United States of America upon presentation at the principal office maintained for the purpose by Amalgamated Bank of Chicago, Chicago, Illinois, as trustee, bond registrar and paying agent (the "Trustee"). Payment of interest shall be made to the Registered Owner hereof, as shown on the registration books of the Village maintained by Trustee at the close of business on the Regular Record Date and shall be paid by check or draft of the Trustee, 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 Trustee, or as shall otherwise be agreed by the Village and the Depository. 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. Record Date means the first day of the month of any regular or other interest payment date occurring on the fifteenth day of that month and the fifteenth day preceding any interest payment date occasioned by the redemption of Bonds on other than the fifteenth day of a month.

The Bonds are payable (a) ratably and equally with certain heretofore issued and now outstanding General Obligation Refunding Bonds (Alternate Revenue Source), Series 2009B and the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012B (collectively, the "Prior Alternate Bonds") from certain Limited Incremental Property Taxes in the Willow Springs Village Center Redevelopment Project Area including amounts on deposit in and to the credit of the Municipal Account of the Special Tax Allocation Fund (the "Pledged Revenues"), and (b) from *ad valorem* taxes levied against all of the taxable property in the Village without limitation as to rate or amount (the "2017A Full Faith and Credit Taxes"), pledged hereunder by the Village as security for the Bonds (the Pledged Revenues and the 2017A Full Faith and Credit Taxes are collectively the "Pledged Moneys").

[Mandatory redemption and optional redemption provisions, as applicable, to be inserted here.]

[Notice of any optional redemption shall be sent by first class mail or e-mail not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the Village maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.]

This Bond is one of the Bonds issued by the Village to pay for the costs of the Refunding, all as authorized pursuant to the provisions of Illinois law, including, specifically, the Illinois Municipal Code, as amended; the Omnibus Bond Acts, as amended; the Local Government Debt Reform Act, as amended (collectively, the “Applicable Law”); and under Ordinance No. 2017-O-26, duly passed by the Board on September 14, 2017 authorizing the Bonds (the “Bond Ordinance”) as supplemented by a Bond Order executed by the Village President.

Under the Applicable Law and the Bond Ordinance, the Limited Incremental Property Taxes shall be deposited into the Municipal Account of the Special Tax Allocation Fund, which shall be used only and has been heretofore pledged for the purposes as set forth in the TIF Act, and in making all payments required to maintain the accounts established under the Bond Ordinance. Bonds may be issued in the future to share in the Limited Incremental Property Taxes on a parity as to lien with the Prior Alternate Bonds and the Bonds as provided in the Bond Ordinance and the Applicable Law. The 2017A Full Faith and Credit Taxes secure, solely and only, the Bonds, and are not pledged to and will not be available for payment of the Prior Alternate Bonds or any Additional Bonds. Junior Lien Bonds and Second Subordinated Lien Bonds may be issued in the priority of lien as provided in the Bond Ordinance.

Under the Applicable Law and the Bond Ordinance, available Limited Incremental Property Taxes shall be deposited to the credit of the Municipal Account of the Special Tax Allocation Fund and the 2017A Full Faith and Credit Taxes shall be deposited into and segregated in the separate 2017A Bond Fund, each as provided by the Bond Ordinance. Moneys on deposit in the Municipal Account of the Special Tax Allocation Fund and the 2017A Bond Fund shall be used and are pledged for paying: (first) the principal of and interest on the Bonds, the Prior Alternate Bonds and any Additional Bonds; (second) for paying the Program Expenses; (third) for paying the principal of and interest on any Junior Lien Bonds; (fourth) for paying the principal of and interest on any Second Subordinated Lien Bonds; and (last) for any further purposes, all in the priorities of lien and as provided by the terms of the Bond Ordinance.

The Bonds shall initially be issued in a Global Book-Entry System (as provided in the Bond Ordinance). The provisions of this Bond and of the Bond Ordinance are subject in all respects to the provisions of the Representations Letter between the Village and The Depository Trust Company, or any substitute agreement, affecting such Global Book-Entry System.

This Bond shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory provision or limitation, unless the 2017A Full Faith and Credit Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds shall have been paid from the Limited Incremental Property Taxes for a complete fiscal year.

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

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

It is hereby certified and recited that all acts, conditions, and things required to be done, precedent to and in the issuance of this Bond have been done and have happened and have been performed in regular and due form of law; that the indebtedness of the Village, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; that provision has been made for the collection of the Pledged Revenues, the levy and collection of the 2017A Full Faith and Credit Taxes, and the segregation of all Pledged Moneys to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity; and that the Village hereby covenants and agrees that it will properly account for said Pledged Moneys and will comply with all the covenants of and maintain the funds and accounts as provided by the Bond Ordinance.

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

IN WITNESS WHEREOF, the Village of Willow Springs, Cook County, Illinois, by its Board, has caused this Bond to be signed by the duly authorized manual or facsimile signatures of the Village President and the Village Clerk, all as appearing hereon and as of the Dated Date as identified above.

Village President

Village Clerk

Date of Authentication:

CERTIFICATE
OF
AUTHENTICATION

Trustee:

Amalgamated Bank of Chicago
Chicago, Illinois

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

By _____
Authorized Signatory

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Village or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

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

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

the within Bond and does hereby irrevocably constitute and appoint _____
as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature of Assignee

Signature guaranteed: _____

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

Section 11. Treatment of Bonds As Debt. The Bonds shall be payable from the Pledged Moneys and shall not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation, unless the 2017A Full Faith and Credit Taxes shall have been extended pursuant to the general obligation, full faith and credit promise supporting the Bonds, as set forth in this Ordinance, in which case the amount of the Bonds then Outstanding shall be included in the computation of indebtedness of the Village for purposes of all statutory provisions or limitations until such time as an audit of the Village shall show that the Bonds have been paid from the Limited Incremental Property Taxes for a complete Fiscal Year, in accordance with the Applicable Law.

Section 12. Special Tax Allocation Fund - Accounts. The Special Tax Allocation Fund is hereby continued as a special fund of the Village, to be held by the Trustee except as hereinafter expressly provided, which fund shall be held separate and apart from all other funds and accounts of the Village, as provided for in the bond ordinances for the Prior Alternate Bonds, subject to the provisions of this Section. The Special Tax Allocation Fund consists of the Municipal Account and the Intergovernmental Account which are hereby continued. Within the Municipal Account there is hereby continued the Gammonley Sub-Account of the Municipal Account, as created by the 2006 Bond Ordinance and corresponding Bond Order for the 2006 Bonds. The Junior Lien Principal and Interest Account is hereby continued. Within the Junior Lien Principal and Interest Account, there is hereby continued (as created by the 2006 Bond Ordinance and Bond Order), the Junior Lien Heritage Sub-Account and the Junior Lien Gammonley Sub-Account.

All of the Incremental Property Taxes shall be set aside as collected and be remitted for deposit in the Special Tax Allocation Fund, which is a trust fund heretofore established and hereby continued for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by this Ordinance. Any balances that the Village Treasurer currently has on deposit for the Intergovernmental Account, the Program Expenses Account and the General Account shall be transferred to the Trustee not later than 30 days after the date of close on the Bonds for the purpose of conducting the Accounting to be made on December 1, 2017.

As provided in the TIF Act the Incremental Property Taxes are to be paid to the Village Treasurer by the officers who collect or receive the Incremental Property Taxes. The Village Treasurer shall authorize such Incremental Property Taxes to be paid directly by the County Treasurer to the Trustee through electronic credit. Upon receipt of the Incremental Property Taxes, the Trustee shall credit to and deposit the same, without any further official action or direction, into the Special Tax Allocation Fund.

Not later than December 1 of each year, the Trustee shall conduct an accounting (an "Accounting") of the moneys on deposit in the Special Tax Allocation Fund and determine: (i) the

aggregate amount of Incremental Property Taxes deposited into the Special Tax Allocation Fund; (ii) of the aggregate amount of Incremental Property Taxes, the percentage of such aggregate Incremental Property Taxes deposited into the Special Tax Allocation Fund attributable to the Heritage Developer Property (the “Heritage Percentage”); and (iii) of the aggregate amount of Incremental Property Taxes, the percentage of such aggregate Incremental Property Taxes deposited into the Special Tax Allocation Fund attributable to the Gammonley Developer Property (the “Gammonley Percentage”). Each of the Heritage Percentage and the Gammonley Percentage shall be rounded to the nearest one hundredth of a percent so that the sum of the Heritage Percentage and the Gammonley Percentage equals 100%. The Village shall make every effort to have the County identify the Heritage Percentage and the Gammonley Percentage by virtue of separation of County tax codes for those parcels which constitute Heritage Developer Property and Gammonley Developer Property, respectively. After completing the Accounting, the Trustee shall deposit moneys held in the Special Tax Allocation Fund as follows:

A. *The Municipal Account.* Seventy-five percent (75.00%) of the Incremental Property Taxes shall be paid into the Municipal Account (said 75.00% being the “Limited Incremental Property Taxes”). Monies on deposit in the Municipal Account shall be used in the following order of priority:

(i) *The Principal and Interest Account.* First, all moneys paid into or transferred into the Municipal Account shall be credited to the Principal and Interest Account. Moneys in the Principal and Interest Account shall be used solely and only for the purpose of paying principal and/or interest and applicable premium on the Outstanding Bonds as the same become due at Stated Maturity or upon mandatory redemption. Not later than each December 1, commencing December 1, 2017, the Trustee shall conduct an Accounting to determine the balance of Incremental Property Taxes on deposit in and to the credit of the Principal and Interest Account including any Excess Amount (defined below) transferred from the Intergovernmental Account, if any, on such December 1. If, upon such Accounting, there are funds on deposit in and to the credit of the Principal and Interest Account in excess of the Principal Requirement and the Interest Requirement, such funds shall be divided and transferred by the Trustee as follows: (a) an amount equal to the Heritage Percentage of such excess funds shall be deposited into the Heritage Sub-Account of the Municipal Account; and (b) an amount equal to the Gammonley Percentage of such excess funds shall be deposited into the Gammonley Sub-Account of the Municipal Account.

(ii) *Heritage Sub-Account of the Municipal Account.* Moneys paid into or transferred into the Heritage Sub-Account of the Municipal Account shall be used in the following order of priority:

(a) The Trustee shall deposit the amount of \$75,000 into the Program Expenses Account as a payment of a portion of the Program Expenses payable to the Village.

(b) To the extent not previously paid, the Trustee shall then pay the amount of \$276,423.02 to the Village for reimbursement of previously incurred Redevelopment Project Costs as that term is defined in the TIF Act.

(c) The Trustee shall then transfer any balances to the Heritage Sub-Account of the Junior Lien Principal and Interest Account.

(iii) *Gammonley Sub-Account of the Municipal Account.* Moneys paid into or transferred into the Gammonley Sub-Account of the Municipal Account shall be used in the following order of priority:

(a) The Trustee shall deposit the amount of \$25,000 into the Program Expense Account as payment of a portion of the Program Expenses. Any amount of Program Expenses not paid by reason of insufficiency of funds shall be paid in subsequent years as funds become available.

(b) The Trustee shall then transfer any balance to the Gammonley Sub-Account of the Junior Lien Principal and Interest Account.

(iv) *The Program Expenses Account.* The Trustee shall next transfer to the Village Treasurer and the Village Treasurer shall credit to and immediately deposit into the Program Expenses Account Limited Incremental Property Taxes until the amount on deposit in and to the credit of the Program Expenses Account equals the sum of \$100,000 (said annual amount being the "Program Expense Requirement"), which amount is inclusive of and not in addition to the Program Expense Requirement set forth in the proceedings authorizing the issuance of the Prior Alternate Bonds. Amounts on deposit in and to the credit of the Program Expenses Account shall be used by the Village solely and only to pay the Program Expenses as permitted by the TIF Act. Whenever the annual amount so transferred for deposit in and credit to the Program Expenses Account shall equal the Program Expense Requirement, the Trustee shall next transfer to and deposit the balance of the Limited Incremental Property Taxes in the Junior Lien Principal and Interest Account as hereinbelow provided.

(v) *The Junior Lien Principal and Interest Account.* The Trustee shall next credit to and transfer into the Junior Lien Principal and Interest Account the balance of the Limited Incremental Property Taxes, and, except as hereinafter provided, moneys to the credit of the Junior Lien Principal and Interest Account shall be used solely and only for the

purpose of paying principal of and interest and applicable premium on the Junior Lien Bonds as the same become due at Stated Maturity or upon mandatory redemption.

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

The Junior Lien Principal and Interest Account shall consist of the Junior Lien Heritage Sub-Account and the Junior Lien Gammonley Sub-Account.

(a) *Junior Lien Heritage Sub-Account.* Moneys transferred into the Junior Lien Heritage Sub-Account shall be used on December 15 of each year by the Trustee to pay Interest on and for mandatory redemption of principal of the Junior Lien Bonds (Village Center Redevelopment Project Area), Series 2006 (the "Junior Lien Bonds") as provided in Ordinance No. 26-O-2006 in the following order of priority:

(1) For any period of time after December 15, 2011, payments shall be made as follows:

(A) Deferred Accrued Interest on the Series 2006A Junior Lien Bonds of the Village.

(B) Current Interest on the Series 2006A Junior Lien Bonds.

(C) Mandatory Redemption of Principal on the Series 2006A Junior Lien Bonds.

(D) Deferred Accrued Interest on the Series 2006B Junior Lien Bonds.

(E) Current Interest on the Series 2006B Junior Lien Bonds.

(F) Mandatory Redemption of Principal on the Series 2006B Junior Lien Bonds.

(2) For any period of time after payment in full of the Series 2006A Junior Lien Bonds and the Series 2006B Junior Lien Bonds, payments shall be made as follows:

(A) Deferred Accrued Interest on the Series 2006C Junior Lien Bonds.

(B) Current Interest on the Series 2006C Junior Lien Bonds.

(C) Mandatory Redemption of Principal on the Series 2006C Bonds.

(D) Deferred Accrued Interest on the Series 2006D Junior Lien Bonds.

(E) Current Interest on the Series 2006D Junior Lien Bonds.

(F) Mandatory Redemption of Principal on the Series 2006D Junior Lien Bonds.

(3) Any balance remaining in the Junior Lien Heritage Sub-Account of the Junior Lien Principal and Interest Account shall be transferred to the General Account.

(b) *Junior Lien Gammonley Sub-Account.* Moneys transferred into the Junior Lien Gammonley Sub-Account shall be in the following order of priority:

(1) On December 15 of each year, the Village, by a certificate signed by a Designated Officer, shall direct the Trustee to pay Interest on and provide for a mandatory redemption of principal to the fullest extent possible on the Gammonley Developer Note.

(2) Any balance remaining in the Junior Lien Gammonley Sub-Account of the Junior Lien Principal and Interest Account shall be transferred to the General Account.

(vi) *The Second Subordinate Lien Principal and Interest Account.* The Trustee shall next credit to and immediately transfer into the Second Subordinate Lien Principal and Interest Account the balance of the Limited Incremental Property Taxes, and, except as hereinafter provided, moneys to the credit of the Second Subordinate Lien Principal and Interest Account shall be used solely and only for the purpose of paying principal of and interest and applicable premium on the Second Subordinate Lien Bonds as the same become due at Stated Maturity or upon mandatory redemption.

If, upon any Accounting, there are funds on deposit in and to the credit of the Second Subordinate Lien Principal and Interest Account in excess of the Second

Subordinate Lien Principal Requirement and the Second Subordinate Lien Interest Requirement, such funds shall be transferred by the Trustee to the Village Treasurer for deposit into the General Account as hereinbelow provided.

(vii) *The General Account.* All moneys remaining in the Special Tax Allocation Fund, after crediting the required amounts to the Principal and Interest Account, the Program Expenses Account, the Junior Lien Principal and Interest Account and the Second Subordinated Lien Principal and Interest Account as hereinabove provided for, shall be held in the General Account. Moneys in the General Account shall be used only as authorized by written direction of a Designated Officer of the Village, and in accordance with the TIF Act and the Project. Pursuant to such direction, moneys on deposit in the General Account, may be credited by the Trustee to the Municipal Account of the Special Tax Allocation Fund in order to remedy any deficiencies in any prior accounts of the Municipal Account. Except as hereinbefore provided in this subsection (v), moneys on deposit in the General Account shall be used for one or more of the following purposes, without any priority among them:

- (i) for the purpose of paying any Project Costs; or
- (ii) for the purpose of redeeming Outstanding Bonds, Junior Lien Bonds or Second Subordinated Lien Bonds; or
- (iii) for the purpose of purchasing Outstanding Bonds, Junior Lien Bonds or Second Subordinated Lien Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or
- (iv) for the purpose of refunding, advance refunding or prepaying any Bond, Junior Lien Bond or Second Subordinated Lien Bond; or
- (v) for the purpose of creating such additional reserves as may be deemed necessary by the Board, it being the express intent of the Board to reserve unto the Village the right to establish such reserve or reserves in order to assure that the 2017A Full Faith and Credit Taxes may be abated in each Tax Year while any Bonds remain outstanding; or
- (vi) for the purpose of reimbursing the Village for any transfer of general corporate funds of the Village for purposes relating to the Plan, the Project, or the Refunding including but not limited to funds disbursed for the payment of redevelopment project costs incurred by the Village or advanced to abate the 2017A Full Faith and Credit Taxes and whether or not such reimbursement occurs in the relevant Tax Year for which such advance was made; or

(vii) for the purpose of distributing Incremental Property Taxes to the taxing Districts or municipal corporations having the power to tax real property in the Project Area or to the Village pursuant to any redevelopment agreement; or

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

(ix) for any other purpose related to the Plan, the Project or the Project Area pursuant to the TIF Act.

B. *The Intergovernmental Account.* Twenty-five percent (25.00%) of the Incremental Property Taxes shall be paid into the Intergovernmental Account, which shall be held by the Trustee. On November 1 of each year, the Village shall conduct an accounting (a “Village Accounting”) to determine the aggregate amount of Incremental Property Taxes: (i) required to be paid under Section 3; and (ii) as adjusted under the Intergovernmental Agreement, by determining the aggregate amount of Incremental Property Taxes attributable to residential units located within the Project Area in which reside students enrolled in the School Districts. On or prior to November 1 of each year, the Village Treasurer shall transmit to the Trustee, along with written instructions to pay, requests for payments from the School Districts in connection with amounts due to the School Districts. On the earlier of December 1 of each year, or 10 days after the receipt of the Village Accounting and request from the Village Treasurer, the Trustee shall make such payments, if any, to the School Districts. Any amount (the “Excess Amount”) remaining in the Intergovernmental Account after making the payments required to be made to the School Districts (as provided above) shall be transferred by the Trustee to the Municipal Account and such Excess Amount shall be included by the Trustee when conducting the Accounting to be conducted on such December 1.

Section 13. Covenants Pertaining to the Project Area The Village covenants and agrees with the holders of the Bonds that, so long as any Bonds remain Outstanding and unpaid:

A. The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Project and to the Incremental Property Taxes. Such books of record and accounts shall at all times during business hours be subject to the inspection of the holders of not less than 10% of the aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

B. The Village will timely prepare or cause the preparation of complete financial statements with respect to the preceding Fiscal Year showing the Incremental Property Taxes

received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the Project, including the balances in all funds and accounts relating to the Bonds and the Project as of the end of such Fiscal Year, all when and as required by the TIF Act, which statements shall be accompanied by a certificate or opinion in writing of an Independent certified public accountant. The Village will furnish a copy of such statements to any registered owner of 10% or more in aggregate principal amount of Outstanding Bonds, upon written request of such owner.

Section 14. Investments. The moneys on deposit in the Special Tax Allocation Fund and the various accounts therein may be invested from time to time in Qualified Investments. Any such investments may be sold from time to time as moneys may be needed for the purposes for which the Special Tax Allocation Fund and such accounts have been created. In addition, the Trustee shall sell such investments when necessary to remedy any deficiency in the Municipal Account of the Special Tax Allocation Fund and such accounts and shall (with or without direction from the Village) sell such investments when necessary to remedy any deficiency in the Intergovernmental Account of the Special tax Allocation Fund. All investment earnings shall be attributed to the fund or account for which the investment was made.

Section 15. Limited Incremental Property Taxes Pledged The Village hereby pledges the Limited Incremental Property Taxes to the payment of the Bonds as hereinabove provided, and the Board covenants and agrees to provide for, collect and apply Limited Incremental Property Taxes to the payment of the Bonds and the Prior Alternate Bonds, as hereinabove provided and the provision of not less than an additional .25 times debt service. The Village covenants and agrees with the Purchaser and the owners of the Bonds that so long as any of the Bonds remain Outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect the Pledged Revenues, and the Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and deposited as provided in Section 12 hereof.

Section 16. Sale of Bonds. The Village President is hereby authorized to proceed, without any further authorization or direction from the Board, to sell and deliver the Bonds to the Purchaser as herein provided at the purchase price provided for in the Bond Purchase Agreement (the "Bond Purchase Agreement"). The Designated Officers and any other officers of the Village as shall be appropriate shall be and are hereby authorized and directed to approve or execute such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, the Bond Purchase Agreement and closing documents including such certification and documentation as may be required by bond counsel, including, specifically, a tax compliance agreement, to render their opinion as to the Tax-Exempt status of the interest on the Bonds. It is hereby found that no person holding any office of the Village, either by election or appointment, is

in any manner financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in the sale of the Bonds.

The Bond Purchase Agreement, substantially in the form as approved for execution by the Village Attorney, is hereby in all respects authorized and approved. The Village President or the Village Administrator is hereby authorized to execute the same, and the execution shall constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein. Upon the sale of the Bonds, the Village President shall prepare the Bond Order which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the Village and made available to the Board at the next public meeting thereof.

In the event the Purchaser or the Village's municipal advisor certified to the Village that it would be economically advantageous for the Village to acquire a Municipal Bond Insurance Policy for the Bonds, the Village hereby authorizes and directs the Village President to obtain such an insurance policy. The acquisition of a Municipal Bond Insurance Policy is hereby deemed economically advantageous if the difference between the present value cost of: (i) the total debt service on the Bonds if issued without municipal bond insurance; and (ii) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the Municipal Bond Insurance Policy.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "Official Statement") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Village are hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Bond Purchase Agreement, this Ordinance, the Bond Order, the Preliminary Official Statement, the Official Statement and the Bonds. The Village President or the Village Clerk are hereby each authorized to designate the Official Statement as "final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Section 17. Security; Tax Levy; Tax Escrow Account; Bond Fund; and Abatement. The Bonds are Alternate Bonds and a general obligation of the Village, for which the 2017A Full Faith and Credit Taxes are irrevocably pledged, and are payable from the levy of the taxes on all of the taxable property in the Village, without limitation as to rate or amount, in an amount sufficient to produce the sums necessary to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all the taxable property within the Village, in the years for which any of the Bonds are Outstanding, a direct annual tax sufficient for that purpose. The Village President is hereby directed to file with the County Clerk as part of the

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

The Bond Fund may be held by Amalgamated Bank of Chicago, Chicago, Illinois (the "Tax Escrow Agent") under a Tax Escrow Agreement between the Village and the Tax Escrow Agent. The Village President, the Village Clerk and the Village Treasurer are hereby authorized and may execute the Tax Escrow Agreement. If the Tax Escrow Agreement is executed and delivered on behalf of the Village as herein provided, the Tax Escrow Agreement will be binding on the Village and the officers, employees and agents of the Village, and the officers, employees and agents of the Village are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Tax Escrow Agreement as executed.

If necessary, the Village shall direct the County Treasurer to deposit the 2017A Full Faith and Credit Taxes directly into the Bond Fund held by the Tax Escrow Agent; such 2017A Full Faith and Credit Taxes are to be used solely for paying the principal of and interest on the Bonds. In the special case of an advance of other Village funds, the 2017A Full Faith and Credit Taxes may be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds or to receipt of the 2017A Full Faith and Credit Taxes. Investment income or profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such income or profit is received or, to the extent lawful and as determined by the Treasurer, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the 2017A Full Faith and Credit Taxes on deposit in the Bond Fund until the Bonds have been defeased for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Treasurer to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as provided herein.

The Village covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remains Outstanding, except as herein otherwise specifically provided,

the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy and collect the foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the 2017A Full Faith and Credit Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Not earlier than December 16 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 during such Tax Year for the payment of principal of and interest on general obligation bonds, the Village Treasurer shall determine: (i) the amount on deposit in and to the credit of the Municipal Account of the Special Tax Allocation Fund; and (ii) the amount of any additional monies which have been transferred to the Municipal Account of the Special Tax Allocation Fund by proper proceedings of the Board. The Trustee shall set forth the aggregate amount of funds which are on deposit in the Municipal Account of the Special Tax Allocation Fund and are available for the purpose of abating the 2017A Full Faith and Credit Taxes to be extended during that Tax Year. By proper proceedings the Board shall direct the abatement of the 2017A Full Faith and Credit Taxes for that Tax Year by the amount on deposit in the Principal and Interest Account, as evidenced by such determination.

Section 18. Creation of Proceeds Funds; Appropriation. The Proceeds Fund is hereby created for the Bonds which shall consist of the Expense Account and the Refunding Account. Bond proceeds and other funds of the Village as noted are hereby appropriated and shall be deposited for use as follows:

A. Accrued interest, if any, and capitalized interest, if any, on the Bonds shall be used to pay the first interest due on the Bonds and to such end are hereby appropriated for such purpose and ordered to be deposited into the Bond Fund.

B. The amount necessary from the proceeds of the Bonds is hereby appropriated for and shall be used to pay costs of issuance of the Bonds; and shall be deposited into a separate account, hereby created, designated as the Expense Account. Any disbursement from such account shall be made from time to time as necessary. Any excess in the Expense Account shall be deposited into the Bond Fund after 30 days from the date of issuance of the Bonds. At the time of issuance of the Bonds, the costs of issuance may be paid by the Purchaser on behalf of the Village from the proceeds of the Bonds.

C. The amount necessary from the proceeds of the Bonds and any amount available in prior debt service funds for the Prior Alternate Bonds is hereby appropriated for, and shall be used to pay for the costs of the Refunding; and shall be deposited into a separate account, hereby created, designated as the Refunding Account. The amount used for the Refunding may be wired directly from the closing on the Bonds to the paying agent on the Refunded Bonds. The Refunding

Account may be maintained in an escrow account (the “Escrow Account”), with an escrow agent, pursuant to an escrow agreement hereby authorized for the purpose of paying the principal of, premium, if any, and interest as provided above. The Designated Officers are hereby authorized to execute an escrow agreement on behalf of the Village.

Section 19. Call of the Refunded Bonds. In accordance with the redemption provisions of the Series 2004B Bond Ordinance and Series 2006 Bond Ordinance, the Village hereby makes provision for the payment of and does hereby call (subject only to the delivery of the Bonds), the Refunded Bonds for redemption and payment prior to maturity on such date as determined by the Village President.

Section 20. Defeasance of the Bonds. Any Bond or Bonds: (i) which are paid and canceled; (ii) which have matured and for which sufficient sums been deposited with a bank or trust company authorized to keep trust accounts to pay all principal and interest due thereon; or (iii) for which sufficient United States funds and Defeasance Obligations have been deposited with a bank or trust company authorized to keep trust accounts, taking into account investment earnings on such obligations, to pay all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement (such Bonds as described in this clause (iii) being “Defeased Bonds”), shall cease to have any lien on or right to receive or be paid from the 2017A Full Faith and Credit Taxes and shall no longer have the benefits of any covenant for the registered owners of Outstanding Bonds as set forth herein as such relates to lien and security of the Outstanding Bonds. All covenants relative to the Tax-Exempt status of such Bond or Bonds; and payment, registration, transfer, and exchange are expressly continued for all Bonds whether Outstanding Bonds or not.

Section 21. Additional Bonds. The Village reserves the right to issue Additional Bonds from time to time payable from the Limited Incremental Property Taxes, and any such Additional Bonds shall share ratably and equally in the Limited Incremental Property Taxes with the Bonds; provided, however, that no Additional Bonds shall be issued except upon compliance with the provisions of the Debt Reform Act.

Section 22. General Covenants. The Village covenants and agrees with the registered owners of the Bonds, so long as any Bonds remain Outstanding, as follows:

A. The Village will punctually pay or cause to be paid from the Municipal Account and from the Bond Fund the principal of and interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

B. The Village, or the Trustee, on behalf of the Village, will pay and discharge, or cause to be paid and discharged, from the Municipal Account of the Special Tax Allocation Fund

and 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 Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

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

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

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

F. As long as any Bonds are Outstanding, the Village will continue to deposit and apply the Limited Incremental Property Taxes as provided herein and, if applicable, will deposit the 2017A Full Faith and Credit Taxes to the Bond Fund, or, alternatively, the Village will cause said Limited Incremental Property Taxes and/or 2017A Full Faith and Credit Taxes to be deposited with the Trustee directly from the County Treasurer. The Village covenants and agrees with the purchasers of the Bonds and with the registered owners thereof that so long as any Bonds remain Outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village: (i) to allocate or collect the Limited Incremental Property Taxes; (ii) to levy the 2017A Full Faith and Credit Taxes; or (iii) to collect and to segregate the Pledged Moneys. The Village and its officers will comply with all present and future applicable laws in order to assure that the Limited Incremental Property Taxes can be allocated and collected, that the 2017A Full Faith and Credit Taxes can be levied and extended and that the Incremental Property Taxes and the 2017A Full Faith and Credit Taxes may be collected and deposited into the Special Tax Allocation Fund and to the credit of the respective Accounts thereof and the Bond Fund, respectively, as provided herein.

G. The Outstanding Bonds shall be and forever remain, until paid or defeased, a general obligation of the Village, for the payment of which its full faith and credit are pledged, and

shall be payable, both from the Limited Incremental Property Taxes, as herein provided, and from the levy of the 2017A Full Faith and Credit Taxes, all as provided in the Reform Act.

Section 23. Not Private Activity Bonds. None of the bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

A. No direct or indirect payments are to be made on any Bond, or were or are to be made on the Series 2004B Bonds, the Series 2006 Bonds or the Prior Obligations, with respect to any private business use by any person other than a state or local governmental unit.

B. None of the proceeds of the Bonds is to be used and none of the proceeds of the Series 2004B Bonds, the Series 2006 Bonds or the Prior Obligations is to be or has been used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

Section 24. Qualified Tax-Exempt Obligations. The Village recognizes the provisions of Section 265(b)(3) of the Code which provide that a “qualified tax-exempt obligation” as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The Village hereby designates each of the Bonds as may be from time to time outstanding for purposes of Section 265(b)(3) of the Code as a “qualified tax-exempt obligation” as provided therein. In support of such designation, the Village certifies, represents and covenants as follows:

A. None of the Bonds is a “private activity bond” as defined in Section 141(a) of the Code.

B. Including the Bonds, the Village (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in “qualified tax-exempt obligations” during calendar year 2017.

C. Including the Bonds, not more than \$10,000,000 of obligations issued by the Village (including any entities subordinate thereto) during the calendar year 2017 have been to date or will be designated by the Village for purposes of said Section 265(b)(3).

Section 25. Continuing Disclosure Undertaking. The Designated Officers are hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”) in customary form as heretofore executed by the Village or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, his or her execution thereof to constitute

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

Section 26. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance and other documents executed by the Village which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law need not be complied with if the Village receives an opinion of nationally recognized bond counsel that any such provision is unnecessary to preserve the exemption from federal taxation.

Section 27. Registered Form. The Village recognizes that Section 149(j) of the Code, as amended, requires the Bonds to be issued and to remain in fully registered form in order that interest thereon not be includable in gross income for federal income tax purposes under laws in force at the time the Bonds are delivered. The Village will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 28. Reimbursement. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the Village prior to the date hereof except architectural or engineering costs incurred prior to commencement of the Project or expenditures for which an intent to reimburse has been properly declared under or otherwise authorized by Treasury Regulations Section 1.150-2.

Section 29. Duties of Trustee.

A. The Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

B. The Trustee need perform only those duties that are specifically set forth in this Ordinance and no others. In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this

Ordinance. However, the Trustee shall examine the certificates and opinions to determine whether they conform to the requirements of this Ordinance.

C. The Trustee may not be relieved from liability for its own gross negligent action, its own gross negligent failure to act or its own willful misconduct, except that

(1) this paragraph does not limit the effect of paragraph B of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer of the Trustee, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) no provision of this Ordinance shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

D. Every provision of this Ordinance that in any way relates to the Trustee is subject to all the paragraphs of this Section.

E. The Trustee may refuse to perform any duty or exercise any right or power, or to make any payment on any Bond to any holder of such Bond, unless it receives indemnity satisfactory to it against any loss, liability or expense.

F. The Trustee will cooperate with the Village and its auditors in complying with provisions of the Act relating to reporting requirements with respect to Incremental Property Taxes and the Special Tax Allocation Funds.

Section 30. Rights of Trustee.

A. The Trustee may rely on any document reasonably believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

B. Before the Trustee acts or refrains from acting, it may require a certificate of an appropriate officer or officers of the Village or an opinion of counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the certificate or opinion of counsel.

C. The Trustee may act through agents or co-trustees and shall not be responsible for the misconduct or negligence of any agent or co-trustee appointed with due care.

Section 31. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Bonds and may otherwise deal with the Village with the same rights it would have if it were not Trustee. Any paying agent may do the same with like rights.

Section 32. Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Ordinance or the Bonds; it shall not be accountable for the Village's use of the proceeds from the Bonds paid to the Village, and it shall not be responsible for any statement in the Bonds other than its certificate of authentication.

Section 33. Eligibility of Trustee. This Ordinance shall always have a Trustee that is a commercial bank with trust powers or a trust company organized and doing business under the laws of the United States or any state or the District of Columbia, is authorized under such laws and the laws of the State to exercise corporate trust powers, has its principal office in the State, is subject to supervision or examination by United States or State authority, and has a combined capital, surplus and undivided profits of at least \$20,000 as set forth in its most recent published annual report of condition. If at any time the Trustee ceases to be eligible in accordance with this Section, the Trustee shall resign immediately as set forth in Section 34.

Section 34. Replacement of Trustee. The Trustee may resign with 30-days written notice to the Village, effective upon the execution, acknowledgment and delivery by a successor Trustee to the Village of appropriate instruments of succession. Provided that no Event of Default shall have occurred and be continuing, the Village may remove the Trustee and appoint a successor Trustee at any time by an instrument or concurrent instruments in writing delivered to the Trustee; *provided, however,* that the holders of 51% in aggregate principal amount of Bonds outstanding at the time may at any time remove the Trustee and appoint a successor Trustee by an instrument or concurrent instrument in writing signed by such Bondholders, and further provided that any conflict between the Village and such holders regarding such removal and appointment shall be resolved in favor of such holders. Such successor Trustee shall be a corporation authorized under applicable laws to exercise corporate trust powers and may be incorporated under the laws of the United States or of the State. Such successor Trustee shall in all respects meet the requirements set forth in Section 33 hereof.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Village shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Village. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee; the resignation or removal of the retiring Trustee shall then (but only then) become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Ordinance.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Village or the registered owners of two-thirds in principal amount of the Bonds then outstanding may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 35. Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

Section 36. Compensation. All fees and expenses of the Trustee shall be paid from the Program Expenses Account.

Section 37. Definition of Events of Default; Remedies. If one or more of the following events, herein called "Events of Default", shall happen, that is to say, in case:

(a) default shall be made in the payment of the principal of or redemption premium, if any, on any Outstanding Bond when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) default shall be made in the payment of any installment of interest on any Outstanding Bond when and as such installment of interest shall become due and payable; or

(c) default shall be made by the Village in the performance of any obligation in respect of the Municipal Account of the Special Tax Allocation Fund and such default shall continue for 30 days thereafter; or

(d) the Village shall: (1) commence a voluntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or state bankruptcy, insolvency or other similar law (2) make an assignment for the benefit of its creditors, (3) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (4) be adjudicated a bankrupt or any petition for relief shall be filed in respect of an involuntary case under the Federal bankruptcy laws, as now

or hereafter constituted, or any other applicable Federal or state bankruptcy, insolvency or other similar law and such order continue in effect for a period of 60 days without stay or vacation; or

(e) a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the Village, or of the whole or any substantial part of its property, or approving a petition seeking reorganization of the Village under the Federal bankruptcy laws or any other applicable Federal or state law or statute and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of the entry thereof; or

(f) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Village or of the whole or any substantial part of its property, and such custody or control shall not be terminated or stayed within 60 days from the date of assumption of such custody or control; or

(g) the Village shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds, or this Ordinance on the part of the Village to be performed, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Village by the Trustee (which may give such notice whenever it determines that such a default is subsisting and shall give such notice at the written request of the holders of not less than a majority in principal amount of the Bonds then outstanding);

then in each and every such case the Trustee may, and upon the written request of the registered owners of two-thirds in principal amount of the Bonds affected by the Event of Default and then outstanding hereunder shall, proceed to protect and enforce its rights and the rights of the holders of the Bonds by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for any enforcement of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce the rights aforesaid.

During the continuance of an Event of Default, all Pledged Moneys received by the Trustee under this Ordinance from the Village shall be applied by the Trustee in accordance with the terms of Section 45 of this Ordinance.

Section 38. Notices of Default. Promptly after the occurrence of an Event of Default or the occurrence of an event which, with the passage of time or the giving of notice or both, would

constitute an Event of Default, the Trustee shall mail to the Bondholders at the address shown on the Bond Register and also directly to any beneficial owner of \$500,000 or more in aggregate principal amount of Bonds then Outstanding at such address as the Trustee shall obtain from the Depository, notice of all Events of Default or such events known to the Trustee unless such defaults or prospective defaults shall have been cured before the giving of such notice.

Section 39. Termination of Proceedings by Trustee. In case any proceedings taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Village, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 40. Right of Holders to Control Proceedings. Anything in this Ordinance to the contrary notwithstanding, the registered owners of two-thirds in principal amount of the Bonds, respectively, then outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder in respect of the Bonds, respectively; *provided* that such direction shall not be otherwise than in accordance with law and the Trustee shall be indemnified to its satisfaction against the costs, expenses and liabilities to be incurred therein or thereby.

Section 41. Right of Holders to Institute Suit. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder, or for any other remedy hereunder or on the Bonds unless such holder previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided, and unless also the registered owners of two-thirds in principal amount of the Bonds, respectively, then outstanding shall have made written request of the Trustee after the right to exercise such powers, or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its name; and unless, also, there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Ordinance or for any other remedy hereunder; it being understood and intended that no one or more holders of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Ordinance, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all holders of the outstanding Bonds, respectively.

Nothing in this Section contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce the payment of the principal of and redemption premium, if any, and interest on his Bonds, respectively, out of the Special Tax Allocation Funds, the Bond Fund, the special funds and accounts provided for such payment, or the obligation of the Village to pay the same, out of said Special Tax Allocation Funds, the Bond Fund, special funds and accounts, at the time and place in the Bonds expressed.

Section 42. Suits by Trustee. All rights of action under this Ordinance, or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, or proceeding, instituted by the Trustee shall be brought in its name for the ratable benefit of the holders of the Bonds affected by such suit or proceeding, subject to the provisions of this Ordinance.

Section 43. Remedies Cumulative. No remedy herein conferred upon or reserved to the Trustee, the Bondholders, or to the Insurer is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 44. Waiver of Default. No delay or omission of the Trustee or of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Section to the Trustee and the Bondholders, respectively, may be exercised from time to time, and as often as may be deemed expedient. In the event any Event of Default shall be waived by the Bondholders, such waiver shall be limited to the particular Event of Default so waived and shall not be deemed to waive any other Event of Default hereunder.

Section 45. Application of Monies After Default. The Village covenants that if an Event of Default shall happen and shall not have been remedied, the Trustee shall apply all monies, securities and funds received by the Trustee pursuant to any right given or action taken under the provisions of this Ordinance as follows:

- (a) First, to the payment of all reasonable costs and expenses of collection, fees, and other amounts due to the Trustee hereunder; and thereafter,

(b) All such monies shall be applied as follows:

(1) first, to the payment to the persons entitled thereto of all installments of interest on Outstanding Bonds then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

(2) second, to the payment to the persons entitled thereto of the unpaid principal, of any of the Outstanding Bonds which shall have become due (other than Bonds called for redemption for the payment of which monies are held pursuant to the provisions of this Ordinance), in the order of their due dates, with interest upon such Outstanding Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Outstanding Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference;

(3) third, to the payment of the redemption premium, if any, on and the principal of any Outstanding Bonds called for redemption pursuant to the provisions of this Ordinance; and

(4) fourth, to the payment of any obligations payable solely from the Municipal Account of the Special Tax Allocation Fund in such order of priority as set forth in a related ordinance.

Whenever monies are to be applied by the Trustee pursuant to the provisions of this paragraph, such monies shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. The deposit of such monies with the paying agents, or otherwise setting aside such monies, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Village to any Bondholder or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Ordinance as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date (which shall be an

interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and of the endorsement to be entered on each Bond on which payment shall be made, and shall not be required to make payment to the holder of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement, or some other procedure deemed satisfactory by the Trustee.

Section 46. Ordinance to Constitute a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds. Any pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Village shall be for the equal benefit, protection and security of the owners of the Bonds. Each of the Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Bonds.

Section 47. Supplemental Ordinances. Supplemental ordinances may be passed as follows:

(a) *Supplemental Ordinances Not Requiring Consent of Bondholders.* The Village by the Board, and the Trustee from time to time and at any time, subject to the conditions and restrictions in this Ordinance contained, may pass and accept an ordinance or ordinances supplemental hereto, which ordinance or ordinances thereafter shall form a part hereof, for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Village in this Ordinance contained, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Village;

(ii) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Ordinance, or in regard to matters or questions arising under this Ordinance, as the Village may deem necessary or desirable and not inconsistent with this Ordinance and which in the opinion of the Trustee shall not adversely affect the interests of the registered owners of the Bonds;

(iii) To designate one or more bond registrars or paying agents;

(iv) To comply with the provisions of Section 20 hereof when money and the Government Securities designated therein sufficient to provide for the retirement of Bonds shall have been deposited with the Trustee; and

(v) as to Bonds which are authorized but unissued hereunder:

(1) to change the amount of Bonds authorized, or

(2) to change in any way the terms upon which such Bonds may be issued or secured.

Any supplemental ordinance authorized by the provisions of this Section may be passed by the Village and accepted by the Trustee without the consent of the registered owners of any of the Bonds at the time outstanding, but only upon receipt of an opinion of bond counsel if requested pursuant to the provisions of paragraph (f) of this Section, notwithstanding any of the provisions of paragraph (b) of this Section, but the Trustee shall not be obligated to accept any such supplemental ordinance which affects the Trustee's own rights, duties or immunities under this Ordinance or otherwise.

(b) *Supplemental Ordinances Requiring Consent of Bondholders.* With the consent (evidenced as provided in Section 51) of the registered owners of not less than 66% in aggregate principal amount of the Bonds, respectively, at the time outstanding, the Village, by the Board may pass, and the Trustee may accept from time to time and at any time an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided that no such modification or amendment shall extend the maturity or reduce the interest rate on or otherwise alter or impair the obligation of the Village to pay the principal, interest or redemption premium, if any, at the time and place and at the rate and in the currency provided therein of any Bond without the express consent of the registered owner of such Bond or permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds, or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification, or deprive the registered owners of the Bonds, respectively, (except as aforesaid) of the right to payment of the Bonds, respectively, from the 2017A Full Faith and Credit Taxes without the consent of the registered owners of all the Bonds then outstanding. Upon receipt by the Trustee of a certified copy of such ordinance and upon the filing with the Trustee of evidence of the consent of Bondholders as aforesaid, the Trustee shall accept such supplemental ordinance unless such supplemental ordinance affects the Trustee's own rights, duties or immunities under this Ordinance or otherwise, in

which case the Trustee may in its discretion, but shall not be obligated to, accept such supplemental ordinance.

It shall not be necessary for the consent of the Bondholders under this paragraph to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

(c) *Supplemental Ordinance to Modify this Ordinance.* Upon the execution of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be modified and amended in accordance therewith and the respective rights, duties and obligations under this Ordinance of the Village, the Trustee and all registered owners of Bondholders, respectively, outstanding thereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendments, and all the terms and conditions of any such supplemental ordinance shall be and be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

(d) *Trustee May Rely Upon Opinion of Counsel Re: Supplemental Ordinance.* The Trustee may receive an opinion of counsel as conclusive evidence that any supplemental ordinance executed pursuant to the provisions of this Section complies with the requirements of this Section.

(e) *Notation.* Bonds authenticated and delivered after the execution of any supplemental ordinance pursuant to the provisions of this Section may bear a notation, in form approved by the Trustee, as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new bonds, or a note, so modified as to conform, in the opinion of the Trustee and the Board, to any modification of this Ordinance contained in any such supplemental ordinance, may be prepared by the Village, authenticated by the Trustee and delivered without cost to the registered owners of the Bonds then outstanding, upon surrender for cancellation of such Bonds or Note, in equal aggregate principal amounts.

(f) *Opinion of Counsel.* Prior to the adoption of a supplemental ordinance executed pursuant to the provisions of this Section, the Trustee shall give written notice by mail to the registered owners of all Bonds Outstanding at the addresses as set forth in the Bond Register of the substance of the proposed supplemental ordinance. If within 10 days of the Trustee's mailing such notice any registered owner of the Bonds requests that an opinion of bond counsel be delivered to the effect that such supplemental ordinance will not adversely affect the exclusion from gross income of interest on the Bonds for federal

income tax purposes, such supplemental ordinance shall not become effective until such opinion has been delivered to the Trustee.

Section 48. Effect of Consents. After an amendment or supplement to this Ordinance becomes effective, it will bind every Bondholder. For purposes of determining the total number of Bondholders' consents, each Bondholder's consent will be effective with respect to the Bondholder who consented to it and each subsequent holder of a Bond or portion of a Bond evidencing the same debt as the consenting holder's Bond.

Section 49. Signing by Trustee of Amendments and Supplements. The Trustee will sign any amendment or supplement to the Ordinance or the Bonds authorized hereunder if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign it. In signing an amendment or supplement, the Trustee will be entitled to receive and (subject to Section 29 of this Ordinance) will be fully protected in relying on an opinion of counsel stating that such amendment or supplement is authorized by this Ordinance.

Section 50. Notices.

A. Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this Ordinance or the Bonds must be in writing except as expressly provided otherwise in this Ordinance or the Bonds.

B. Any notice or other communication shall be sufficiently given and deemed given when delivered by hand or overnight express delivery or mailed by first-class mail, postage prepaid, addressed as follows: if to the Village, to Village of Willow Springs, 8156 South Archer Avenue, Willow Springs, IL 60480, Attention: Village Clerk; if to the Trustee, to Amalgamated Bank of Chicago, 30 North LaSalle, 38th Floor, Chicago IL 60602, Attention: Corporate Trust Administration. Any addressee may designate additional or different addresses for purposes of this Section.

C. Any notice or other communication required to any Bondholder shall be sufficiently given and deemed given when delivered by hand or mailed by first-class mail, postage prepaid, addressed to such Bondholder at the address set forth in the Bond Register.

D. Any notice or other communication required to be given directly to any owner of \$500,000 or more in aggregate principal amount of Bonds then outstanding shall be sufficiently given and deemed given when delivered by hand or mailed by first-class mail, postage prepaid, to such owner at the address provided by the Depository.

Section 51. Bondholders' Consents. Any consent or other instrument required by this Ordinance to be signed by Bondholders may be in any number of concurrent documents and may be signed by a Bondholder by the holder's agent appointed in writing. Proof of the execution of such instrument or of the instrument appointing an agent and of the ownership of Bonds, if made in the following manner, shall be conclusive for any purposes of this Ordinance with regard to any action taken by the Trustee under the instrument:

A. The fact and date of a person's signing an instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within that jurisdiction that the person signing the writing acknowledged before the officer the execution of the writing, or by an affidavit of any witness to the signing.

B. The fact of ownership of Bonds, the amount or amounts, numbers and other identification of such Bonds and the date of holding shall be proved by the registration books kept pursuant to this Ordinance.

Any action, consent or other instrument shall be irrevocable and shall bind any subsequent owner of such Bond or any Bond delivered in substitution therefor. For purposes of determining consent under this Ordinance of holders of the Bonds, the outstanding principal amount of the Bonds shall be deemed to exclude the Bonds owned by or under the control of the Village.

Section 52. Limitation of Rights. Nothing expressed or implied in this Ordinance or the Bonds shall give any person other than the Trustee, the Village, or the Bondholders any right, remedy or claim under or with respect to this Ordinance.

Section 53. Trustee Covenants. If requested by the Trustee, the Designated Officers are authorized to execute a Trustee's agreement between the Village and the Trustee with respect to the obligations and duties of the Trustee hereunder. Such duties shall include the following:

- (a) to act as Trustee, authenticating agent, Trustee and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential 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 Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

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

The Village Clerk is hereby directed to file a certified copy of this Ordinance with the Trustee.

The Village covenants with respect to the Trustee, and the Trustee further covenants and agrees as follows:

A. The Village 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 Trustee 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 Trustee 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 Trustee shall be deemed to have certified to the Village 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 Trustee shall be the agent of the Village and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. Any Trustee shall, however, be responsible for any representation in its certificate of authentication on Bonds.

C. The Village may remove the Trustee at any time. In case at any time the Trustee 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 Trustee or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Trustee or of the property or affairs thereof, the Village covenants and agrees that it will thereupon appoint a successor Trustee. The Village 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 Trustee 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 \$10,000.

Section 54. Municipal Bond Insurance. In the event the payment of principal of and interest on the Bonds is insured pursuant to a Municipal Bond Insurance Policy issued by a bond insurer (the “Bond Insurer”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the Village and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment hereof, or other terms, as approved by the Village President on advice of the Village Attorney, his approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this section.

Section 55. Tax Levy for Refunded Bonds. The Designated Officers are hereby authorized to file a certificate of abatement with the Cook County Clerk abating the tax levy for the Refunded Bonds.

Section 56. Approval of Financing Participants. The selection and retention of: (i) Louis F. Cainkar, Ltd., to serve as Bond Counsel; (ii) Speer Financial, Inc., to serve as Municipal Advisor; (iii) Chapman and Cutler LLP, to serve as Disclosure Counsel; (iv) George K. Baum and Company, to serve as Underwriter; and (v) all other participants required to sell the Bonds, including, but not limited to, paying agent, bidding agent, verification agent, bond registrar, escrow agent, municipal advisor, rating agency, printers, and security services, all in connection with the issuance of the Bonds, is hereby ratified, confirmed and approved. The Village President is hereby authorized to execute agreements with all of the financing participants on behalf of the Village.

Section 57. Supplemental Documents. The Designated Officers are hereby authorized to execute or attest such documents as necessary to carry out the intent of this Ordinance, the execution of such documents to constitute conclusive evidence of their approval and approval hereunder.

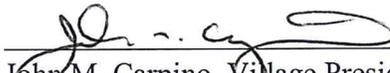
Section 58. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 59. Repealer and Effective Date. All resolutions, ordinances, orders or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its passage.

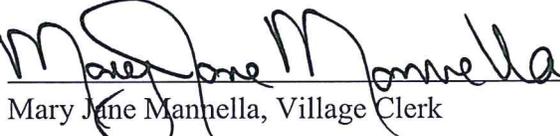
ADOPTED by the Village President and Board of Trustees of the Village of Willow Springs, Cook County, Illinois this 14th day of September, 2017, on a roll call vote, as follows:

	YES	NO	ABSENT	PRESENT
Birks	✓			✓
Imbarrato	✓			✓
Kennedy	✓			✓
Neddermeyer	✓			✓
Stanphill	✓			✓
(Village President John M. Carpino)				✓
TOTAL				

APPROVED by the Village President this 14th day of September, 2017.


 John M. Carpino, Village President

ATTEST:


 Mary Jane Mannella, Village Clerk

