

REGISTERED  
NO. R-17

REGISTERED  
\$170,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF DUPAGE

VILLAGE OF LOMBARD

GENERAL OBLIGATION DEBT CERTIFICATE, SERIES 2008

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
4.000%	January 1, 2017	June 15, 2008	June 26, 2008	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ONE HUNDRED SEVENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the Village of Lombard, DuPage County, Illinois (the "Village"), hereby acknowledges itself to owe and for value received hereby promises to pay from the source and as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date set forth above, the Principal Sum set forth above and to pay interest hereon (computed on the basis of a 360 day year of twelve 30-day months) at the Interest Rate per annum stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before December 15, 2008, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on January 1 and July 1 in each year, beginning on January 1, 2009, until said Principal Sum is paid.

Principal of this certificate is payable in lawful money of the United States of America at the principal corporate trust office of Amalgamated Bank of Chicago, Chicago, Illinois, as certificate registrar and paying agent (the "Certificate Registrar" or "Paying Agent"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by the Certificate Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Certificate Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books of the Certificate Registrar or at such other address furnished in writing by such Registered Owner to the Paying Agent. Notwithstanding the foregoing, if payment of principal, premium, if any, or interest is

made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York City time).

This certificate is one of a series of certificates issued by the Village in connection with (i) the construction of South Booster Station, (ii) Special Assessment 217A - Northeast Lombard Area, (iii) Phase II of the Street Lighting Program, and (iv) the payment of the costs of issuance of the \$5,300,000 General Obligation Debt Certificates, Series 2008 of the Village (the "Certificates"), and has been issued in evidence of the indebtedness incurred pursuant to a certain Installment Contract, dated as of the 5th day of June, 2008 (the "Contract"), entered into by and among the Village and the Treasurer of the Village (the "Counter-party"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents. This certificate is issued by the Village in full compliance with the provisions of the Local Government Debt Reform Act, 30 ILCS 350/17, as in effect on the date of delivery of the certificates, and is authorized by said Village President and Board of Trustees of the Village, in all respects as provided by law.

This certificate is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Certificate Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Contract, and upon surrender and cancellation of this certificate. Upon such transfer a new certificate or certificates of authorized denominations of the same maturity and interest rate and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Certificates are not subject to optional redemption prior to maturity.

The certificates are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This certificate may be exchanged at the principal corporate trust office of the Certificate Registrar for a like aggregate principal amount of certificates of the same maturity and interest rate and in authorized denominations, upon the terms set forth in the Contract.

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

The certificates shall be initially issued in a Book Entry System (as defined in the Contract). The provisions of this Certificate and of the Contract are subject in all respects to the provisions of the Blanket Issuer Letter of Representations between the Village and

The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the Village, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; and that the Village shall annually take all necessary action to appropriate such funds as are necessary to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Such principal, premium, if any, and interest are payable from any funds of the Village legally available and annually appropriated for such purpose. THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER VILLAGE TAXES OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST.

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

IN WITNESS WHEREOF, said Village of Lombard, DuPage County, Illinois, by its Board of Trustees, has caused this certificate to be signed by the manual or facsimile signatures of the Village President and Village Clerk, and the seal of the Village to be affixed hereto or printed hereon, all as of the Dated Date identified above.



*Walter J. Mueller*  
\_\_\_\_\_  
Village President

*Brigitte O'Brien*  
\_\_\_\_\_  
Village Clerk

CERTIFICATE OF AUTHENTICATION

This certificate is one of the certificates described in the within mentioned Installment Contract and is one of the General Obligation Debt Certificates, Series 2008, of the Village of Lombard, DuPage County, Illinois.

AMALGAMATED BANK OF CHICAGO,  
as Certificate Registrar

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

C/66828.1

REGISTERED  
NO. R-18

REGISTERED  
\$170,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF DUPAGE

VILLAGE OF LOMBARD

GENERAL OBLIGATION DEBT CERTIFICATE, SERIES 2008

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
4.000%	July 1, 2017	June 15, 2008	June 26, 2008	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ONE HUNDRED SEVENTY THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the Village of Lombard, DuPage County, Illinois (the "Village"), hereby acknowledges itself to owe and for value received hereby promises to pay from the source and as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date set forth above, the Principal Sum set forth above and to pay interest hereon (computed on the basis of a 360 day year of twelve 30-day months) at the Interest Rate per annum stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before December 15, 2008, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on January 1 and July 1 in each year, beginning on January 1, 2009, until said Principal Sum is paid.

Principal of this certificate is payable in lawful money of the United States of America at the principal corporate trust office of Amalgamated Bank of Chicago, Chicago, Illinois, as certificate registrar and paying agent (the "Certificate Registrar" or "Paying Agent"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by the Certificate Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Certificate Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books of the Certificate Registrar or at such other address furnished in writing by such Registered Owner to the Paying Agent. Notwithstanding the foregoing, if payment of principal, premium, if any, or interest is

made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York City time).

This certificate is one of a series of certificates issued by the Village in connection with (i) the construction of South Booster Station, (ii) Special Assessment 217A - Northeast Lombard Area, (iii) Phase II of the Street Lighting Program, and (iv) the payment of the costs of issuance of the \$5,300,000 General Obligation Debt Certificates, Series 2008 of the Village (the "Certificates"), and has been issued in evidence of the indebtedness incurred pursuant to a certain Installment Contract, dated as of the 5th day of June, 2008 (the "Contract"), entered into by and among the Village and the Treasurer of the Village (the "Counter-party"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents. This certificate is issued by the Village in full compliance with the provisions of the Local Government Debt Reform Act, 30 ILCS 350/17, as in effect on the date of delivery of the certificates, and is authorized by said Village President and Board of Trustees of the Village, in all respects as provided by law.

This certificate is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Certificate Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Contract, and upon surrender and cancellation of this certificate. Upon such transfer a new certificate or certificates of authorized denominations of the same maturity and interest rate and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Certificates are not subject to optional redemption prior to maturity.

The certificates are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This certificate may be exchanged at the principal corporate trust office of the Certificate Registrar for a like aggregate principal amount of certificates of the same maturity and interest rate and in authorized denominations, upon the terms set forth in the Contract.

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

The certificates shall be initially issued in a Book Entry System (as defined in the Contract). The provisions of this Certificate and of the Contract are subject in all respects to the provisions of the Blanket Issuer Letter of Representations between the Village and

The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the Village, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; and that the Village shall annually take all necessary action to appropriate such funds as are necessary to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Such principal, premium, if any, and interest are payable from any funds of the Village legally available and annually appropriated for such purpose. **THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER VILLAGE TAXES OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST.**

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

IN WITNESS WHEREOF, said Village of Lombard, DuPage County, Illinois, by its Board of Trustees, has caused this certificate to be signed by the manual or facsimile signatures of the Village President and Village Clerk, and the seal of the Village to be affixed hereto or printed hereon, all as of the Dated Date identified above.



  
Village President

  
Village Clerk

CERTIFICATE OF AUTHENTICATION

This certificate is one of the certificates described in the within mentioned Installment Contract and is one of the General Obligation Debt Certificates, Series 2008, of the Village of Lombard, DuPage County, Illinois.

AMALGAMATED BANK OF CHICAGO,  
as Certificate Registrar

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

C/66828.1



REGISTERED  
NO. R-19

REGISTERED  
\$175,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF DUPAGE

VILLAGE OF LOMBARD

GENERAL OBLIGATION DEBT CERTIFICATE, SERIES 2008

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
4.000%	January 1, 2018	June 15, 2008	June 26, 2008	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the Village of Lombard, DuPage County, Illinois (the "Village"), hereby acknowledges itself to owe and for value received hereby promises to pay from the source and as hereinafter provided, to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date set forth above, the Principal Sum set forth above and to pay interest hereon (computed on the basis of a 360 day year of twelve 30-day months) at the Interest Rate per annum stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before December 15, 2008, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on January 1 and July 1 in each year, beginning on January 1, 2009, until said Principal Sum is paid.

Principal of this certificate is payable in lawful money of the United States of America at the principal corporate trust office of Amalgamated Bank of Chicago, Chicago, Illinois, as certificate registrar and paying agent (the "Certificate Registrar" or "Paying Agent"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by the Certificate Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Certificate Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books of the Certificate Registrar or at such other address furnished in writing by such Registered Owner to the Paying Agent. Notwithstanding the foregoing, if payment of principal, premium, if any, or interest is

made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York City time).

This certificate is one of a series of certificates issued by the Village in connection with (i) the construction of South Booster Station, (ii) Special Assessment 217A - Northeast Lombard Area, (iii) Phase II of the Street Lighting Program, and (iv) the payment of the costs of issuance of the \$5,300,000 General Obligation Debt Certificates, Series 2008 of the Village (the "Certificates"), and has been issued in evidence of the indebtedness incurred pursuant to a certain Installment Contract, dated as of the 5th day of June, 2008 (the "Contract"), entered into by and among the Village and the Treasurer of the Village (the "Counter-party"), to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents. This certificate is issued by the Village in full compliance with the provisions of the Local Government Debt Reform Act, 30 ILCS 350/17, as in effect on the date of delivery of the certificates, and is authorized by said Village President and Board of Trustees of the Village, in all respects as provided by law.

This certificate is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Certificate Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Contract, and upon surrender and cancellation of this certificate. Upon such transfer a new certificate or certificates of authorized denominations of the same maturity and interest rate and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Certificates are not subject to optional redemption prior to maturity.

The certificates are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This certificate may be exchanged at the principal corporate trust office of the Certificate Registrar for a like aggregate principal amount of certificates of the same maturity and interest rate and in authorized denominations, upon the terms set forth in the Contract.

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

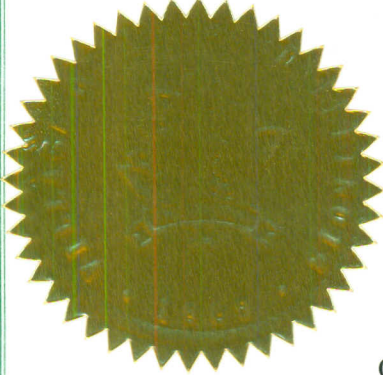
The certificates shall be initially issued in a Book Entry System (as defined in the Contract). The provisions of this Certificate and of the Contract are subject in all respects to the provisions of the Blanket Issuer Letter of Representations between the Village and

The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the Village, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; and that the Village shall annually take all necessary action to appropriate such funds as are necessary to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Such principal, premium, if any, and interest are payable from any funds of the Village legally available and annually appropriated for such purpose. THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER VILLAGE TAXES OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST.

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

IN WITNESS WHEREOF, said Village of Lombard, DuPage County, Illinois, by its Board of Trustees, has caused this certificate to be signed by the manual or facsimile signatures of the Village President and Village Clerk, and the seal of the Village to be affixed hereto or printed hereon, all as of the Dated Date identified above.



*William J. Mueller*  
\_\_\_\_\_  
Village President

*Brigitte O'Brien*  
\_\_\_\_\_  
Village Clerk

CERTIFICATE OF AUTHENTICATION

This certificate is one of the certificates described in the within mentioned Installment Contract and is one of the General Obligation Debt Certificates, Series 2008, of the Village of Lombard, DuPage County, Illinois.

AMALGAMATED BANK OF CHICAGO,  
as Certificate Registrar

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

C/66828.1

CERTIFICATE OF DELIVERY AND PAYMENT

STATE OF ILLINOIS        )  
                                  ) SS:  
COUNTY OF DUPAGE        )

I hereby certify that I have delivered to M&I, Marshall & Ilsley (the "Purchaser") the certificates of the Village of Lombard, DuPage County, Illinois, described on Exhibit A attached hereto (the "Certificates").

I further certify that I have received from said Purchaser the principal amount of \$5,300,000 plus a premium of \$106,885.70 plus accrued interest in the amount of \$6,112.26 for a total of \$5,412,997.96 for the payment of said Certificates.

I further certify that I am the officer authorized by law to receive payment for and deliver the Certificates, and that the Certificates have been signed manually or by facsimile by the officers now holding the offices indicated on the Certificates.

I further certify that the officers whose signatures appear on the Certificates were in occupancy and possession of their respective offices at the time of the delivery of the Certificates as aforesaid.

Dated this 26th day of June, 2008.

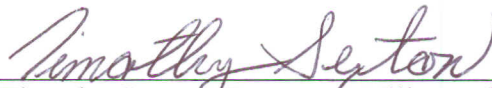
  
\_\_\_\_\_  
Timothy Sexton, Treasurer, Village of Lombard

EXHIBIT A

Designation: Village of Lombard, DuPage County, Illinois  
 General Obligation Debt Certificates, Series 2008

Total Issue: \$5,300,000

Originally Dated: June 15, 2008

Denomination: \$5,000 each and integral multiples thereof

Interest Payment Dates: January 1, 2009, and semiannually thereafter

Maturities and Interest Rates: On the dates and in the amounts and bearing interest as follows

<u>Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>
January 1, 2009	\$270,000	3.750%
July 1, 2009	285,000	3.750
January 1, 2010	295,000	3.750
July 1, 2010	300,000	3.750
January 1, 2011	305,000	3.750
July 1, 2011	310,000	3.750
January 1, 2012	315,000	3.750
July 1, 2012	320,000	3.750
January 1, 2013	325,000	3.750
July 1, 2013	330,000	3.750
January 1, 2014	345,000	3.750
July 1, 2014	345,000	3.750
January 1, 2015	355,000	3.750
July 1, 2015	360,000	3.750
January 1, 2016	160,000	3.750
July 1, 2016	165,000	3.750
January 1, 2017	170,000	4.000
July 1, 2017	170,000	4.000
January 1, 2018	175,000	4.000

CERTIFICATE OF THE VILLAGE OF LOMBARD,  
DUPAGE COUNTY, ILLINOIS RE: ARBITRAGE AND FEDERAL  
TAX MATTERS

STATE OF ILLINOIS            )  
  ) SS:  
COUNTY OF DUPAGE         )

We, the undersigned, certify that we are the duly elected or appointed officials of the Village of Lombard, DuPage County, Illinois ("Village"), holding the offices appearing under our names, are the officials under whose jurisdiction the Project described below will be constructed and the proceeds of the Certificates described below will be expended, are authorized to execute this certificate on behalf of the Village and are officers of the Village charged by the Ordinance adopted June 5, 2008 ("Ordinance") by the President and Board of Trustees of the Village with actually issuing the Certificates.

We further certify that:

1.     Applicable Laws. This certificate is executed for the purpose of, among other matters, setting forth the facts and estimates upon which the Village represents that the Certificates do not and will not bear interest which is includable in the gross income of their owners and bases its reasonable expectations that the Certificates are not arbitrage bonds under (i) the applicable sections of the Internal Revenue Code in effect on the date hereof (the "Code") and (ii) Treasury Regulations Sections 1.148-0 through 11, 1.149(b)-1, 1.149(e)-1, 1.149(g)-1 and 1.150-1 through -2 to the extent applicable on the date hereof ("Regulations"). Unless otherwise indicated by the context in which they are used, words and phrases used in this certificate have the meaning ascribed to them in the Regulations.

2.     Summary of Financing. We are cognizant of the facts and circumstances regarding the issuance of general obligation certificates of the Village in the amount of

\$5,300,000, designated "General Obligation Debt Certificates, Series 2008" ("Certificates"), dated June 15, 2008, and the intended use of the proceeds of the Certificates to fund (a) the construction of South Booster Station, (b) Special Assessment 217A - Northeast Lombard Area, (c) Phase II of the Street Lighting Program, and (d) the costs of issuance of the Certificates, all within the jurisdiction of the Village (the "Project"), as provided in the Local Government Debt Reform Act, 30 ILCS 350/17, as supplemented and amended (the "Act").

3. Sale Proceeds. The Village expects to sell the Certificates to M&I, Marshall & Ilsley (the "Underwriter"), for \$5,300,000 (principal amount of the Certificates) plus premium of \$106,885.70 for a price of \$5,406,885.70 ("Net Sale Proceeds"), plus accrued interest of \$6,112.26.

4. Disposition of Sale Proceeds. (a) Accrued interest to the date of delivery of the Certificates in the amount of \$6,112.26 and the premium of \$106,885.70 will be deposited in the Village's Certificate Fund (as such term is defined in the Ordinance) and will be used to pay a portion of the interest on the Certificates on January 1, 2009. To the extent practical, Net Sale Proceeds will be expended for costs of the Project and otherwise as identified on Exhibit A attached hereto.

(b) The balance of the Net Sale Proceeds will be deposited in the Construction Fund (as such term is defined in the Ordinance). The Net Sale Proceeds will be used by the Village for the purpose of financing the Project, including the payment of issuance expenses. The Village expects to pay approximately \$[ ] in issuance expenses.

5. Construction Fund. The Village expects that moneys held in the Construction Fund shall be used to finance the costs of the Project at the time and in the manner described in Exhibit B. The Village represents that:



(a) None of the Net Sale Proceeds will be used to reimburse the Village for costs of the Project paid by the Village more than sixty (60) days prior to the date of adoption of the Ordinance authorizing the issuance of the Certificates.

(b) Substantial binding obligations to third parties to commence the Project have been or will be incurred by entering into purchase contracts for the Project in an amount not less than \$270,344.29 by December 26, 2008. These sums account for at least 5% of the Net Sale Proceeds.

(c) Based upon the expected construction period for the Project and expectations for the expenditure of the Net Sale Proceeds, as set forth in Exhibit B, the Village reasonably expects that at least eighty-five percent (85%) of the Net Sale Proceeds will be expended on costs of the Project within the 3-year period from June 26, 2008 through June 26, 2011.

(d) Based upon the above schedule set forth in Exhibit B, the Village reasonably expects the expenditure test of Regulation 1.148-2(e)(2)(i)(A) to be met.

(e) Based upon the above, the Village reasonably expects that work on the Project will proceed with due diligence, as defined in Regulation 1.148-2(e)(2)(i)(C), to completion, presently expected on or about March 2009 and that the allocation of Net Sale Proceeds to these expenditures will occur as these expenditures are paid. The Certificates are being issued at this time to begin the construction schedule of the Village and to comply with the provisions of the Act.

(f) The Net Sale Proceeds, together with the investment earnings thereon, will not exceed the amounts necessary for the purpose or purposes of the Certificates. Any amounts remaining in the Construction Fund upon completion of the Project (except moneys reserved to

pay any disputed or unpaid claims) will be applied to pay additional Project costs, or for the same purpose or type of project for which the Certificates were issued.

(g) Based upon the above, the Village reasonably expects that the Construction Fund will qualify for the temporary period described in Regulation 1.148-2(e)(2) and moneys in such fund may be invested at an unrestricted yield.

6. No Sale of Projects Financed with Outstanding Certificates. The Village reasonably expects that the projects financed with the Certificates will not be sold or otherwise disposed of, in whole or in part, prior to the last maturity of the Certificates.

7. Sinking or Pledged Funds; Replacement Proceeds. (a) Principal of and interest on the Certificates due each year will be paid from any funds of the Village legally available and annually appropriated for such purpose. It is reasonably expected that the amounts held in the Certificate Fund to pay debt service in any given year will not exceed the amount of principal and interest on the Certificates payable for that year. The Village expects that the deposits into the Certificate Fund will not be held for more than thirteen (13) months and that the Certificate Fund will be depleted at least once a year as to debt service on the Certificates except for a reasonable carryover which will not exceed the greater of 1/12 of annual debt service on the Certificates for the immediately preceding bond year or one year's earnings on such amounts for the immediately preceding bond year. The Certificate Fund is designed to achieve a proper matching of the Village's revenues and debt service on the Certificates within each bond year. Therefore, the Certificate Fund constitutes a Bona Fide Debt Service Fund as to the Certificates under the Regulations and such moneys will be invested without restriction as to yield.

(b) Except for the Certificate Fund, there are no other funds or accounts of the Village established pursuant to the Ordinance or otherwise, (i) which are reasonably expected to

be used to pay debt service on the Certificates or which are pledged as collateral to secure repayment of debt service on the Certificates, (ii) for which there is reasonable assurance that amounts therein will be available to pay debt service on the Certificates, or (iii) for which the Village has agreed to maintain a particular balance for the direct or indirect benefit of the owners of the Certificates.

(c) As set forth in Exhibit C, the weighted average maturity of the Certificates is less than 120% of the reasonably weighted expected economic life assigned to the Project financed with the proceeds of the Certificates as set forth in Exhibit D ([\_\_\_\_\_]) and, therefore, replacement proceeds will not arise under Regulation Section 1.148-1(c)(4).

(d) No portion of the proceeds of the Certificates will be used as a substitute for other funds which would otherwise have been used to pay the principal of, premium, if any, or interest on the Certificates and which will be used directly or indirectly to acquire obligations producing a yield in excess of the Yield (as defined in Section 11).

8. Concurrent Issues. There are no other obligations of the Village which (i) are sold at substantially the same time as the Certificates (within 15 days), (ii) are sold pursuant to the same plan of financing as the Certificates, and (iii) are reasonably expected to be paid out of substantially the same source of funds as the Certificates.

9. Disposition of Investment Earnings. Within one year of receipt, earnings on amounts deposited in the Certificate Fund will be expended to pay debt service on the Certificates.

10. Artifice and Device. The Village has not employed in connection with the issuance of the Certificates a transaction or series of transactions that attempts to circumvent the provisions of the Code and the Regulations, enabling the Village to exploit the difference

between tax-exempt and taxable interest rates to obtain a material financial advantage and overburdening the market for tax-exempt obligations through actions such as, but not limited to, issuing more obligations, issuing obligations sooner, and allowing them to remain outstanding longer than would otherwise be reasonably necessary to accomplish the governmental purposes of the Certificates.

11. Calculation of Yield. The yield on the Certificates has been calculated in accordance with the Regulations as shown in Exhibit C ("Yield"). In calculating the Yield, the Village relied on information provided by the Underwriter, including certain representations of the Underwriter included in a Receipt for Certificates and Certificate re: Reoffering Prices incorporated in the transcript for the Certificates.

12. Maintenance of Tax Exemption. This certificate is being executed and delivered pursuant to the laws set forth in paragraph 1. On the basis of the foregoing, it is not expected that the proceeds of the Certificates will be used in a manner that would cause the Certificates to be arbitrage bonds under the Code and the Regulations. No action shall be taken that would impair the exclusion from gross income of interest on the Certificates provided by Section 103(a) of the Code. In particular, and without limiting the foregoing, the proceeds of the Certificates shall not be used or invested in any manner that will cause the Certificates to be arbitrage bonds within the meaning of Section 148 of the Code. So long as any of the Certificates remain outstanding, no action shall be taken or authorized that will cause the Certificates to be classified as arbitrage bonds within the meaning of such Section 148 and the Regulations. Except as provided in this certificate, no proceeds of the Certificates shall be invested at an unrestricted yield for a period of time or in an amount not allowable under the Code or the Regulations.

13. Covenants Regarding Use of Certificate Proceeds. In order to preserve the exclusion from gross income of interest on the Certificates under federal law and as an inducement to purchasers of the Certificates, the Village represents, covenants and agrees that:

(a) No person or entity, other than the Village or another state or local governmental unit, will use more than 10% of the proceeds of the Certificates or property financed by the Certificate proceeds other than as a member of the general public. No person or entity other than the Village or another state or local governmental unit will own property financed by Certificate proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as take-or-pay or output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

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

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

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

(e) The Village will not take any action nor fail to take any action with respect to the Certificates that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Certificates pursuant to Section 103 of the Code, nor will it act in any other manner that would adversely affect such exclusion.

(f) The Village will not at any time permit the Certificates to become private activity certificates as defined in Section 141 of the Code.

14. Hedge Certificates. No more than 50% of the Net Sale Proceeds will be invested in nonpurpose investments having a substantially guaranteed yield for four years or more. As shown in Section 5(c), at least 85% of the Net Sale Proceeds will be spent within three years of the issue date of the Certificates.

15. Federal Guarantees. The Certificates are not federally guaranteed as described in Section 149(b) of the Code.

16. Information Return. The Village will file or cause to be filed on or before August 15, 2008, the information return for governmental obligations on Form 8038-G with the Internal Revenue Service Center, Ogden, Utah 84201, for the issuance of the Certificates. The Village has reviewed the provisions of Form 8038-G included in the transcript of which this certificate is a part and hereby certifies that the information in it is correct.

17. Registered Certificates. The Certificates will be issued in registered form as described in Section 149(a) of the Code.

18. Rebate Requirement. The Village will make rebate payments to the United States Government to assure that the Certificates will not be "arbitrage bonds" under Section 148 of the Code. For purposes of determining whether the test is met, the Village has included the reasonably expected earnings in the amount of Gross Proceeds (as hereinafter defined). As set forth in Exhibit B, the Village intends to qualify for the exception to the rebate requirement in Section 1.148-7(d) of the Regulations by spending the Gross Proceeds for the governmental purpose as follows:

<u>Minimum Spent</u>	<u>Date</u>
15%	December 26, 2008
60%	June 26, 2009
100%	December 26, 2009

except that on December 26, 2009, a reasonable retainage in an amount not to exceed 5% of the net sale proceeds may remain, which retainage must be spent on or before December 26, 2010. For purposes of determining whether the foregoing expenditure requirements have been met on the first two spending periods, the Village and shall include the reasonably expected earnings as of today in the amount of Gross Proceeds. "Gross Proceeds" means an amount equal to (i) Issue Price plus (ii) investment earnings on Issue Price and (iii) earnings on the amounts in clause (ii). In reliance on the advice of its financial advisor, the Village hereby elects that, if it fails to spend all of the Gross Proceeds in accordance with this schedule, it shall cause to be calculated and paid, as necessary, the rebate obligation which may be owed on the proceeds of the Certificates. For purposes of the payment of any rebate obligation, the Village hereby selects that the bond years for the Certificates shall end on each anniversary of the Issue Date of the Certificates. The Village certifies and agrees that it will calculate or have calculated, the above-referenced spend-down calculation and, if necessary, hire nationally recognized bond counsel or a qualified accounting firm to calculate any rebate obligation owed.

19. Bank Eligibility. The Village certifies that:

(a) The Certificates are not private activity bonds as defined in Section 141 of the Code;

(b) The Certificates have been designated as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(c) The reasonably anticipated amount of qualified tax-exempt obligations (including tax-exempt leases and qualified 501(c)(3) obligations but excluding other private activity bonds) which have been or will be issued by or in the name of the Village and all units subordinate to the Village during 2008 does not exceed \$10,000,000; and

(d) The Village, any body acting in the name of the Village, and any entities subordinate to the Village have designated \$5,721,000 of qualified tax-exempt obligations during 2008, including the Certificates. Therefore, the Certificates qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to tax-exempt obligations.

20. Change in Law. It is not an event of default under the Ordinance if the interest on any Certificate is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of the issuance of the Certificates.

21. We have discussed this certificate and the provisions of the Code and the applicable Regulations with such professionals as we have deemed necessary. We have been given an opportunity to ask questions of Ice Miller LLP with respect to the certifications contained above and the information needed to complete such certifications and have discussed such certifications with Ice Miller LLP. Based on all of these discussions, we are satisfied: (a)



that we understand the certifications which we have made in this Certificate; and (b) that to the best of our knowledge, information and belief, all of the certifications contained herein are true, complete and accurate.

22. To the best of our knowledge, information, and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change any of the foregoing certifications or conclusions. We understand that this certificate will be relied upon by the purchasers of the Certificates and by Ice Miller LLP in rendering its opinions as to various legal issues, including the excludability from gross income of interest on the Certificates for federal tax purposes. We further understand that the facts contained in this certificate will be used by the Underwriter to prepare or review the offering materials and disclosure documents to be distributed in connection with the sale of the Certificates. The representations contained in this Certificate may be relied upon by Ice Miller LLP and others in determining whether or not the Certificates constitute arbitrage bonds within the meaning of Section 148 of the Code and whether or not the interest on the Certificates is subject to inclusion in gross income for federal income tax purposes under existing statutes, regulations, and decisions.

IN WITNESS WHEREOF, we have hereunto set our hands this 26<sup>th</sup> day of June, 2008.

VILLAGE OF LOMBARD, DUPAGE  
COUNTY, ILLINOIS

  
William J. Mueller, President


  
Brigitte O'Brien, Village Clerk



EXHIBIT B

Estimated Draw Schedule  
(By Month)

<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
June 2008	\$ 742,410	Construction/Issuance Costs
July 2008	\$ 387,880	Construction
August 2008	\$ 484,850	Construction
September 2008	\$ 581,820	Construction
October 2008	\$ 678,790	Construction
November 2008	\$ 678,790	Construction
December 2008	\$ 581,820	Construction
January 2009	\$ 484,850	Construction
February 2009	\$ 387,880	Construction
March 2009	\$ 290,910	Construction

EXHIBIT C

Weighted Average Maturity and Yield

EXHIBIT D

Calculation of Weighted Expected Economic Life of Assets to be Acquired

<u>Project</u>	<u>Life</u>
South Booster Station.	
Special Assessment 217A - Northeast Lombard Area (new roadway, storm sewer, concrete curb and gutter, and street lighting.	
Phase II of the Street Lighting Program.	

C/66755.1

CERTIFICATE OF THE VILLAGE OF LOMBARD,  
DUPAGE COUNTY, ILLINOIS RE: ARBITRAGE AND FEDERAL  
TAX MATTERS

STATE OF ILLINOIS            )  
  ) SS:  
COUNTY OF DUPAGE         )

We, the undersigned, certify that we are the duly elected or appointed officials of the Village of Lombard, DuPage County, Illinois ("Village"), holding the offices appearing under our names, are the officials under whose jurisdiction the Project described below will be constructed and the proceeds of the Certificates described below will be expended, are authorized to execute this certificate on behalf of the Village and are officers of the Village charged by the Ordinance adopted June 5, 2008 ("Ordinance") by the President and Board of Trustees of the Village with actually issuing the Certificates.

We further certify that:

1.     Applicable Laws. This certificate is executed for the purpose of, among other matters, setting forth the facts and estimates upon which the Village represents that the Certificates do not and will not bear interest which is includable in the gross income of their owners and bases its reasonable expectations that the Certificates are not arbitrage bonds under (i) the applicable sections of the Internal Revenue Code in effect on the date hereof (the "Code") and (ii) Treasury Regulations Sections 1.148-0 through 11, 1.149(b)-1, 1.149(e)-1, 1.149(g)-1 and 1.150-1 through -2 to the extent applicable on the date hereof ("Regulations"). Unless otherwise indicated by the context in which they are used, words and phrases used in this certificate have the meaning ascribed to them in the Regulations.

2.     Summary of Financing. We are cognizant of the facts and circumstances regarding the issuance of general obligation certificates of the Village in the amount of

\$5,300,000, designated "General Obligation Debt Certificates, Series 2008" ("Certificates"), dated June 15, 2008, and the intended use of the proceeds of the Certificates to fund (a) the construction of South Booster Station, (b) Special Assessment 217A - Northeast Lombard Area, (c) Phase II of the Street Lighting Program, and (d) the costs of issuance of the Certificates, all within the jurisdiction of the Village (the "Project"), as provided in the Local Government Debt Reform Act, 30 ILCS 350/17, as supplemented and amended (the "Act").

3. Sale Proceeds. The Village expects to sell the Certificates to M&I, Marshall & Ilsley (the "Underwriter"), for \$5,300,000 (principal amount of the Certificates) plus premium of \$106,885.70 for a price of \$5,406,885.70 ("Net Sale Proceeds"), plus accrued interest of \$6,112.26.

4. Disposition of Sale Proceeds. (a) Accrued interest to the date of delivery of the Certificates in the amount of \$6,112.26 and the premium of \$106,885.70 will be deposited in the Village's Certificate Fund (as such term is defined in the Ordinance) and will be used to pay a portion of the interest on the Certificates on January 1, 2009. To the extent practical, Net Sale Proceeds will be expended for costs of the Project and otherwise as identified on Exhibit A attached hereto.

(b) The balance of the Net Sale Proceeds will be deposited in the Construction Fund (as such term is defined in the Ordinance). The Net Sale Proceeds will be used by the Village for the purpose of financing the Project, including the payment of issuance expenses. The Village expects to pay approximately \$[ ] in issuance expenses.

5. Construction Fund. The Village expects that moneys held in the Construction Fund shall be used to finance the costs of the Project at the time and in the manner described in Exhibit B. The Village represents that:

(a) None of the Net Sale Proceeds will be used to reimburse the Village for costs of the Project paid by the Village more than sixty (60) days prior to the date of adoption of the Ordinance authorizing the issuance of the Certificates.

(b) Substantial binding obligations to third parties to commence the Project have been or will be incurred by entering into purchase contracts for the Project in an amount not less than \$270,344.29 by December 26, 2008. These sums account for at least 5% of the Net Sale Proceeds.

(c) Based upon the expected construction period for the Project and expectations for the expenditure of the Net Sale Proceeds, as set forth in Exhibit B, the Village reasonably expects that at least eighty-five percent (85%) of the Net Sale Proceeds will be expended on costs of the Project within the 3-year period from June 26, 2008 through June 26, 2011.

(d) Based upon the above schedule set forth in Exhibit B, the Village reasonably expects the expenditure test of Regulation 1.148-2(e)(2)(i)(A) to be met.

(e) Based upon the above, the Village reasonably expects that work on the Project will proceed with due diligence, as defined in Regulation 1.148-2(e)(2)(i)(C), to completion, presently expected on or about March 2009 and that the allocation of Net Sale Proceeds to these expenditures will occur as these expenditures are paid. The Certificates are being issued at this time to begin the construction schedule of the Village and to comply with the provisions of the Act.

(f) The Net Sale Proceeds, together with the investment earnings thereon, will not exceed the amounts necessary for the purpose or purposes of the Certificates. Any amounts remaining in the Construction Fund upon completion of the Project (except moneys reserved to



pay any disputed or unpaid claims) will be applied to pay additional Project costs, or for the same purpose or type of project for which the Certificates were issued.

(g) Based upon the above, the Village reasonably expects that the Construction Fund will qualify for the temporary period described in Regulation 1.148-2(e)(2) and moneys in such fund may be invested at an unrestricted yield.

6. No Sale of Projects Financed with Outstanding Certificates. The Village reasonably expects that the projects financed with the Certificates will not be sold or otherwise disposed of, in whole or in part, prior to the last maturity of the Certificates.

7. Sinking or Pledged Funds; Replacement Proceeds. (a) Principal of and interest on the Certificates due each year will be paid from any funds of the Village legally available and annually appropriated for such purpose. It is reasonably expected that the amounts held in the Certificate Fund to pay debt service in any given year will not exceed the amount of principal and interest on the Certificates payable for that year. The Village expects that the deposits into the Certificate Fund will not be held for more than thirteen (13) months and that the Certificate Fund will be depleted at least once a year as to debt service on the Certificates except for a reasonable carryover which will not exceed the greater of 1/12 of annual debt service on the Certificates for the immediately preceding bond year or one year's earnings on such amounts for the immediately preceding bond year. The Certificate Fund is designed to achieve a proper matching of the Village's revenues and debt service on the Certificates within each bond year. Therefore, the Certificate Fund constitutes a Bona Fide Debt Service Fund as to the Certificates under the Regulations and such moneys will be invested without restriction as to yield.

(b) Except for the Certificate Fund, there are no other funds or accounts of the Village established pursuant to the Ordinance or otherwise, (i) which are reasonably expected to

be used to pay debt service on the Certificates or which are pledged as collateral to secure repayment of debt service on the Certificates, (ii) for which there is reasonable assurance that amounts therein will be available to pay debt service on the Certificates, or (iii) for which the Village has agreed to maintain a particular balance for the direct or indirect benefit of the owners of the Certificates.

(c) As set forth in Exhibit C, the weighted average maturity of the Certificates is less than 120% of the reasonably weighted expected economic life assigned to the Project financed with the proceeds of the Certificates as set forth in Exhibit D ([\_\_\_\_\_]) and, therefore, replacement proceeds will not arise under Regulation Section 1.148-1(c)(4).

(d) No portion of the proceeds of the Certificates will be used as a substitute for other funds which would otherwise have been used to pay the principal of, premium, if any, or interest on the Certificates and which will be used directly or indirectly to acquire obligations producing a yield in excess of the Yield (as defined in Section 11).

8. Concurrent Issues. There are no other obligations of the Village which (i) are sold at substantially the same time as the Certificates (within 15 days), (ii) are sold pursuant to the same plan of financing as the Certificates, and (iii) are reasonably expected to be paid out of substantially the same source of funds as the Certificates.

9. Disposition of Investment Earnings. Within one year of receipt, earnings on amounts deposited in the Certificate Fund will be expended to pay debt service on the Certificates.

10. Artifice and Device. The Village has not employed in connection with the issuance of the Certificates a transaction or series of transactions that attempts to circumvent the provisions of the Code and the Regulations, enabling the Village to exploit the difference

between tax-exempt and taxable interest rates to obtain a material financial advantage and overburdening the market for tax-exempt obligations through actions such as, but not limited to, issuing more obligations, issuing obligations sooner, and allowing them to remain outstanding longer than would otherwise be reasonably necessary to accomplish the governmental purposes of the Certificates.

11. Calculation of Yield. The yield on the Certificates has been calculated in accordance with the Regulations as shown in Exhibit C ("Yield"). In calculating the Yield, the Village relied on information provided by the Underwriter, including certain representations of the Underwriter included in a Receipt for Certificates and Certificate re: Reoffering Prices incorporated in the transcript for the Certificates.

12. Maintenance of Tax Exemption. This certificate is being executed and delivered pursuant to the laws set forth in paragraph 1. On the basis of the foregoing, it is not expected that the proceeds of the Certificates will be used in a manner that would cause the Certificates to be arbitrage bonds under the Code and the Regulations. No action shall be taken that would impair the exclusion from gross income of interest on the Certificates provided by Section 103(a) of the Code. In particular, and without limiting the foregoing, the proceeds of the Certificates shall not be used or invested in any manner that will cause the Certificates to be arbitrage bonds within the meaning of Section 148 of the Code. So long as any of the Certificates remain outstanding, no action shall be taken or authorized that will cause the Certificates to be classified as arbitrage bonds within the meaning of such Section 148 and the Regulations. Except as provided in this certificate, no proceeds of the Certificates shall be invested at an unrestricted yield for a period of time or in an amount not allowable under the Code or the Regulations.

13. Covenants Regarding Use of Certificate Proceeds. In order to preserve the exclusion from gross income of interest on the Certificates under federal law and as an inducement to purchasers of the Certificates, the Village represents, covenants and agrees that:

(a) No person or entity, other than the Village or another state or local governmental unit, will use more than 10% of the proceeds of the Certificates or property financed by the Certificate proceeds other than as a member of the general public. No person or entity other than the Village or another state or local governmental unit will own property financed by Certificate proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as take-or-pay or output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

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

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

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

(e) The Village will not take any action nor fail to take any action with respect to the Certificates that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Certificates pursuant to Section 103 of the Code, nor will it act in any other manner that would adversely affect such exclusion.

(f) The Village will not at any time permit the Certificates to become private activity certificates as defined in Section 141 of the Code.

14. Hedge Certificates. No more than 50% of the Net Sale Proceeds will be invested in nonpurpose investments having a substantially guaranteed yield for four years or more. As shown in Section 5(c), at least 85% of the Net Sale Proceeds will be spent within three years of the issue date of the Certificates.

15. Federal Guarantees. The Certificates are not federally guaranteed as described in Section 149(b) of the Code.

16. Information Return. The Village will file or cause to be filed on or before August 15, 2008, the information return for governmental obligations on Form 8038-G with the Internal Revenue Service Center, Ogden, Utah 84201, for the issuance of the Certificates. The Village has reviewed the provisions of Form 8038-G included in the transcript of which this certificate is a part and hereby certifies that the information in it is correct.

17. Registered Certificates. The Certificates will be issued in registered form as described in Section 149(a) of the Code.

18. Rebate Requirement. The Village will make rebate payments to the United States Government to assure that the Certificates will not be "arbitrage bonds" under Section 148 of the Code. For purposes of determining whether the test is met, the Village has included the reasonably expected earnings in the amount of Gross Proceeds (as hereinafter defined). As set forth in Exhibit B, the Village intends to qualify for the exception to the rebate requirement in Section 1.148-7(d) of the Regulations by spending the Gross Proceeds for the governmental purpose as follows:

<u>Minimum Spent</u>	<u>Date</u>
15%	December 26, 2008
60%	June 26, 2009
100%	December 26, 2009

except that on December 26, 2009, a reasonable retainage in an amount not to exceed 5% of the net sale proceeds may remain, which retainage must be spent on or before December 26, 2010. For purposes of determining whether the foregoing expenditure requirements have been met on the first two spending periods, the Village and shall include the reasonably expected earnings as of today in the amount of Gross Proceeds. "Gross Proceeds" means an amount equal to (i) Issue Price plus (ii) investment earnings on Issue Price and (iii) earnings on the amounts in clause (ii). In reliance on the advice of its financial advisor, the Village hereby elects that, if it fails to spend all of the Gross Proceeds in accordance with this schedule, it shall cause to be calculated and paid, as necessary, the rebate obligation which may be owed on the proceeds of the Certificates. For purposes of the payment of any rebate obligation, the Village hereby selects that the bond years for the Certificates shall end on each anniversary of the Issue Date of the Certificates. The Village certifies and agrees that it will calculate or have calculated, the above-referenced spend-down calculation and, if necessary, hire nationally recognized bond counsel or a qualified accounting firm to calculate any rebate obligation owed.

19. Bank Eligibility. The Village certifies that:

(a) The Certificates are not private activity bonds as defined in Section 141 of the Code;

(b) The Certificates have been designated as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(c) The reasonably anticipated amount of qualified tax-exempt obligations (including tax-exempt leases and qualified 501(c)(3) obligations but excluding other private activity bonds) which have been or will be issued by or in the name of the Village and all units subordinate to the Village during 2008 does not exceed \$10,000,000; and

(d) The Village, any body acting in the name of the Village, and any entities subordinate to the Village have designated \$5,721,000 of qualified tax-exempt obligations during 2008, including the Certificates. Therefore, the Certificates qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to tax-exempt obligations.

20. Change in Law. It is not an event of default under the Ordinance if the interest on any Certificate is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of the issuance of the Certificates.

21. We have discussed this certificate and the provisions of the Code and the applicable Regulations with such professionals as we have deemed necessary. We have been given an opportunity to ask questions of Ice Miller LLP with respect to the certifications contained above and the information needed to complete such certifications and have discussed such certifications with Ice Miller LLP. Based on all of these discussions, we are satisfied: (a)





EXHIBIT B

Estimated Draw Schedule  
(By Month)

<u>Date</u>	<u>Amount</u>	<u>Purpose</u>
June 2008	\$ 742,410	Construction/Issuance Costs
July 2008	\$ 387,880	Construction
August 2008	\$ 484,850	Construction
September 2008	\$ 581,820	Construction
October 2008	\$ 678,790	Construction
November 2008	\$ 678,790	Construction
December 2008	\$ 581,820	Construction
January 2009	\$ 484,850	Construction
February 2009	\$ 387,880	Construction
March 2009	\$ 290,910	Construction

EXHIBIT C

Weighted Average Maturity and Yield

EXHIBIT D

Calculation of Weighted Expected Economic Life of Assets to be Acquired

<u>Project</u>	<u>Life</u>
South Booster Station.	
Special Assessment 217A - Northeast Lombard Area (new roadway, storm sewer, concrete curb and gutter, and street lighting.	
Phase II of the Street Lighting Program.	

C/66755.1

that we understand the certifications which we have made in this Certificate; and (b) that to the best of our knowledge, information and belief, all of the certifications contained herein are true, complete and accurate.

22. To the best of our knowledge, information, and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change any of the foregoing certifications or conclusions. We understand that this certificate will be relied upon by the purchasers of the Certificates and by Ice Miller LLP in rendering its opinions as to various legal issues, including the excludability from gross income of interest on the Certificates for federal tax purposes. We further understand that the facts contained in this certificate will be used by the Underwriter to prepare or review the offering materials and disclosure documents to be distributed in connection with the sale of the Certificates. The representations contained in this Certificate may be relied upon by Ice Miller LLP and others in determining whether or not the Certificates constitute arbitrage bonds within the meaning of Section 148 of the Code and whether or not the interest on the Certificates is subject to inclusion in gross income for federal income tax purposes under existing statutes, regulations, and decisions.

IN WITNESS WHEREOF, we have hereunto set our hands this 26<sup>th</sup> day of June, 2008.

VILLAGE OF LOMBARD, DUPAGE  
COUNTY, ILLINOIS



William J. Mueller, President



Brigitte O'Brien, Village Clerk

## CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by the Village of Lombard, DuPage County, Illinois (the "Village") in connection with the issuance of \$5,300,000 General Obligation Debt Certificates, Series 2008 (the "Certificates"). The Certificates are being issued pursuant to an Ordinance adopted June 5, 2008 (the "Ordinance"). The Village covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Village for the benefit of the certificateholders and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12.

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Village pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

"Dissemination Agent" shall mean the Treasurer of the Village, or any successor Dissemination Agent designated in writing by the Village and which has filed with the Village a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Undertaking.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in Exhibit A.

"Participating Underwriter" shall mean any of the original underwriters of the Certificates required to comply with the Rule in connection with an offering of the Certificates.

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Illinois.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Undertaking, there is no State Repository.

SECTION 3. Provision of Annual Reports.

(a) The Village shall, or shall cause the Dissemination Agent to, at least annually not later than 210 days after the end of the Village's fiscal year (presently May 31), commencing with the report for the 2008 Fiscal Year, provide to each National Repository and to the State Repository, if any, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Village may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Village's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than fifteen (15) business days prior to said date, the Village shall provide the Annual Report to the Dissemination Agent (if other than the Village). If the Village is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the Village will send a notice to each Repository advising it of such fact and providing an estimated date by which the Annual Report will be filed.

(c) Any filing under this Disclosure Undertaking may be made solely by transmitting such filing to the Municipal Advisory Council of Texas (the "MAC") as provided at (as of the date of this Disclosure Undertaking) <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any; and

(ii) (if the Dissemination Agent is other than the Village), file a report with the Village certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Village's Annual Report shall contain or include by reference the following:

1. The table under the heading of Retailer's Occupation, Service Occupation and Use Tax within the Final Official Statement relating to the Certificates (the "Official Statement");
2. All of the tables under the heading PROPERTY ASSESSMENT AND TAX INFORMATION within the Official Statement;

3. All of the tables under the heading DEBT INFORMATION within the Official Statement; and
4. All of the tables under the heading FINANCIAL INFORMATION within the Official Statement.

The Annual Report shall also include the financial statements of the Village as audited by independent public accountants for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities or mandated by state law from time to time and as anticipated but not covenanted from time to time by the Governmental Accounting Standards Board. If the Village's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

Any or all of the items listed above may be included by reference from other documents, including official statements of debt issues of the Village or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Village shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Village shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates, if material:

1. principal and interest payment delinquencies.
2. non-payment related defaults.
3. unscheduled draws on the debt service reserves reflecting financial difficulties.
4. unscheduled draws on the credit enhancements reflecting financial difficulties.
5. substitution of credit or liquidity providers, or their failure to perform.
6. adverse tax opinions or events affecting the tax-exempt status of the Certificates.
7. modifications to rights of certificateholders.
8. optional, contingent or unscheduled certificate calls.

9. defeasances.
10. release, substitution or sale of property securing repayment of the Certificates.
11. rating changes.

(b) Whenever the Village obtains knowledge of the occurrence of a Listed Event, the Village shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the Village determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Village shall promptly file a notice of such occurrence with the Municipal Securities Rulemaking Board, the National Repository and each State Repository. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates pursuant to the Ordinance.

SECTION 6. Termination of Reporting Obligation. The Village's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the Village shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

SECTION 7. Dissemination Agent. The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Village pursuant to this Disclosure Undertaking. The initial Dissemination Agent shall be the Treasurer of the Village.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Village by resolution or ordinance authorizing such amendment or waiver, may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Village, or the type of business conducted;

(b) The undertaking, as amended, or the provision, as waived would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and



(c) The amendment or waiver does not materially impair the interests of the holders or Beneficial Owners of the Certificates as determined by parties unaffiliated with the Village (such as nationally recognized bond counsel).

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Village shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Village. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Village chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Village shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Village to comply with any provision of this Disclosure Undertaking, any certificateholder or Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Village to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an Event of Default under the Ordinance or the Installment Contract, dated as of June 5, 2008, by and between the Treasurer of the Village and the Village relating to the Certificates, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Village to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the Village agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Village under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates.


SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Village, the Dissemination Agent, the Participating Underwriters, certificateholders and Beneficial Owners from time to time of the Certificates and the ultimate beneficial holders of the Certificates, and shall create no rights in any other person or entity.

Date: June 26, 2008

VILLAGE OF LOMBARD, DUPAGE  
COUNTY, ILLINOIS

By   
President

Attest:

  
Village Clerk

## EXHIBIT A

Nationally Recognized Municipal Securities Information Repositories approved by the Securities and Exchange Commission:

### Bloomberg Municipal Repository

100 Business Park Drive

Skillman, NJ 08558

Phone: (609) 279-3225

Fax: (609) 279-5962

<http://www.bloomberg.com/markets/rates/municontacts.html>

Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

### DPC Data Inc.

One Executive Drive

Fort Lee, NJ 07024

Phone: (201) 346-0701

Fax: (201) 947-0107

<http://www.MuniFilings.com>

Email: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)

### Interactive Data Pricing and Reference Data, Inc.

Attn: NRMSIR

100 William Street, 15th Floor

New York, NY 10038

Phone: 212-771-6999; 800-689-8466

Fax: 212-771-7390

<http://www.interactivedata-prd.com>

Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)

### Standard & Poor's Securities Evaluations, Inc.

55 Water Street

45th Floor

New York, NY 10041

Phone: (212) 438-4595

Fax: (212) 438-3975

<http://www.disclosuredirectory.standardandpoors.com>

Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)

**Part I Reporting Authority** If Amended Return, check here

1 Issuer's name <b>Village of Lombard, DuPage County, Illinois</b>		2 Issuer's employer identification number <b>36-6005975</b>	
3 Number and street (or P.O. box if mail is not delivered to street address) <b>255 East Wilson Avenue</b>		Room/suite	4 Report number <b>3 02</b>
5 City, town, or post office, state, and ZIP code <b>Lombard, Illinois 60148</b>		6 Date of issue <b>June 26, 2008</b>	
7 Name of issue <b>General Obligation Debt Certificates, Series 2008</b>		8 CUSIP number	
9 Name and title of officer or legal representative whom the IRS may call for more information <b>Timothy K. Sexton, Director of Finance</b>		10 Telephone number of officer or legal representative <b>(630) 620-5902</b>	

**Part II Type of Issue (check applicable box(es) and enter the issue price)** See instructions and attach schedule

11	<input type="checkbox"/> Education	11	
12	<input type="checkbox"/> Health and hospital	12	
13	<input type="checkbox"/> Transportation	13	
14	<input type="checkbox"/> Public safety	14	
15	<input type="checkbox"/> Environment (including sewage bonds)	15	
16	<input type="checkbox"/> Housing	16	
17	<input type="checkbox"/> Utilities	17	
18	<input checked="" type="checkbox"/> Other. Describe <b>Various Public Capital Improvements</b>	18	
19	If obligations are TANs or RANs, check box <input type="checkbox"/>	If obligations are BANs, check box <input type="checkbox"/>	
20	If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

**Part III Description of Obligations.** (Complete for the entire issue for which this form is being filed.)

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	January 1, 2018	\$	\$	years	%

**Part IV Use of Proceeds of Bond Issue (including underwriter's discount)**

22	Proceeds used for accrued interest	22	6,112.26
23	Issue price of entire issue (enter amount from line 21, column (b))	23	
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	
25	Proceeds used for credit enhancement	25	0
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0
27	Proceeds used to currently refund prior issues	27	0
28	Proceeds used to advance refund prior issues	28	0
29	Total (add lines 24 through 28)	29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	

**Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)**

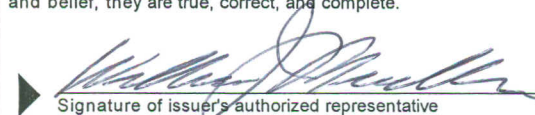
31	Enter the remaining weighted average maturity of the bonds to be currently refunded	N/A	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A	years
33	Enter the last date on which the refunded bonds will be called	N/A	
34	Enter the date(s) the refunded bonds were issued	N/A	

**Part VI Miscellaneous**

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	N/A
36 a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36 a	N/A
b	Enter the final maturity date of the guaranteed investment contract	N/A	
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37 a	N/A
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer _____ and the date of the issue _____		
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input checked="" type="checkbox"/>		
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>		
40	If the issuer has identified a hedge, check box <input type="checkbox"/>		

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

**Please Sign Here**


6/26/2008
William J. Mueller, President

Signature of issuer's authorized representative
Date
Type or print name and title