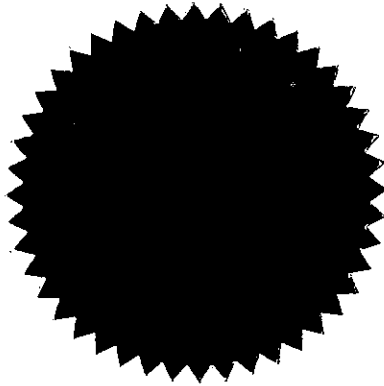


AN ORDINANCE PROVIDING FOR THE ISSUANCE OF AGGREGATE PRINCIPAL
AMOUNT \$450,000 SUPPLEMENTAL ACT ASSESSMENT BONDS (SPECIAL
ASSESSMENT NUMBER 216) SERIES 2002, OF THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS



PAMPHLET

ORDINANCE 5138

PUBLISHED IN PAMPHLET FORM THIS 7th DAY OF June, 2002,
BY ORDER OF THE CORPORATE AUTHORITIES OF THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS.

Suzan L. Kramer
Suzan L. Kramer
Village Clerk

MINUTES of regular public meeting of the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, held at the Village Hall, 255 East Wilson, Lombard, Illinois at 7:30 p.m. on the 6th day of June, 2002.

The President called the meeting to order and directed the Village Clerk to call the roll.

Upon the roll being called, the following Trustees answered present: Trustees

Destephano, Tross, Koenig, Sebby, Florey, Soderstrom

The following were absent from the meeting: None

Trustee Sebby presented and the Village Clerk read in full an ordinance as follows:

AN ORDINANCE providing for the issuance of aggregate principal amount \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002, of the Village of Lombard, DuPage County, Illinois.

WHEREAS, the Village of Lombard, DuPage County, Illinois (the "Village"), has heretofore pursuant to the provisions of the Local Improvement Act, 65 ILCS 5/9-2-1 through 5/9-2-144, and the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 through 460/99, (collectively, the "Act") proceeded to provide for Special Assessment Number 216, the same being the paving and the improving of portions of Ahrens Avenue, School Street, Norton Street, Wilson Avenue and Highridge Road in the Village (the "Project"); and

WHEREAS, pursuant to Section 45 of the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/45, the Village may issue obligations under the Act and retire said obligations from the assessment levied for the Project; and

WHEREAS, the President and Board of Trustees of the Village (the "Corporate Authorities") hereby determine that it is advisable to provide for the issuance of bonds for said purposes described above; and

WHEREAS, such bonds and the debt service thereon are subject to payment from the assessment levied for the Project;

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Definitions. The following words and terms used in this ordinance shall have the following meanings unless the context or use indicates another or different meaning.

"Act" means the Local Improvement Act, 65 ILCS 5/9-2-1 through 5/9-2-144, and the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 through 460/99.

"Bond" or "Bonds" means the aggregate principal amount \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002, authorized under this ordinance including Bonds issued in exchange for or upon transfer or replacement of Bonds previously issued under this ordinance.

"Bond Registrar" means Bank One Trust Company, NA, Milwaukee, Wisconsin, as bond registrar and paying agent, and its successors and assigns.

"Code" means the Internal Revenue Code of 1986, as amended.

"Corporate Authorities" means the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois.

"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 and obligations, the prompt payment of principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America.

"Ordinance" means this ordinance as originally adopted and as the same may from time to time be amended or supplemented in accordance with the terms hereof.

"Project" means the paving and the improving of portions of Ahrens Avenue, School Street, Norton Street, Wilson Avenue and Highridge Road in the Village.

"Project Costs" means the sum total of all reasonable or necessary costs incurred or estimated to be incurred by the Village implementing the Project which are incidental to the Project.

"Qualified Investments" means investments in Government Securities and such other investments as may from time to time be permissible under the laws of the State of Illinois.

"Treasurer" means the Village Treasurer.

"Village" means the Village of Lombard, DuPage County, Illinois, and its successors and assigns.

Section 2. Findings. The Village now finds it is necessary to provide funds for construction, acquisition and installation of the Project and that the Bonds be issued to enable the Village to pay a portion of the Project Costs.

Section 3. Bond Details. The Village shall issue in the name of the Village its "Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002" in an aggregate principal amount of \$450,000. The bonds shall be designated "Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002" and issued in the aggregate principal amount of \$450,000 and shall mature on December 31 of the years, in the principal amounts, and bear interest at the rates as follows:

Year	Principal Amount	Interest Rate
2017	\$450,000	5.30%

The Bonds shall be in the denomination of \$5,000. The Bonds shall be callable at any time from excess proceeds and from payments of the special assessments supporting the obligations evidenced by the Bonds. Bonds called shall be chosen in numeric order and not on a pro-rata basis.

Each Bond shall bear interest from its dated date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360 day year of twelve 30-day months) being payable on February 1 of each year, commencing on February 1, 2003. Interest on each bond shall be paid by check or draft of the Bond Registrar, payable 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. The applicable record date is the January 15th next preceding any regular interest payment date and the 15th day preceding any other interest payment date which may be occasioned by a redemption of Bonds on a day other than a regular interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office of the Bond Registrar in the Village of Lombard, Illinois, or at successor Bond Registrar and locality.

Section 4. Optional Prepayment. Whenever there shall be sufficient funds in the hands of the Treasurer, after the payment of all interest due on the Bonds, and after the establishment of such reserve, if any, as the Treasurer in his/her discretion may deem advisable to pay interest to become due at the next interest payment date, to prepay in whole or in part the Bonds, then it is the duty of such Treasurer to call and pay such Bonds or portions thereof with accrued interest thereon.

Section 5. Prepayment Procedure. For any such prepayments, the Village shall, at least forty-five (45) days prior to the prepayment date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such prepayment date and of the principal amount of Bonds to be prepaid and the accrued interest thereon. The Bond Registrar shall cause

notice of such call for prepayment to be mailed by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for prepayment to the registered owners of the Bonds to be prepaid at the address shown on the registration books maintained by the Bond Registrar or at such other address as is furnished, in writing, by such registered owner to the Bond Registrar. The Bonds or such portion thereof so called for prepayment will cease to bear interest on and after the date so fixed for prepayment. The presentation of the Bonds for payment will waive the necessity of giving notice of its call for payment.

Prior to any prepayment date, the Village shall deposit with the Bond Registrar an amount of money sufficient to pay the prepayment price of all the Bonds or portions of Bonds which are to be prepaid on that date.

Upon surrender of such Bonds for prepayment in accordance with said notice, such Bonds or portions being prepaid shall be paid by the Bond Registrar at the prepayment price. If the prepayment date is an interest payment date, the procedure for the payment of interest due as part of the prepayment price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial prepayment of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal or the amount of the prepayment shall be noted by the Bond Registrar on the Bond.

If any Bond or portion of a Bond called for prepayment shall not be so paid upon surrender thereof for prepayment, the principal shall, until paid or duly provided for, bear interest from the prepayment date at the rate borne by the Bond or portion of Bond so called for prepayment. All

Bonds which have been prepaid shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

Section 6. Execution; Authentication. The Bonds shall be executed on behalf of the Village

by the manual or facsimile signature of its President and be attested by the manual or facsimile signature of its Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any 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 officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Registration of Bonds; Identity of Owners. The Village shall cause the Bond

Registrar to be kept at the office of Bank One Trust Company, NA, Milwaukee, Wisconsin, the Bond

Registrar, and Paying Agent (the "Bond Registrar") which is hereby constituted and appointed the Bond Registrar of the Village for the Bonds. The Village is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the office by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bonds in the authorized denominations upon surrender of those Bonds at the office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements. The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the fifteenth day of the month next preceding the month of an interest payment date on the Bonds to the opening of

business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 8. Form of the Bonds. The Bonds shall be in substantially the form hereinafter set forth:

(Form of Bond)

REGISTERED \$ _____

REGISTERED NO. _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF DUPAGE

VILLAGE OF LOMBARD
SUPPLEMENTAL ACT ASSESSMENT BOND
(SPECIAL ASSESSMENT NUMBER 216), SERIES 2002

Interest Rate: 5.30% Maturity Date: December 31, 2017 Dated: June 15, 2002

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Lombard, DuPage County, Illinois, a municipality and political subdivision of the State of Illinois (the "Village"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to right of prior prepayment), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30 day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on February 1 of each year, commencing February 1, 2003, and until said Principal Amount is paid or duly provided for. The principal of this Bond and the premium, if any, hereon are payable in lawful money of the United States of America upon presentation hereof at the office of Bank One Trust Company, NA, Milwaukee, Wisconsin (the "Bond Registrar"), as bond registrar and paying agent. Payment of interest shall be made, to the Registered Owner hereof as shown on the registration books of the Village maintained by the Bond Registrar, at the close of business on the applicable record date. The applicable record date is the January 15th next preceding any regular interest payment date and the 15th day preceding any other interest payment date which may be occasioned by a redemption of Bonds on a day other than a regular interest payment date. Interest shall be paid by check or draft of the Bond 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 or at such other address furnished in writing by such Registered Owner to the Bond Registrar.

This Bond and each bond of the series of which it forms a part (together, the "Bonds"), are issued pursuant to the Local Improvement Act, 65 ILCS 5/9-2-1 through 5/9-2-144, and the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 through 460/99 (collectively, the "Act"), and the principal of and interest on the Bonds are payable solely and only from the installments when collected under Special Assessment Number 216 levied for the purpose of providing funds for the paving and the improving of portions of Ahrens Avenue, School Street, Norton Street, Wilson Avenue and Highridge Road in the Village of Lombard, DuPage County, Illinois (the "Project").

This Bond is one of a series of bonds in the aggregate principal amount of \$450,000 issued by the Village for the purpose of paying certain costs of the Project, and of paying expenses incidental thereto, pursuant to and in all respects in compliance with the applicable provisions of the Act and the Ordinance, which has been duly passed by the Board of Trustees and approved by the President of the Village, and published, in all respects as by law required (the "Ordinance").

This Bond is issued in fully registered form in the denomination of \$5,000. This Bond may be exchanged upon presentation and surrender for cancellation hereof at the office of the Bond Registrar in Milwaukee, Wisconsin, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, for a like aggregate principal amount of Bonds of the same maturity.

This Bond may be transferred only on the register maintained by the Bond Registrar but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance and upon surrender for transfer to the Bond Registrar at its office in Milwaukee, Wisconsin duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or the Registered Owner's attorney duly authorized in writing. Upon such transfer the Bond Registrar will authenticate a new Bond or Bonds of the same maturity in an equal total principal amount and registered in the name of the transferee.

By the terms of the Act and Ordinance, whenever there shall be sufficient funds in the hands of the Treasurer of the Village (the "Treasurer"), after the payment of all interest due on this Bond, and after the establishment of such reserve, if any, as the Treasurer in his/her discretion may deem advisable to pay interest to become due at the next interest payment date, to prepay in whole or in part this Bond, then it is the duty of such Treasurer to call and pay this Bond or portion thereof with accrued interest thereon. The Treasurer shall, at least forty-five (45) days prior to the prepayment date (unless a shorter time shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such prepayment date and of the principal amount of this Bond to be prepaid and the accrued interest thereon. The Bond Registrar shall cause notice of such call for prepayment to be mailed by first-class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for prepayment, to the registered owner of this Bond to be prepaid in whole or in part at the address shown on the registration books maintained by the Bond Registrar or at such other address as is furnished, in writing, by such registered owner to the Bond Registrar. This Bond or such portion

hereof so called for prepayment will cease to bear interest on and after the date so fixed for prepayment. The presentation of this Bond for payment will waive the necessity of giving notice of its call for payment.

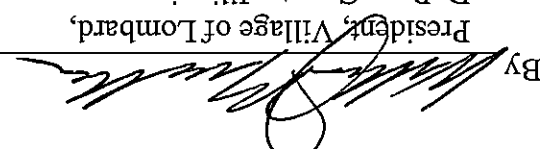
The Village has designated this Bond a "qualified tax-exempt obligation" pursuant to Section 265 (b)(3) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond have existed and have been properly done, happened and been performed in regular and due form and time as required by law and the Village hereby covenants and agrees that it will properly account for said installments and will comply with all the covenants of and maintain the funds and accounts as provided by the Ordinance.

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

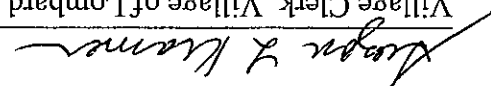
IN WITNESS WHEREOF the Village of Lombard, DuPage County, Illinois, by its Board of Trustees, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of Dated Date identified above.

VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS

By 
President, Village of Lombard,
DuPage County, Illinois

(SEAL)

Attest:


Village Clerk, Village of Lombard,
DuPage County, Illinois

ASSIGNMENT

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

(Name and Address of Assignee)

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

Dated: _____

Signature guaranteed: _____

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

(End of Form of Bond)

Section 2. Installation Fund. There is hereby continued the heretofore created special fund

of the Village, which fund shall be held separate and apart from all other funds and accounts of the Village and shall be known as the Installation Fund (the "Installation Fund"). All of the installments for payment of Special Assessment Number 216 of the Village (the "Installments") shall be deposited by the Treasurer in the Installation Fund. All installments shall be used solely for the purpose of paying principal of and interest on the Bonds.

The Installments are to be paid to the Village Treasurer by the officers who collect or receive the Installments. Whenever the Village Treasurer receives any of the Installments, he shall promptly deposit the same into the Installation Fund. The moneys on deposit in the Installation Fund shall be

used by the Village solely and only for the purpose of carrying out the terms and conditions of this Ordinance.

Section 10. Creation and Maintenance Of Funds and Appropriations. There is hereby created with the Treasurer the "Supplemental Act Assessment Bonds (Special Assessment Number 216) Series 2002 Project Fund" (the "Project Fund"). The Project Fund shall be the fund to receive Bond proceeds which are to be used to pay costs of the Project.

Section 11. The Rebate Fund. There is hereby created a separate and special fund known as the "Rebate Fund," into which the Village shall deposit, if necessary, monies to the extent required so as to maintain the tax exempt status of interest on Bonds issued on a tax exempt basis. All rebates, special impositions or Taxes for such purpose payable to the United States of America (Internal Revenue Service) shall be payable from the Rebate Fund.

Section 12. Investments. The moneys on deposit in the Project Fund and the Installment 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 by the Village as moneys may be needed for the purposes for which the Project Fund and the Installment Fund and such accounts therein have been created. All investment earnings shall be attributed to the Fund for which the investment was made.

Section 13. General Covenants. 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 punctually pay or cause to be paid from the Installment Fund the principal of and interest on to become due in respect of 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.

with the Treasurer of the Village, and be by said Treasurer delivered to the purchaser thereof, the

in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited

Section 14. Sale of the Bonds. The Bonds hereby authorized shall be sold and executed as

collected as provided herein and deposited into the Installment Fund.

Act and with all present and future applicable laws in order to assure that such taxes may be ability of the Village to collect such Installments. The Village and its officers will comply with the Village will take no action or fail to take any action which in any way would adversely affect the Bonds and with the registered owners thereof that so long as any Bonds remain outstanding, the Installments to the Installment Fund. The Village covenants and agrees with the purchasers of the Bonds as any Bonds are outstanding, the Village will continue to deposit the

Ordinance.

assuring and confirming unto the holders of the Bonds of the rights and benefits provided in this carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to

(e) The Village will adopt, make, execute and deliver any and all such further

incontestable by the Village.

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

Village within one hundred twenty days of the end of each of the Village's fiscal years.

year. The Village shall provide to each registered owner of the Bonds the annual statement of the holder, any information relating to the Bonds, the Project and the Installments for each and every (50%) or more of the principal amount of the Bonds then outstanding, upon written request of such representatives authorized in writing. In addition, the Village will mail to any holder of fifty percent not less than ten percent (10%) of the principal amount of the Bonds then outstanding, or their and accounts shall at all times during business hours be subject to the inspection of the holders of shall be made of all transactions relating to the Project and to the Installments. Such books of record separate from all other records and accounts of the Village, in which complete and correct entries The Village will keep or cause to be kept, proper books of record and accounts,

(b) The Village will pay and discharge, or cause to be paid and discharged, from the Installment Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Installments, or any part thereof, or upon any funds in the hands of the Bond Registrar, 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.

The Corporate Authorities reserve the right, however, to make any investment of such moneys the same presently exist, or may from time to time hereafter be amended, supplemented or revised. of Section 148(a) of the Code, and any lawful regulations promulgated or proposed thereunder, as not be used in a manner which will cause such Bonds to be "arbitrage bonds" within the meaning such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, will outstanding, moneys on deposit in any fund or account in connection with the Bonds, whether or not and holders of the Bonds from time to time outstanding, that so long as any of the Bonds remain Section 15. Arbitrage. The Corporate Authorities certify and covenant with the purchasers be effected.

such officers is hereby deemed conclusive evidence of approval thereof with such changes as may implement the Project and to effect the issuance and delivery of the Bonds and execution thereof by be necessary are hereby authorized to execute such other documents, as may be necessary to The President, Village Clerk, Village Treasurer and such other officers of the Village as may Bonds.

name of any other person, association, trust or corporation, in said contract for the purchase of the appointment, is in any manner interested, either directly or indirectly, in his own name or in the best interest of the Village and that no person holding an office of the Village either by election or ratified, approved and confirmed, it being hereby found and determined that said contract is in the to date of delivery; the contract for the sale of the Bonds heretofore entered into is in all respects the same being the par value of the Bonds, less a purchaser's fee of \$7,650.00, plus accrued interest same being Bernardi Securities, Inc., Chicago, Illinois, upon receipt of the purchase price therefor,

President and Village Clerk of the Village are authorized to execute the Bond Registrar's standard

Section 20. Rights and Duties of Bond Registrar. If requested by the Bond Registrar, the

new Bondholder and eliminate the name and address of the transferor Bondholder.

addresses of the holders of all Bonds and upon any transfer shall add the name and address of the

Section 19. List of Bondholders. The Bond Registrar shall maintain a list of the names and

converted into, bearer or coupon form.

connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or

from federal income taxation under laws in force at the time the Bonds are delivered. In this

the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt

Section 18. Registered Form. The Village recognizes that Section 149 of the Code requires

not affect any of the other provisions of this ordinance.

ordinance shall be held in valid, the invalidity of such section, paragraph, clause or provision shall

Section 17. Partial Invalidity. If any section, paragraph, clause or provision of this

alterations of any kind shall be made hereto, except as herein provided.

contract between the Village and the registered owners of the Bonds, and no changes, additions or

Section 16. This Ordinance a Contract. The provisions of this Ordinance shall constitute a

matters, result in making the interest on the Bonds subject to federal income taxation.

repeal, relaxation or decision would not, in the opinion of counsel of recognized competence in such

decision of a court of competent jurisdiction, but only if any investment made by virtue of such

regulations promulgated hereunder shall be repealed or relaxed or shall be held void by final

permitted by Illinois law and this Ordinance, if, when and to the extent that said Section 148(a) or

corporation, under any rule of law or equity, statute or constitution or by the enforcement of any successor public corporation, as such, either directly or through the Village or any successor public past, present or future officer, director, member, employee or agent of the Village, or of any thereon or upon any obligation, covenant or agreement in this Bond Ordinance contained against any be had for the payment of the principal of or interest on any of the Bonds or for any claim based Section 22. ~~Immunity of Officers, Employees and Members of Village.~~ No recourse shall

repealed.

thereof, in conflict with the provisions of this Ordinance, are to the extent of such conflict hereby Section 21. ~~Prior Inconsistent Proceedings.~~ All ordinances, resolutions or orders, or parts

with the Bond Registrar.

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

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

cancelled and/or destroyed; and

(e) to furnish the Village at least annually a certificate with respect to Bonds

earlier redemption or submitted for exchange or transfer;

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon

(c) to give notice of redemption of Bonds as provided herein;

to the Village upon request, but otherwise to keep such list confidential;

(b) to maintain a list of Bondholders as set forth herein and to furnish such list

as provided herein;

(a) to act as bond registrar, authenticating agent, paying agent and transfer agent

duties of the Bond Registrar hereunder which may include the following:

form of agreement between the Village and the Bond Registrar with respect to the obligations and

assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the passage of this Bond Ordinance and the issuance of such Bonds.

Section 23. Tax Covenants. In order to preserve the exclusion of interest on the Bonds from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the Bonds (the "Code") and as an inducement to purchasers of the Bonds, the Village represents, covenants and warrants that:

(a) No person or entity other than the Village or another state or local governmental unit will use proceeds of the Bonds or property financed by the Bond 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 refinanced by Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that differentiates that person's or entity's use of such property from use by the general public.

(b) No portion of the principal of or interest on the Bonds is (under the terms of the Bonds, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be 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 Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.
- (d) The Village will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the Village act in any other manner which would adversely affect such exclusion.
- (e) It shall not be an event of default under this Ordinance if the interest on any Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.
- (f) The Village covenants that it will rebate any arbitrage profits to the United States to the extent required by the Code and the regulations promulgated thereunder.
- (g) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.
- (h) The Village represents that:
- (i) The Bonds are not private activity bonds as defined in Section 141 of the Code;
- (ii) The Village hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Code;

The Village hereby authorizes the officials of the Village responsible for issuing the Bonds, the same being the President and Village Clerk of the Village to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be excludable from gross income for federal income tax purposes. In connection therewith, the Village further agrees: (a) through its officers, to make such further specific covenants, representations, as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated thereunder; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed

obligations. Therefore, the Bonds qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt

\$10,000,000 of qualified tax-exempt obligations during 2002.

- (iii) The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases, but excluding other private activity bonds) which will be issued by the Village and all entities subordinate to the Village during 2002 does not exceed \$10,000,000; and
- (iv) The Village has not designated and will not designate more than

necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

Section 24. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this Ordinance (the "Tax Sections") which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law (the "Tax Exemption") need not be complied with if the Village receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 25. Continuing Disclosure. To the extent applicable, the Village hereby covenants and agrees that it will comply with and carry out all of the applicable provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). Failure of the Village to comply with the Rule shall not be considered an event of default; however, any registered owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Village to comply with its obligations under this Section.

Section 26. Publication. This Ordinance shall be published in pamphlet form.

Section 27. Effective Date. This Ordinance shall be in full force and effect from and after its adoption and approval and publication as provided by law.

First reading waived by action of the Board of Trustees this 6th day of June, 2002

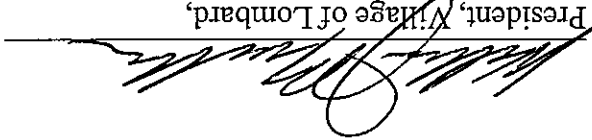
PASSED on second reading this 6th day of June, 2002.

ABSTRACT Trustees Destephano, Tross, Koenig, Sebby, Florey, Soderstrom

NAYS: None

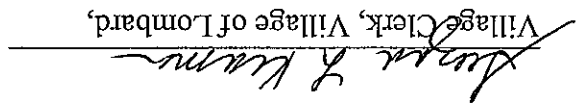
ABSENT: None

Approved by me this 6th day of June, 2002.


President, Village of Lombard,
DuPage County, Illinois

Recorded in the Village Records on June 7th, 2002.

Attest:


Village Clerk, Village of Lombard,
DuPage County, Illinois

Trustee Seby moved and Trustee Tross seconded the motion that the

Ordinance as presented and read be adopted.

After discussion thereof, the President directed that the roll be called for a vote upon the

motion to adopt the Ordinance.

Upon the roll being called, the following Trustees voted AYE: Trustees

Destephano, Tross, Koenig, Seby, Florig, Soderstrom and the following Trustees

voted NAY: None.

WHEREUPON, the President declared the motion carried and the Ordinance adopted, and

henceforth did approve and sign the same in open meeting, and did direct the Village Clerk to record

the same in full in the records of the Board of Trustees of the Village of Lombard, DuPage County,

Illinois which was done.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

Angela Z. Kamm
Village Clerk

(SEAL)

DuPage & DuPage
Village Clerk

IN WITNESS WHEREOF, I have herunto affixed my official signature and the seal of the Village, this 6th day of June, 2002.

I do further certify that the ordinance was published by authority of the Corporate Authorities in pamphlet form on the 7th day of June, 2002, and the ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Village Clerk located in the Village.

I do further certify that the deliberations of the Corporate Authorities on the adoption of the ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all of the news media requesting such notice; that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and that the Corporate Authorities have complied with all of the provisions of said Acts and said Code, and with all of the procedural rules of the Corporate Authorities.

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

AN ORDINANCE providing for the issuance of aggregate principal amount \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002, of the Village of Lombard, DuPage County, Illinois.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 6th day of June, 2002, insofar as same relates to the adoption of an ordinance numbered entitled:

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Lombard, DuPage County, Illinois (the "Village"), and that as such official I am the keeper of the records and files of the Board of Trustees of the Village (the "Corporate Authorities").

CERTIFICATION OF ORDINANCE, MINUTES AND PUBLICATION IN PAMPHLET FORM

STATE OF ILLINOIS)
COUNTY OF DUPAGE)

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 \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002 (the "Bonds"). The Bonds are being issued pursuant to an Ordinance dated June 6, 2002 (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 Bondholders 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 Bonds (including persons holding Bonds through nominees, depositors or other intermediaries), or (b) is treated as the owner of any Bonds 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 B.

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

"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 2000 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 shall send a notice to each Repository in substantially the form attached as Exhibit A.

(c) 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.

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 the credit or liquidity providers or their failure to perform.

(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 Bonds, if material:

SECTION 5. Reporting of Significant Events.

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.

2. The financial statements of the Village as audited annually by independent public accountants for the prior fiscal year, prepared currently in accordance with generally accepted accounting principles as promulgated to apply to governmental entities 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 and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

1. A report of current equalized assessed valuations and tax rates of the Village's Special Assessment Area Number 216; and

or include by reference the following:

SECTION 4. Content of Annual Reports. The Village's Annual Report shall contain

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Village by resolution or ordinance authorizing such

Village.

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

Listed Event under Section 5(c).

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 Bonds. If such termination occurs prior to the final maturity of the Bonds, the Village shall give notice of such termination in the same manner as for a

pursuant to the Ordinance.

(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 Bonds

applicable federal securities laws.

(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

- 11. rating changes.
- 10. release, substitution or sale of property securing repayment of the Bonds.
- 9. defeasances.
- 8. optional, contingent or unscheduled bond calls.
- 7. modifications to rights of Bondholders.
- 6. adverse tax opinions or events affecting the tax-exempt status of the Bonds.

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:

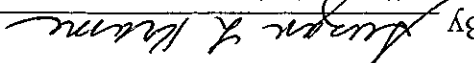
(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Village, or the type of business conducted;

(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 Bonds 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.

By  Village Clerk

By  President

VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS

Date: June 6, 2002

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

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 Bonds.

SECTION 10. Default. In the event of a failure of the Village to comply with any provision of this Disclosure Undertaking any Bondholder or Beneficial Owner of the Bonds 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 relating to the Bonds, 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.

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

EXHIBIT A

Name of Village: Village of Lombard, DuPage County, Illinois (the "Village").

Name of Bond Issue: \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002

Date of Issuance: June 27, 2002

NOTICE IS HEREBY GIVEN that the Village has not provided an Annual Report with respect to the above-named Bonds as required by the Ordinance dated June 6, 2002. [The Village anticipates that the Annual Report will be filed by _____.]

Dated: _____

VILLAGE OF LOMBARD, DUPAGE
COUNTY, ILLINOIS

By _____
Its _____

EXHIBIT B

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

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, New Jersey 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
Email: nrmsir@dpcdata.com

FT Interactive Data
Attn: NRMISIR
100 William Street
New York, New York 10038
Fax: (212) 771-7390 (Secondary Market Information)
(212) 771-7391 (Primary Market Information)
Email: NRMISIR@FTID.com

Standard & Poor's J. J. Kenny Repository
55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com

CHICAGO 19396v1

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 \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002 (the "Bonds"). The Bonds are being issued pursuant to an Ordinance dated June 6, 2002 (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 Bondholders 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 Bonds (including persons holding Bonds through nominees, depositors or other intermediaries), or (b) is treated as the owner of any Bonds 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 B.

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

"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 2000 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 shall send a notice to each Repository in substantially the form attached as Exhibit A.

(c) 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.

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 the credit or liquidity providers or their failure to perform.

(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 Bonds, if material:

SECTION 5. Reporting of Significant Events.

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.

2. The financial statements of the Village as audited annually by independent public accountants for the prior fiscal year, prepared currently in accordance with generally accepted accounting principles as promulgated to apply to governmental entities 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 and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

1. A report of current equalized assessed valuations and tax rates of the Village's Special Assessment Area Number 216; and

or include by reference the following:

SECTION 4. Content of Annual Reports. The Village's Annual Report shall contain

SECTION 8. Amendment Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Village by resolution or ordinance authorizing such

Village.

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

Listed Event under Section 5(c).

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 Bonds. If such termination occurs prior to the final maturity of the Bonds, the Village shall give notice of such termination in the same manner as for a

pursuant to the Ordinance.

(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 (c) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds

applicable federal securities laws.

(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

- 11. rating changes.
- 10. release, substitution or sale of property securing repayment of the Bonds.
- 9. defeasances.
- 8. optional, contingent or unscheduled bond calls.
- 7. modifications to rights of Bondholders.
- 6. adverse tax opinions or events affecting the tax-exempt status of the Bonds.

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 Bonds 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.

By *[Signature]*
Village Clerk

By *[Signature]*
President

VILLAGE OF LOMBARD, DUPAGE
COUNTY, ILLINOIS

Date: June 6, 2002

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

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 Bonds.

SECTION 10. Default. In the event of a failure of the Village to comply with any provision of this Disclosure Undertaking any Bondholder or Beneficial Owner of the Bonds 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 relating to the Bonds, 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.

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Village: Village of Lombard, DuPage County, Illinois (the "Village").
 Name of Bond Issue: \$450,000 Supplemental Act Assessment Bonds (Special Assessment Number 216), Series 2002
 Date of Issuance: June 27, 2002

NOTICE IS HEREBY GIVEN that the Village has not provided an Annual Report with respect to the above-named Bonds as required by the Ordinance dated June 6, 2002. [The Village anticipates that the Annual Report will be filed by _____.]

Dated: _____

VILLAGE OF LOMBARD, DUPAGE
 COUNTY, ILLINOIS

By _____
 Its _____

EXHIBIT B

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

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, New Jersey 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
Email: Munis@bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
Email: nrmisr@dpcdata.com

FT Interactive Data
Attn: NRMISIR
100 William Street
New York, New York 10038
Fax: (212) 771-7390 (Secondary Market Information)
(212) 771-7391 (Primary Market Information)
Email: NRMISIR@FTID.com

Standard & Poor's J. J. Kenny Repository
55 Water Street
45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmisr_repository@sandp.com

CHICAGO 19396v1

June 6, 2002

The Village of Lombard
DuPage County, Illinois

Dear President and Board of Trustees:

We offer to purchase \$450,000 Village of Lombard, DuPage County, Illinois, Special Assessment Number 216 Bonds, Series 2002 (the "Bonds"), to be dated date of February 1, 2003 for the sum of \$442,350.00 plus acc at the following rate per annum:

\$450,000 due 12/31/20

The Bonds are callable at any time from excess proceeds and supporting the obligation of the Bonds. Bonds called shall be

The Bonds are to be delivered to Bernardi Securities, Inc. in registered as to principal and interest. The Bonds will be deliv Inc. within 45 days of this contract. Said Bonds are to be acco Ice Miller, Chicago Illinois, Bond Counsel, and a certificate against the Village which will affect the validity of these Bonds "qualified tax-exempt obligations" for the purpose and within Internal Revenue Code of 1986, as amended. All costs of issu

PLEASE SIGN
A RETURN TO
SPEER
THANKS

Upon the sale of the Bonds, the Village will publish a Final Official Statement in substantially the same form as the Near-Final/Preliminary Official Statement with insertion of the following information: the offering price(s), interest rate(s), aggregate principal amount, principal amount per maturity, delivery date, and identifying Bernardi Securities, Inc. as the successful purchaser. The Final Official Statement shall be supplied to Bernardi Securities, Inc. in sufficient time to accompany any confirmation that requests payment from any customer, but in no event later than seven (7) business days after the sale date. The Village agrees to deliver the Final Official Statements in sufficient quantities as requested by Bernardi Securities, Inc. Bernardi Securities, Inc. agrees to supply the Village within 24 hours after the award of the Bonds, all necessary pricing information necessary to complete the Final Official Statement used in connection with the sale of the Bonds.

The Village agrees to notify Bernardi Securities, Inc. of any material developments impacting the Village or the Bonds of which the Village becomes aware of after the delivery of the Bonds.

For Information Purpose Only
 Gross Interest Cost From June 15, 2002
 Plus: Discount
 Net Interest Cost
 Net Interest Rate

\$ 370,668.75
 \$ 7,650.00
 \$ 378,318.75
 5.4093%

This bid is for immediate acceptance.
 BERNARDI SECURITIES, INC.

 Lou Lambert
 First Vice President

The above proposal accepted by the action of the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois this date of June 6, 2002.

(Seal)

 President
 Village of Lombard
 DuPage County, Illinois

 Attest

 Attest

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