

ORDINANCE NO. _____

AN ORDINANCE providing for the issuance of aggregate principal amount \$215,000 Special Assessment Number 217C Bonds 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 improvements within Special Assessment Number 217C, the same being the construction of Special Assessment 217C — Northeast Lombard Area Improvements (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 against private property for the portion of the Project which benefits private residents;

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 \$215,000 Special Assessment Number 217C Bonds, authorized under this Ordinance.

"Bond Registrar" means Amalgamated Bank of Chicago, Chicago, Illinois, 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 construction of Special Assessment 217C - Northeast Lombard Area Improvements.

"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 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 "Special Assessment Number 217C Bonds" in an aggregate principal amount of \$215,000 (the "Bonds"). The Bonds shall be dated the date of delivery and shall mature on December 31, 2025 and bear interest at the rate of ___% per annum. The Bonds shall be in the denomination of \$1,000.

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, 2011, and at maturity. 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, mailed 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 at the principal office of the Bond Registrar upon presentation and surrender of the Bonds at the date of maturity.

The Bonds shall constitute limited obligations of the Village, payable solely from the installments by private individuals for payment of Special Assessment Number 217C, if and

when collected by the Village. The Bonds shall not constitute a general obligation of the Village and neither the full faith and credit nor the unlimited taxing power of the Village shall be pledged as security for payment of the Bonds.

Section 4. Bond Registrar and Paying Agent. Amalgamated Bank of Chicago, Chicago, Illinois, is hereby appointed to serve as Bond Registrar and Paying Agent for the Bonds (the "Bond Registrar" and "Paying Agent"). The Bond Registrar is hereby charged with the responsibility of authenticating the Bonds. The President or the Treasurer is hereby authorized to enter into such agreement or understandings with the Bond Registrar as will enable the Bond Registrar to perform the services required of a registrar and paying agent. The Paying Agent is further authorized to pay such fees as the Bond Registrar may charge for the services it provides as Bond Registrar and Paying Agent.

The principal of the Bonds shall be payable at the principal office of the Paying Agent. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners thereof as the names appear as of the Record Date and at the addresses as they appear on the registration books kept by the Bond Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner. If payment of principal 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 by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bonds shall be made in any coin or currency of the United States of

America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

Each Bond shall be transferable or exchangeable only upon the books of the Village kept for that purpose at the principal office of the Bond Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Bond Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning on the Record Date and ending on such interest payment date. The costs of such transfer or exchange shall be borne by the Village except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Village, Bond Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Bond Registrar and Paying Agent may at any time resign as Bond Registrar and Paying Agent upon giving 30 days' notice in writing to the Village and by first class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such 30 day period or upon the earlier appointment of a successor registrar and paying agent by the Village. Any such notice to the Village may be served personally or sent by registered

mail. The Bond Registrar and Paying Agent may be removed at any time as Bond Registrar and Paying Agent by the Village, in which event the Village may appoint a successor registrar and paying agent. The Village shall notify each registered owner of the Bonds then outstanding by first class mail of the removal of the Bond Registrar and Paying Agent. Notices to the registered owners of the Bonds shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Bond Registrar.

Upon the appointment of any successor registrar and paying agent by the Village, the President or the Treasurer are authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Bonds. The President and Treasurer are further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent.

Any predecessor registrar and paying agent shall deliver all of the Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

Interest on the Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Bonds unless the Bonds are authenticated after the Record Date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Bonds are authenticated on or before January 15, 2011, in which case they shall bear interest from the original date until the principal shall be fully paid.

The Village has determined that it will be beneficial to the Village to have the Bonds held by a central depository system pursuant to an agreement between the Village and The Depository

Trust Company, New York, New York ("Depository Trust Company") and have transfers of the Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The Bonds shall be initially issued in the form of a single authenticated fully registered Bond for the aggregate principal amount of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Bond Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Bond Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the Village and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner")) of the Bonds with respect to (i) the accuracy of the records of the Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any notice with respect to the Bonds including any notice of redemption, or (iii) the payment to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the Village to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this Ordinance. The Village and the Bond Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other

notices permitted to be given to bondholders with respect to such Bonds; (iii) registering transfers with respect to such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the Village's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by the Depository Trust Company to the Village of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this Ordinance shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Depository Trust Company as provided in a representation letter from the Village to the Depository Trust Company and, upon the request of any Beneficial Owner, copies of such notices shall be given by the Paying Agent to such Beneficial Owner which has provided its name and address to the Paying Agent.

Upon receipt by the Village of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable

and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Village kept by the Bond Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Bonds shall designate, in accordance with the provisions of this Ordinance.

If the Village determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the Village may notify the Depository Trust Company and the Bond Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the Bonds. In such event, the Bond Registrar shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the Village and the Bond Registrar to do so, the Bond Registrar and the Village will cooperate with the Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Bond Registrar shall cause said Bonds to be printed in blank in such number as the Bond Registrar shall determine to be necessary or customary; provided, however, that the Bond Registrar shall not be required to have such Bonds printed until it shall have received from the Village indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to bondholders by the Village or the Bond Registrar with respect to any consent or other action to be taken by bondholders, the Village or the Bond Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. So long as said Bonds are registered in the name of the Depository Trust Company or CEDE & CO. or any substitute nominee, the Village and the Bond Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Bond Registrar or the Village, as the case may be, to the same extent as if such consent, advice, direction, demand or vote were made by the bondholders for purposes of this Ordinance and the Village and the Bond Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Bond Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Bond Registrar a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

Section 5. 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 in accordance with the terms hereof. The Bonds are callable at par at any time from excess proceeds and from prepayments of the special assessments supporting the obligation of the Bonds. Bonds may be called at par beginning December 31, 2020, from funds from any source.

Section 6. 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. The Bonds to be prepaid shall be selected by lot within the maturity.

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

REGISTERED
NO.

REGISTERED
\$

UNITED STATES OF AMERICA
STATE OF ILLINOIS COUNTY OF DUPAGE

VILLAGE OF LOMBARD
SPECIAL ASSESSMENT NUMBER 217C BOND

Interest <u>Rate</u>	Maturity <u>Date</u>	Dated <u>Date</u>	<u>CUSIP</u>
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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 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, 2011, and at maturity 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 Amalgamated Bank of Chicago, Chicago, Illinois (the "Bond Registrar" or "Paying Agent"), 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 Paying Agent.

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"). The principal of and interest on the Bonds are payable solely and only from the installments, if and when collected, for payment of Special Assessment Number 217C levied for the purpose of constructing the private benefit portion of Special Assessment 217C — Northeast Lombard Area Improvements (the "Project"). THE BONDS SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE VILLAGE AND NEITHER TIE FULL FAITH AND CREDIT NOR THE UNLIMITED TAXING POWER OF THE VILLAGE SHALL BE PLEDGED AS SECURITY FOR PAYMENT OF THE BONDS.

The principal of and premium, if any, and interest on this Bond shall constitute a limited obligation of the Village, payable solely from the installments for payment by private individuals of Special Assessment Number 217C, if and when collected by the Village. Neither this Bond nor the issue of which it is a part shall constitute a general obligation of the Village, and neither the full faith and credit nor the unlimited taxing power of the Village shall be pledged as security for payment hereof or thereof.

This Bond is one of a series of bonds in the aggregate principal amount of \$215,000 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").

The Bonds are callable at par at any time from excess proceeds and from prepayments of the special assessments supporting the obligation of the Bonds. Bonds may be called at par beginning December 31, 2020, from funds of any source.

The Bonds shall be initially issued in a Book Entry System (as defined in the Ordinance). The provisions of this Bond and of the Ordinance 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.

This Bond is transferable or exchangeable only upon the books of the Village kept for that purpose at the principal office of the Bond Registrar by the registered owner hereof in person, or by its attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Bond Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The Village and the Bond Registrar and any other registrar or paying agent for this bond may treat and consider the person in whose name

this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

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 Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$1,000 or any integral multiple thereof.

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

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance.

Date of Authentication: _____.

AMALGAMATED BANK OF CHICAGO,
Chicago, Illinois, as Bond Registrar

By _____
Authorized Officer

(End of Form of Bond)

Section 9. Installment 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 Installment Fund (the "Installment Fund"). All of the installments for payment of the assessments for the private benefit portion of Special Assessment Number 217C of the Village (the "Installments") shall be deposited by the Treasurer in the Installment 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 Installment Fund. The moneys on deposit in the Installment 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 "Special Assessment Number 217C 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.

(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.

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

(d) The Village will preserve and protect the security of the Bonds and the rights of the Bondholders, and will warrant and defend their rights against all

claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, the Bonds shall be incontestable by the Village.

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

(f) As long as any Bonds are outstanding, the Village will continue to deposit the Installments to the Installment Fund. The Village covenants and agrees with the purchasers of the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect such Installments. The Village and its officers will comply with the Act and with all present and future applicable laws in order to assure that such taxes may be collected as provided herein and deposited into the Installment Fund.

Section 14. Sale of the Bonds. The Bonds hereby authorized shall be sold and executed as in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer of the Village, and be by said Treasurer delivered to the purchaser thereof, the same being Bernardi Securities, Inc., Chicago, Illinois, upon receipt of the purchase price therefor, the same being \$_____ ; the contract for the sale of the Bonds heretofore entered into is in all respects ratified, approved and confirmed, it being hereby found and determined that said contract is in the best interest of the Village and that no person holding an office of the Village either by election or appointment, is in any manner interested, either directly

or indirectly, in his own name or in the name of any other person, association, trust or corporation, in said contract for the purchase of the Bonds.

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

Section 15. Arbitrage. The Corporate Authorities certify and covenant with the purchasers and holders of the Bonds from time to time outstanding, that so long as any of the Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner which will cause such Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, and any lawful regulations promulgated or proposed thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Corporate Authorities reserve the right, however, to make any investment of such moneys permitted by Illinois law and this Ordinance, if, when and to the extent that said Section 148(a) or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the opinion of counsel of recognized competence in such matters, result in making the interest on the Bonds subject to federal income taxation.

Section 16. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 17. Partial Invalidity. If any section, paragraph, clause or provision of this Ordinance shall be held in valid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 18. Registered Form. The Village recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 19. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 20. Rights and Duties of Bond Registrar. If requested by the Bond Registrar, the President and Village Clerk of the Village are authorized to execute the Bond Registrar's standard form of agreement between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

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

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential;

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

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

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

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

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

Section 22. Immunity of Officers, Employees and Members of Village. No recourse shall be had for the payment of the principal of or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance contained against any past, present or future officer, director, member, employee or agent of the Village, or of any successor public corporation, as such, either directly or through the Village or any successor public corporation, under any rule of law or equity, statute or constitution or by the enforcement of any 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 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 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; (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 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. Bank Qualification. The Village hereby designates each of the Bonds as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the Village hereby certifies that (i) none of the Bonds will be at any time a "private activity bond" (as defined in Section 141 of the Code) other than a "qualified 501(c)(3) bond" (as defined in Section 145 of the Code), (ii) as of the date hereof in calendar year 2010, the Village has not issued any tax-exempt obligations of any kind other than the Bonds nor have any tax-exempt obligations of any kind been issued on behalf of the Village and (iii) not more than \$30,000,000 of obligations of any kind (including the Bonds) issued by or on behalf of the Village during calendar year 2010 will be designated for purposes of Section 265(b)(3) of the Code.

Section 25. 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 26. 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 27. Publication. This Ordinance shall be published in pamphlet form.

Section 28. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

First reading waived by action of the Board of Trustees this ___th day of _____, 2010.

PASSED on second reading this ___th day of _____, 2010, pursuant to roll call vote as follows.

AYES: _____

NAYS: _____

ABSENT: _____

Approved by me this ___th day of _____, 2010.

William J. Mueller, President
Village of Lombard,
DuPage County, Illinois

Attest:

Brigitte O'Brien, Village Clerk
Village of Lombard,
DuPage County, Illinois

Published by me in pamphlet form this __ day of _____, 2010.

Brigitte O'Brien, Village Clerk
Village of Lombard,
DuPage County, Illinois

Trustee _____ moved and Trustee _____ 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:
_____ and the following Trustees voted NAY: _____

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.

Brigitte O'Brien, Village Clerk
Village of Lombard,
DuPage County, Illinois