

ORDINANCE NO. 796

AN ORDINANCE FOR THE ISSUANCE OF HIGHWAY ALLOCATION FUND PLEDGE REFUNDING BONDS, SERIES 2019, IN THE AMOUNT OF NOT TO EXCEED EIGHT HUNDRED EIGHTY THOUSAND DOLLARS (\$880,000) FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS OF THE VILLAGE; PRESCRIBING THE FORM OF SAID BONDS; PLEDGING FUNDS TO BE RECEIVED BY THE VILLAGE FROM THE STATE OF NEBRASKA HIGHWAY ALLOCATION FUND; AGREEING TO LEVY TAXES; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM

BE IT ORDAINED BY THE CHAIRPERSON AND BOARD OF THE VILLAGE OF WATERLOO, NEBRASKA, as follows:

Section 1. The Chairperson and Board hereby find and determine:

(a) That the Village of Waterloo in the State of Nebraska (the "Village"), has heretofore issued interest-bearing bonds, which remain unpaid and constitute a legal liability of the Village as follows:

Highway Allocation Fund Pledge Bonds, Series 2014, dated July 29, 2014, in the outstanding principal amount of \$870,000, maturing December 15, 2020 through December 15, 2034 (the "Outstanding Bonds");

(b) That by taking up and paying off such Outstanding Bonds by an issue of Highway Allocation Fund Pledge Refunding Bonds of the Village, a substantial savings in the amount of yearly running interest will be made to the Village;

(c) That by issuing its refunding bonds in the amount of not to exceed \$880,000, in pursuance of Section 10-142, R.R.S. Neb. 2012, the Outstanding Bonds can be called for redemption and paid off on a date designated as set forth herein;

(d) That based upon current receipts by the Village for its road funds from funds which are attributable to the State of Nebraska Highway Allocation Fund, the Village anticipates receipts in future years which will exceed the payments due on the bonds herein authorized in each year; and

(e) That the Village currently has no other bonds outstanding issued pursuant to Section 66-4,101, R.R.S., Nebraska, 2018 and that all conditions exist for the issuance of bonds in the amount of not to exceed \$880,000 pursuant to Sections 10-142, R.R.S. Neb. 2012 and 66-4,101, R.R.S. Neb. 2018.

Section 2. For the purposes set out in Section 1 hereof, there shall be and there hereby are ordered issued the General Obligation Highway Allocation Pledge Refunding Bonds, Series 2019, of the Village of Waterloo in the principal amount of \$880,000, to bear date of original issue of December 16, 2019, and to be issued in fully registered form (said bonds are herein sometimes referred to as the "Bonds"). Said bonds shall bear interest at the rates per annum, and mature on December 15 of each year in the principal amounts as follows:

<u>Principal Amount</u>	<u>Maturing on December 15 of Year</u>	<u>Interest Rate Per Annum</u>
\$55,000	2020	1.55%
55,000	2021	1.60
50,000	2022	1.65
50,000	2023	1.70
55,000	2024	1.75
55,000	2025	1.85
55,000	2026	1.95
55,000	2027	2.10
55,000	2028	2.20
60,000	2029	2.30
60,000	2030	2.40
60,000	2031	2.50
70,000	2032	2.60
70,000	2033	2.70
75,000	2034	2.80

The bonds shall be issued in the denomination of \$5,000 or any integral multiple thereof and shall be numbered from 1 upwards in the order of their issuance as shown on the books and records of the Paying Agent and Registrar. No bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the bonds issued shall be as directed by the initial purchasers thereof. Principal and interest on the bonds shall be payable semiannually on June 15 and December 15 of each year, starting June 15, 2020. The interest due on each interest payment date shall be payable to the registered owners of record as of the close of business on the fifteenth day (whether or not a business day) immediately preceding the interest payment date (the "Record Date"), subject to the provisions of Section 3 hereof. Payment of interest due on the Bonds prior to maturity or redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each Bond, as of the applicable Record Date, to such owner's registered address as shown on the books of registration, as required to be maintained in Section 3 hereof. Payment of principal due at maturity or at any date fixed for redemption, together with any accrued interest then due, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the Bonds to said Paying Agent and Registrar. In the event that Bonds of this issue are held in the nominee name of a national clearinghouse or depository, payment of principal or interest shall be made by wire transfer of funds in accordance with any

applicable regulations governing "Depository Eligible Securities". The Village and said Paying Agent and Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payments thereon and for all other purposes and neither the Village nor said Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary whether such Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any Bond shall be valid and effectual and shall be a discharge of the Village and said Paying Agent and Registrar, in respect of the liability upon the Bonds or claims for interest to the extent of the sum or sums so paid. If any Bond is not paid upon presentation of the Bond at maturity or any interest installment is not paid when due, the delinquent Bond or delinquent interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed against delinquent taxes under Section 45-104.01 R.R.S. Nebraska, 2010, as now existing or as the same may be amended from time to time by the Nebraska Legislature.

Section 3. The Village Treasurer is hereby designated as Paying Agent and Registrar for the Bonds. Said Paying Agent and Registrar shall keep and maintain for the Village books for the registration and transfer of the Bonds at the office of the Paying Agent and Registrar in Waterloo, Nebraska. The names and registered addresses of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar upon surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar will register such transfer upon said registration books and deliver to the transferee registered owner or owners (or send by registered mail to the transferee owner or owners at such owner's or owners' risk and expense), registered in the name of such transferee owner or owners, a new Bond or Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the Bonds by this ordinance, one Bond may be transferred for several such Bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond or Bonds shall be cancelled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the Village evidencing the same obligations as the Bonds surrendered and shall be entitled to all benefits and protection of this ordinance to the same extent as the Bonds upon transfer of which they were delivered. The Village and the Paying Agent and Registrar shall not be required to transfer Bonds during any period from any Record Date until its immediately following interest payment date. In the event that payments of interest due on the Bonds on an interest payment date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such interest payment date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 4. Bonds maturing more than five (5) years after their date of issue shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the fifth anniversary of the date of delivery of such Bonds, at par plus accrued interest on the principal amount redeemed

to the date fixed for redemption. The Village may select the Bonds to be redeemed in its sole discretion but Bonds shall be redeemed only in the amount of \$5,000 or integral multiples thereof. Any Bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new Bond evidencing the unredeemed principal thereof. Notice of redemption of any Bond called for redemption shall be given at the direction of the Chairperson and Board by the Paying Agent and Registrar by mail not less than thirty days prior to the date fixed for redemption, first class postage prepaid, sent to the registered owner of such Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by number and maturity, the date of original issue, the date fixed for redemption and state that such Bond or Bonds are to be presented for prepayment at the office of the Paying Agent and Registrar. In case of any Bond partially redeemed, such notice shall specify the portion of the principal amount of such Bond to be redeemed. No defect in the mailing of notice for any Bond shall affect the sufficiency of the proceedings of the Chairperson and Board designating the Bonds called for redemption or the effectiveness of such call for Bonds for which notice by mail has been properly given and the Chairperson and Board shall have the right to further direct notice of redemption for any such Bond for which defective notice has been given.

Section 5. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Village where the office of the Paying Agent and Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 6. The Bonds shall be executed on behalf of the Village by being signed by the Chairperson and the Village Clerk, both of which signatures may be facsimile signatures, and shall have the Village seal impressed on each Bond. The Village Clerk shall make and certify a transcript of proceedings had and done precedent to the issuance of said Bonds which shall be delivered to the purchaser of said Bonds. After being executed by the Chairperson and Village Clerk, said Bonds shall be delivered to the Treasurer of the Village who shall be responsible therefore under his/her official bond. Such Treasurer shall maintain a record of information with respect to said Bonds in accordance with the requirements of Section 10-140, R.R.S. Neb. 2012, as amended, and shall cause the same to be filed with the Auditor of Public Accounts of the State of Nebraska. The Paying Agent and Registrar shall register each Bond in the name of its initial registered owner as designated by the initial purchaser. Each Bond shall be authenticated on behalf of the Village by the Paying Agent and Registrar. The Bonds shall be issued initially as "book-entry only" bonds using the services of The Depository Trust Company (the "Depository"), with one typewritten Bond per maturity being issued to the Depository. In such connection said officers of the Village are authorized to execute and deliver a letter of representations and inducement (the "Letter of Representations") in the form required by the Depository, for and on behalf of the Village, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds. Upon issuance of the Bonds as "book-entry-only" bonds, the following provisions shall apply:

- (a) The Village and the Paying Agent and Registrar shall have no responsibility or

obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a Bond from a Bond Participant while the Bonds are in book-entry form (each a "Beneficial Owner") with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the Bonds;

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption; or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Bonds. The Paying Agent and Registrar shall make payments with respect to the Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable to or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the Village, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Bonds or (ii) to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such Bonds shall designate.

(c) If the Village determines that it is desirable that certificates representing the Bonds be delivered to the ultimate Beneficial Owners of the Bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the Bonds may be transferred on the books of registration

maintained by the Paying Agent and Registrar, and the Bonds may be delivered in physical form to the following:

- (i) any successor securities depository or its nominee; or
- (ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section and the terms of the Paying Agent and Registrar's Agreement.

(f) In the event of any partial redemption of a Bond unless and until such partially redeemed Bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such Bond as is then outstanding and all of the Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced or upon termination by the Village of book-entry-only form, the Village shall immediately provide a supply of bond certificates for issuance upon subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement bond certificates upon transfer or partial redemption, the Village agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose signature or facsimile thereof shall appear on any Bond shall cease to be such officer before the delivery of such Bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Bond. The Bonds shall not be valid and binding on the Village until authenticated by the Paying Agent and Registrar. The Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication.

Section 7. Said Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF DOUGLAS
VILLAGE OF WATERLOO

HIGHWAY ALLOCATION FUND PLEDGE REFUNDING BOND
SERIES 2019

Bond No.

\$

<u>Interest Rate</u> %	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
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Registered Owner: _____

Principal Amount: _____

KNOW ALL PERSONS BY THESE PRESENTS: That the Village of Waterloo, in the County of Douglas, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above the principal amount specified above in lawful money of the United States of America on the maturity date specified above, with interest thereon from date of original issue specified above or most recent interest payment date, whichever is later, to maturity at the rate per annum specified above. Said interest shall be payable semiannually on the fifteenth day of June and December in each year, starting June 15, 2020. If this bond is not paid upon presentation at maturity or any interest installment hereon is not paid when due, the bond or interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed against delinquent taxes under Section 45-104.01 R.R.S. Neb. 2010, as now existing or as the same may be amended from time to time by the Nebraska Legislature. The interest hereon due prior to maturity shall be paid on each interest payment date by the Village Treasurer as Paying Agent and Registrar for the Village, by wire transfer (but only in accordance with the limited terms of the authorizing ordinance), check or draft mailed to the registered owner hereof, as of the close of business on the fifteenth day (whether or not a business day) immediately preceding the interest payment date, at such owner's registered address as it appears on the books of registration of the Village. The principal of this bond and the interest due at maturity is payable on presentation and surrender to said Paying Agent and Registrar at the office of the Paying Agent in Waterloo, Nebraska. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available. For the prompt payment of this bond, principal and interest as the same become due, the Village hereby pledges all receipts by the Village which are attributable to the Highway Allocation Fund of the State of Nebraska. In the event such receipts for the Highway Allocation Fund are insufficient to meet the payments of principal and interest, the full faith, credit and resources of said Village are hereby irrevocably pledged.

This bond is one of an issue of fully registered bonds of the total principal amount of \$880,000, of like tenor herewith except as to date of maturity and rate of interest, issued by said Village for the purpose of paying the outstanding Highway Allocation Fund Pledge Bonds, Series 2014, dated July 29, 2014, in the outstanding principal amount of \$870,000, and is issued pursuant to Sections 10-142, R.R.S. Neb. 2012 and 66-4,101, R.R.S. Neb., 2018. This bond and the others of said issue have been duly authorized by an ordinance duly passed and adopted by the Chairperson and Board of said Village.

The Village, however, reserves the right and option of paying bonds of this issue maturing on or after December 15, 2025, in whole or in part, on the fifth anniversary of the date of issue or at any time thereafter at par, plus accrued interest to the date of redemption. Any bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new bond evidencing the unredeemed principal thereof. Notice of such redemption shall be given by mail, sent to the registered owner of any bond to be redeemed at said registered owner's address in the manner provided in the ordinance authorizing the bonds. Individual bonds may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the ordinance authorizing said issue of bonds, subject to the limitations therein prescribed. The Village, its Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

AS PROVIDED IN THE ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE ORDINANCE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE ORDINANCE TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE ORDINANCE.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE PAYING AGENT AND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT AND REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR

VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

This bond shall not be valid and binding on the Village until authenticated by the Paying Agent and Registrar.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said Village, including this bond, does not exceed any limitation imposed by law. This bond and the interest accruing hereon shall be payable from funds received by the Village from the Highway Allocation Fund of the State of Nebraska which have been pledged to the payment of such principal and interest or from ad valorem taxes levied by the Village, within applicable statutory limitations, as provided in Section 66-4,101, R.R.S. Neb., 2018. The Village has reserved the right to issue additional bonds payable from receipts from the Highway Allocation Fund of the State of Nebraska, without limitation.

IN WITNESS WHEREOF, the Chairperson and Board of the Village of Waterloo, Nebraska, have caused this bond to be executed on behalf of the Village by being signed by the Chairperson and Clerk of the Village, both of which signatures may be facsimile signatures, and by causing the official seal of the Village to be affixed hereto all as of the date of original issue shown above.

VILLAGE OF WATERLOO, NEBRASKA

By: _____ (Do not sign)
Chairperson

ATTEST:

(Do not sign)
Village Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by an ordinance passed and approved by the Chairperson and Board of the Village of Waterloo as described in said bonds.

(do not sign)
Village Treasurer, Village of Waterloo,
Nebraska, Paying Agent and Registrar

(FORM OF ASSIGNMENT)

For value received _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the same on the books of registration in the office of the within mentioned Paying Agent and Registrar with full power of substitution in the premises.

Date: _____

Registered Owner

SIGNATURE GUARANTEED

By _____

Authorized Officer

Note: The signature(s) of this assignment MUST CORRESPOND with the name as written on the face of the within bond in every particular without alteration, enlargement or any change whatsoever, and must be guaranteed by a commercial bank or a trust company or by a firm having membership on the New York, Midwest or other stock exchange.

Section 8. Said bonds are hereby sold to Ameritas Investment Corp. (the "Underwriter") at 98.95% of the principal amount thereof, and the Village Treasurer is authorized to deliver the bonds to said purchaser upon receipt of the said amount plus accrued interest to the date of payment. The proceeds of the bonds are to be applied upon receipt to redeem the Outstanding Bonds as called for redemption. Said bonds are sold to the purchaser subject to the opinion of independent bond counsel that said bonds are lawfully issued; that said bonds constitute a valid obligation of the Village; and that under existing laws and regulations the interest on said bonds is exempt from both Nebraska state and federal income taxes. The bond purchase agreement for the Bonds between the Village and the Underwriter is hereby approved in the form presented and its execution and delivery by the Village's officers (or any one or more of them) is hereby authorized. Such purchaser and its agents, representatives and counsel (including its bond counsel) are hereby authorized to take such actions on behalf of the Village as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository (as hereinafter defined) at closing. The proceeds of the bonds shall be applied upon receipt to the redemption of the Outstanding Bonds as called for redemption on December 16, 2019 and the officers of the Village or any one or more of them are hereby authorized and directed to take any and all actions deemed necessary or appropriate to effect the redemption of such bonds. The owners of the bonds shall be subrogated to the rights of the owners of the Outstanding Bonds from and after their redemption.

Section 9. For the payment of the Bonds, principal and interest as the same fall due, there are hereby pledged all receipts by the Village which are attributable to the Highway Allocation

Fund of the State of Nebraska. So long as the Village has in each year made adequate provision for the payments of principal and interest due on the Bonds falling due in such year, monies received by the Village attributable to the Highway Allocation Fund may be applied for any other permitted purpose. The Village reserves the right to issue additional bonds pursuant to Section 66-4,101, R.R.S. Neb. 2018, which shall also be secured equally and ratably with the Bonds by a pledge of funds to be received by the Village attributable to the Highway Allocation Fund without limitation. The Village hereby agrees that, in the event that receipts by the Village in any year attributable to the Highway Allocation Fund are insufficient to meet the payments of principal and interest falling due on the Bonds, the Village shall levy ad valorem taxes upon all taxable property in the Village, at such rate or rates, within applicable statutory limitations, as will provide funds which, together with receipts from the Highway Allocation Fund, will be sufficient to pay principal and interest on the Bonds as they severally mature. The Village reserves the right to issue additional bonds pursuant to Section 66-4,101, R.R.S. Neb. 2018.

Section 10. The Village of Waterloo, Nebraska, hereby covenants to the purchasers and holders of the Bonds hereby authorized that it will make no use of the proceeds of said Bond issue, including monies held in any sinking fund for the payment of said Bonds, which would cause said Bonds to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and further covenants to comply with said Sections 103 and 148 and all applicable regulations thereunder throughout the term of said Bond issue. The Village hereby covenants and agrees to take all actions necessary under the Code to maintain the tax-exempt status of interest payable on the Bonds with respect to taxpayers generally but not including insurance companies. The Village hereby designates the Bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not anticipate issuing tax-exempt obligations in calendar 2019 in an amount in excess of \$10,000,000. The Village Treasurer is hereby authorized to make allocations of Bonds and Bond proceeds with respect to said issue in accordance with the Regulations of the United States Treasury under Section 148 of the Code.

Section 11. In order to promote compliance with certain federal tax and securities laws relating to the Bonds herein authorized (as well as other outstanding bonds) the policy and procedures attached hereto as Exhibit "A" (the "Post-Issuance Compliance Policy and Procedures") are hereby adopted and approved. To the extent that there is any inconsistency between the attached Post-Issuance Compliance Policy and Procedures and any similar policy or procedures previously adopted and approved, the Post-Issuance Compliance Policy and Procedures shall control.

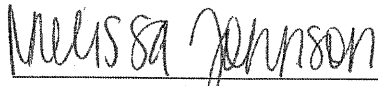
Section 12. This Ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this 12 day of November, 2019.



Chairperson

ATTEST:



Village Clerk



EXHIBIT "A"
Policy and Procedures
Federal Tax Law and Disclosure Requirements for
Tax-exempt Bonds and/or Tax Advantaged Bonds

ISSUER NAME: VILLAGE OF WATERLOO, NEBRASKA

COMPLIANCE OFFICER (BY TITLE): VILLAGE CLERK

POLICY

It is the policy of the Issuer identified above (the "Issuer") to comply with all Federal tax requirements and securities law continuing disclosure obligations for its obligations issued as tax-exempt bonds (or as tax credit, direct pay subsidy or other tax-advantaged bonds, as applicable) to ensure, as applicable (a) that interest on its tax-exempt bonds remains exempt from Federal income tax, (b) that the direct payments or tax credits associated with its bonds issued as tax advantaged bonds are received in a timely manner and (c) compliance with any continuing disclosure obligations of the Issuer with respect to its outstanding bonds.

PROCEDURES

Compliance Officer. Review of compliance with Federal tax requirements and securities law continuing disclosure obligations as generally outlined below shall be conducted by the Compliance Officer identified above (the "Compliance Officer"). To the extent more than one person has been delegated specific responsibilities, the Compliance Officer shall be responsible for ensuring coordination of all compliance review efforts.

Training. The Compliance Officer shall evaluate and review educational resources regarding post-issuance compliance with Federal tax and securities laws, including periodic review of resources published for issuers of tax-exempt obligations by the Internal Revenue Service (either on its website at <http://www.irs.gov/taxexemptbond>, or elsewhere) and the Municipal Securities Rulemaking Board (either on its Electronic Municipal Market Access website ["EMMA"] at <http://www.emma.msrb.org>, or elsewhere).

Compliance Review. A compliance review shall be conducted at least annually by or at the direction of the Compliance Officer. The review shall occur at the time the Issuer's annual audit takes place, unless the Compliance Officer otherwise specifically determines a different time period or frequency of review would be more appropriate.

Scope of Review.

Document Review. At the compliance review, the following documents (the "Bond Documents") shall be reviewed for general compliance with covenants and agreements and applicable regulations with respect to each outstanding bond issue:

- (a) the resolution(s) and/or ordinance(s), as applicable, adopted by the governing body of the Issuer authorizing the issuance of its outstanding bonds, together with any documents setting the final rates and terms of such bonds (the "Authorizing Proceedings"),
- (b) the tax documentation associated with each bond issue, which may include some or all of the following (the "Tax Documents"):
 - (i) covenants, certifications and expectations regarding Federal tax requirements which are described in the Authorizing Proceedings;
 - (ii) Form 8038 series filed with the Internal Revenue Service;
 - (iii) tax certificates, tax compliance agreements, tax regulatory agreement or similar documents;
 - (iv) covenants, agreements, instructions or memoranda with respect to rebate or private use;
 - (v) any reports from rebate analysts received as a result of prior compliance review or evaluation efforts; and
 - (vi) any and all other agreements, certificates and documents contained in the transcript associated with the Authorizing Proceedings relating to federal tax matters.

- (c) the Issuer's continuing disclosure obligations, if any, contained in the Authorizing Proceedings or in a separate agreement (the "Continuing Disclosure Obligations"), and
- (d) any communications or other materials received by the Issuer or its counsel, from bond counsel, the underwriter or placement agent or its counsel, the IRS, or any other material correspondence relating to the tax-exempt status of the Issuer's bonds or relating to the Issuer's Continuing Disclosure Obligations.

Use and Timely Expenditure of Bond Proceeds. Expenditure of bond proceeds shall be reviewed by the Compliance Officer to ensure (a) such proceeds are spent for the purpose stated in the Authorizing Proceedings and as described in the Tax Documents and (b) that the proceeds, together with investment earnings on such proceeds, are spent within the timeframes described in the Tax Documents, and (c) that any mandatory redemptions from excess bond proceeds are timely made if required under the Authorizing Proceedings and Tax Documents.

Arbitrage Yield Restrictions and Rebate Matters. The Tax Documents shall be reviewed by the Compliance Officer to ensure compliance with any applicable yield restriction requirements under Section 148(a) of the Internal Revenue Code (the "Code") and timely calculation and payment of any rebate and the filing of any associated returns pursuant to Section 148(f) of the Code. A qualified rebate analyst shall be engaged as appropriate or as may be required under the Tax Documents.

Use of Bond Financed Property. Expectations and covenants contained in the Bond Documents regarding private use shall be reviewed by the Compliance Officer to ensure compliance. Bond-financed properties shall be clearly identified (by mapping or other reasonable means). Prior to execution, the Compliance Officer (and bond counsel, if deemed appropriate by the Compliance Officer) shall review (a) all proposed leases, contracts related to operation or management of bond-financed property, sponsored research agreements, take-or-pay contracts or other agreements or arrangements or proposed uses which have the potential to give any entity any special legal entitlement to the bond-financed property, (b) all proposed agreements which would result in disposal of any bond-financed property, and (c) all proposed uses of bond-financed property which were not anticipated at the time the bonds were issued. Such actions could be prohibited by the Authorizing Proceedings, the Tax Documents or Federal tax law.

Continuing Disclosure. Compliance with the Continuing Disclosure Obligations with respect to each bond issue shall be evaluated (a) to ensure timely compliance with any annual disclosure requirement, and (b) to ensure that any material events have been properly disclosed as required by the Continuing Disclosure Obligation.

Record Keeping. If not otherwise specified in the Bond Documents, all records related to each bond issue shall be kept for the life of the indebtedness associated with such bond issue (including all tax-exempt refundings) plus six (6) years.

Incorporation of Tax Documents. The requirements, agreements and procedures set forth in the Tax Documents, now or hereafter in existence, are hereby incorporated into these procedures by this reference and are adopted as procedures of the Issuer with respect to the series of bonds to which such Tax Documents relate.

Consultation Regarding Questions or Concerns. Any questions or concerns which arise as a result of any review by the Compliance Officer shall be raised by the Compliance Officer with the Issuer's counsel or with bond counsel to determine whether non-compliance exists and what measures should be taken with respect to any non-compliance.

VCAP and Remedial Actions. The Issuer is aware of (a) the Voluntary Closing Agreement Program (known as "VCAP") operated by the Internal Revenue Service which allows issuers under certain circumstances to voluntarily enter into a closing agreement in the event of certain non-compliance with Federal tax requirements and (b) the remedial actions available to issuers of certain bonds under Section 1.141-12 of the Income Tax Regulations for private use of bond financed property which was not expected at the time the bonds were issued.