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ORDINANCE NO. 834

VILLAGE OF WATERLOO, NEBRASKA

PASSED AND APPROVED

February 5, 2024

Authorizing

Not to Exceed

\$1,550,000

VILLAGE OF WATERLOO, NEBRASKA  
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS  
SERIES 2024

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**Ordinance**

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ORDINANCE NO. 836

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE BY THE VILLAGE OF WATERLOO, NEBRASKA OF ITS GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2024, IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED ONE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$1,550,000) TO PAY THE COSTS OF CONSTRUCTING AND IMPROVING CERTAIN STREETS AND RELATED IMPROVEMENTS OF THE VILLAGE; AUTHORIZING CERTAIN OFFICIALS TO DETERMINE THE FINAL AGGREGATE PRINCIPAL AMOUNT, MATURITIES, RATES, REDEMPTION PROVISIONS, TERMS AND OTHER DETAILS OF SUCH BONDS; PLEDGING FUNDS RECEIVED FROM THE NEBRASKA HIGHWAY ALLOCATION FUND AND PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS; DESIGNATING THE BONDS AS QUALIFIED TAX EXEMPT OBLIGATIONS; ADOPTING CERTAIN POST-ISSUANCE TAX COMPLIANCE AND DISCLOSURE POLICIES AND PROCEDURES WITH RESPECT TO THE BONDS; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

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BE IT ORDAINED BY THE CHAIRPERSON AND BOARD OF TRUSTEES OF THE VILLAGE OF WATERLOO, NEBRASKA AS FOLLOWS:

**FINDINGS AND DETERMINATIONS**

The Chairperson and the Board of Trustees (the “**Board**”) of the Village of Waterloo, Nebraska (the “**Village**”) hereby make the following findings and determinations:

1. It is necessary, desirable and advisable that the Village construct and improve certain streets and related improvements of the Village (collectively, the “**Project**”) pursuant to plans, specifications and estimates of costs prepared by the Village’s special engineers.
2. The estimated costs for such improvements are not less than \$1,550,000.
3. Pursuant to the provisions of Section 66-4,101 et seq., Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), the Village is authorized (a) to issue its general obligation highway allocation fund pledge bonds to pay the costs of the Project, (b) to pledge funds received from the State of Nebraska Highway Allocation Fund (the “**Highway Allocation Fund**”) to the payment of the principal thereof and the interest thereon, and (c) to levy and collect a tax upon all the taxable property in the Village at such rate or rates, which, together with receipts from the Highway Allocation Fund pledged to the payment of such bonds, will be sufficient in amount to pay the principal of such bonds and the interest thereon when and as the same become due.

sufficient in amount to pay the principal of such bonds and the interest thereon when and as the same become due.

4. The Village has no other funds on hand to pay the costs of the Project.

5. The Village expects to receive the sum of \$150,246 from the Nebraska Highway Allocation Fund during the fiscal year ending September 30, 2024.

6. Taking into consideration the available funds of the Village for such purposes, it will be necessary for the Village to issue its general obligation highway allocation fund pledge bonds in one or more series in an aggregate principal amount not to exceed \$1,550,000 (the “**Bonds**”) to pay the costs of the Project, including any related warrant or note indebtedness.

7. The Village previously issued its (a) \$880,000 Highway Allocation Fund Pledge Refunding Bonds, Series 2019, dated December 16, 2019, currently outstanding in the aggregate principal amount of \$670,000, and (b) \$540,000 Highway Allocation Fund Pledge Bonds, Series 2020, dated February 18, 2020, currently outstanding in the aggregate principal amount of \$445,000 (collectively, the “**Parity Bonds**”), issued in each case to finance streets and related improvements in addition to the Project, which Parity Bonds are payable from the Village’s receipts from the Highway Allocation Fund.

8. Annual debt service on the Bonds authorized herein and the Parity Bonds is not expected to exceed the expected annual revenues from the Highway Allocation Fund.

9. All conditions, acts and things required to exist or to be done precedent to the issuance of the Bond, the pledging of funds and the levying of taxes as provided in this Ordinance do exist and have been done as required by law.

## ARTICLE I

### DEFINITIONS

**Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following words and terms used in this Ordinance have the following meanings:

“**Act**” means Sections 66-4,101 et seq., Reissue Revised Statutes of Nebraska, as amended.

“**Authorized Denomination**” means \$5,000 and any whole multiple thereof, unless otherwise determined by an Authorized Officer.

“**Authorized Officer**” means the Chairperson, the Village Treasurer or the Village Clerk, including anyone authorized to act on behalf of any such officer.

“**Beneficial Owner**” means any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Board**” has the meaning set forth in the Findings and Determinations hereto.

“**Bond Counsel**” means Kutak Rock LLP, or other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the Village.

“**Bond Register**” means the books for the registration, transfer and exchange of the Bond kept at the office of the Paying Agent.

“**Bonds**” means one or more series of the Village’s General Obligation Highway Allocation Fund Pledge Bonds, Series 2024, or such other designation as an Authorized Officer shall determine, authorized and issued by the Village pursuant to this Ordinance.

“**Business Day**” means a day other than a Saturday, Sunday or holiday on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“**Cede & Co.**” means Cede & Co., as nominee of The Depository Trust Company, New York, New York.

“**Chairperson**” means the Chairperson of the Board, or such other person duly authorized to sign on his or her behalf.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

“**Construction Fund**” means the fund by that name referred to in **Section 501**.

“**Debt Service Fund**” means the fund by that name referred to in **Section 501**.

“**Defaulted Interest**” means interest on the Bond which is payable but not paid on any Interest Payment Date.

“**Defeasance Obligations**” means any of the following obligations:

(a) Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(i) (A) the obligations are not subject to redemption prior to maturity or (B) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(ii) the obligations are secured by cash or Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(iii) such cash and the principal of and interest on such Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(iv) such cash and Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(v) such cash and Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(vi) the obligations are rated at least “Aa” by Moody’s Investors Service, Inc. or “AA” by Standard & Poor’s Ratings Group.

“**Designated Office**” means (a) the corporate trust administration office maintained by the Paying Agent at which the Paying Agent discharges its obligations under this Ordinance, or (b) the office of the Village Treasurer if the Village Treasurer is the Paying Agent, and which may be changed by the Paying Agent upon written notice to the Village and to each Registered Owner.

“**Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States, or securities which represent an undivided interest in such obligations, which obligations are rated at least “Aa” by Moody’s Investors Service, Inc. or “AA” by Standard & Poor’s Ratings Group and such obligations are held in a custodial account for the benefit of the Village.

“**Highway Allocation Fund**” has the meaning set forth in the Findings and Determinations above.

“**Interest Payment Date**” means the dates established by the Authorized Officer pursuant to **Section 210** for the payment of interest on the Bonds.

“**Lender**” has the meaning set forth in **Section 209** hereof.



“**Maturity**” when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

“**Ordinance**” means this Ordinance passed by the Board, authorizing the issuance of the Bonds, as amended from time to time.

“**Outstanding**” means, when used with reference to the Bonds, as of any particular date of determination, the Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of Article VII hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

“**Parity Bonds**” has the meaning assigned to such term in the Findings and Determinations hereto.

“**Paying Agent**” means the Village Treasurer or a third-party financial institution designated by an Authorized Officer in accordance with **Sections 203** and **210** hereof, and any successors or assigns.

“**Permitted Investments**” means any of the investments permitted by the constitution and statutes of the State for funds of the Village.

“**Person**” means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“**Placement Agent**” has the meaning set forth in **Section 209** hereof.

“**Private Purchaser**” has the meaning set forth in **Section 209** hereof.

“**Project**” has the meaning set forth in the Findings and Determinations hereof.

“**Purchaser**” means the Underwriter, the Private Purchaser or the Lender, as specified by an Authorized Officer in accordance with the provisions of **Section 209** hereof.

“**Record Date**” for the interest payable on any Interest Payment Date means the fifteenth day of the month (whether or not a business day) immediately preceding each Interest Payment Date.

“**Redemption Date**” when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Ordinance.

“**Redemption Price**” when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance.

“**Registered Owner**” when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

“**Replacement Bond**” means a Bond issued to an Owner in accordance with **Section 207** hereof.

“**Securities Depository**” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“**Special Record Date**” means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

“**State**” means the State of Nebraska.

“**Tax Certificate**” means the Federal Tax Certificate executed and delivered by the Village in connection with the issuance of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

“**Underwriter**” has the meaning set forth in **Section 209** hereof.

“**United States**” means the United States of America.

“**Village**” means the Village of Waterloo, Nebraska.

“**Village Clerk**” means the clerk of the Village, or such other person duly authorized to sign on his or her behalf.

“**Village Treasurer**” means the treasurer of the Village, or such other person duly authorized to sign on his or her behalf.

## ARTICLE II

### AUTHORIZATION OF BONDS

**Section 201. Authorization of Bonds.** The Village is hereby authorized and directed to issue the Bonds in one or more series and in an aggregate principal amount not to exceed \$1,550,000 to pay the costs of the Project and issuing the Bonds.

**Section 202. Description of Bonds.** Unless otherwise determined by an Authorized Officer, the Bonds shall consist of fully registered bonds, each series numbered from R-1 upward in order of issuance, in Authorized Denominations. The Bonds shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. All of the Bonds shall be dated the date of delivery thereof, shall become due and payable in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in **Article III** hereof and as determined by an Authorized Officer, and shall bear interest at the rates determined by the Authorized Officer in accordance with the provisions of **Section 210** hereof. Unless otherwise determined by an Authorized Officer, the Bonds shall bear interest computed on the basis of a 360-day year of twelve 30-day months from the date thereof or from the most recent Interest Payment Date to which interest has been paid.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be in substantially the form set forth in **Exhibit A** attached hereto.

**Section 203. Paying Agent.** The Village will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. Unless otherwise so designated by an Authorized Officer in accordance with the provisions of Section 210 hereof, the Board hereby designates the Paying Agent as its paying agent for the payment of the principal or Redemption Price of and interest on the Bonds and as its bond registrar with respect to the registration, transfer and exchange of the Bonds. If the Paying Agent is other than the Village Treasurer, the Paying Agent shall serve in such capacities under the terms of an agreement entitled “Bond Registrar and Paying Agent Agreement” between the Village and the Paying Agent (the “**Paying Agent Agreement**”) in a form approved by an Authorized Officer in accordance with the provisions of **Section 210** hereof. Any Authorized Officer may execute the Paying Agent Agreement.

The Village reserves the right, and does hereby authorize the Authorized Officers, or any individually, to appoint a successor Paying Agent by (a) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (b) causing notice of the appointment of the successor Paying Agent to be given by first-class mail to each Registered Owner. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

Unless the Paying Agent is the Village Treasurer, every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company organized and doing business under the laws of the United States or of a state of the

United States, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority.

**Section 204. Method and Place of Payment of Bonds.** The principal or Redemption Price of and interest on the Bonds shall be payable in legal currency of the United States. The principal or Redemption Price of each Bond shall be paid at Maturity by check or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the Designated Office of the Paying Agent. The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register.

Notwithstanding the foregoing provisions of this **Section 204**, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as specified in this paragraph. The Village shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Village of such Special Record Date and, in the name and at the expense of the Village, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first-class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of the payment of the principal or Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Village.

**Section 205. Registration, Transfer and Exchange of Bonds.** The Village covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent. The Bond when issued shall be registered in the name of the Registered Owner thereof on the Bond Register. At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in aggregate principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Bonds may be transferred and exchanged only on the Bond Register as provided in this **Section 205**. Upon surrender of any Bond at the Designated Office, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The Village shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

The Village and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to **Section 303** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Village of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

The Village and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Village nor the Paying Agent shall be affected by any notice to the contrary.

**Section 206. Execution, Registration, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Chairperson and attested by the manual or facsimile signature of the Village Clerk, or any persons authorized to act on their behalf. In case any officer whose signature appears on any Bond ceases to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by

such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Chairperson and the Village Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and, when duly executed and registered, to deliver the Bonds to the Paying Agent for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by the Paying Agent. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to the Purchasers upon payment of the purchase price of the Bonds plus accrued interest thereon to the date of its delivery.

**Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.** If (a) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Village shall execute and, upon the Village's request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount. Upon the issuance of any new Bond under this **Section 207**, the Village may require the payment by the Registered Owner of an amount sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith. Every new Bond issued pursuant to this **Section 207** shall constitute a replacement of the prior obligation of the Village, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds. If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Village, in its discretion, may pay such Bond instead of issuing a new Bond.

**Section 208. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Village.

**Section 209. Sale of Bonds.** In accordance with and subject to the provisions of **Section 210**, the Authorized Officers, or each individually, are hereby authorized to sell the Bonds pursuant to one or more of the following methods:

(a) The Village is authorized to sell the Bonds to Ameritas Investment Company, LLC, as original purchaser of the Bonds (the “**Underwriter**”), in accordance with **Section 210** of this Ordinance. Delivery of the Bonds shall be made to the Underwriter as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale. The Village is authorized to enter into a Bond Purchase Agreement (the “**Purchase Agreement**”) between the Village and the Underwriter in form and substance acceptable to the Authorized Officers, or each individually. Such Authorized Officer is authorized to execute the Purchase Agreement, in form and substance acceptable to such Authorized Officer, for and on behalf of the Village, such officer’s signature thereon being conclusive evidence of such official’s and the Village’s approval thereof. The Underwriter shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. Such Underwriter and its agents, representatives and counsel (including 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 at closing.

(b) The Village is further authorized to place the Bonds with a private purchaser (the “**Private Purchaser**”) with the assistance of Ameritas Investment Company, LLC, as placement agent of the Bonds (the “**Placement Agent**”) in accordance with **Section 210** of this Ordinance. The Private Purchaser shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. The Placement Agent and its agents, representatives and counsel (including 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 placement of the Bonds.

(c) The Village is further authorized to (i) issue the Bonds directly to a bank or other institutional lender (the “**Lender**”) to evidence or secure a loan from such Lender to the Village or (ii) enter into a loan agreement with a Lender in lieu of issuing the Bonds, in accordance with **Section 210** of this Ordinance and subject to the other restrictions of this Ordinance. Such Lender may be identified with the assistance of the Placement Agent. The Lender shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, and shall have the right to sell participation interests in the Bonds to other banks and institutional lenders, all subject to the restrictions of this Ordinance. The Placement Agent and its agents, representatives and counsel (including bond counsel) are hereby authorized to take such actions on behalf of the Village as are necessary to effectuate the closing of the issuance of the Bonds.

**Section 210. Parameters and Authorization of Award Certificate.** The Authorized Officers, or each individually, is authorized and directed, in the exercise of his or her independent judgment and absolute discretion, to hereafter, from time to time, specify, set, designate, determine, establish and appoint, as the case may be, and in each case in accordance with and subject to the provisions of this Ordinance pursuant to a certificate executed by any

Authorized Officer (the “**Award Certificate**”): (a) the dates of original issue, (b) the aggregate principal amount of Bonds to be issued, not exceeding aggregate principal amount set forth in **Section 201** hereof, (c) the Maturity Dates and the principal amount of the Bonds to mature on each of such dates, (d) the final Maturity Date of the Bonds, which shall in no event be later than December 31, 2039, (e) the dates upon which the Bonds shall be sold, which shall not be later than one year from adoption of this Ordinance, (f) the rate or rates of interest to be carried by each maturity, such that the true interest cost shall not exceed 6.00%, (g) the method by which such rate or rates of interest shall be calculated, (h) the Interest Payment Dates for the Bonds, (i) the redemption dates and prices and all terms relating thereto, including the amount and sinking fund installment dates of any Bonds issued as “term bonds” and the amount of each sinking fund installment therefor, and all terms relating thereto, if any, (j) the identity of the Paying Agent, if other than the Village Treasurer; (k) any financial covenants, including modification of those set forth herein; (l) the form, content, terms and provisions of the Purchase Agreement (as defined in **Section 209** hereof), if applicable, (m) the fee of the Purchaser, which shall not be more than 2.00% of the aggregate principal amount of the Bonds; (n) the purchase price for the Bonds, which shall not be less than 96.00% of the aggregate principal amount of the Bonds (inclusive of the Purchaser’s discount or fee and any original issue discount); (o) the identity of the Purchaser and structure of the financing as contemplated in **Section 209** hereof; (p) the form and contents of any Offering Document (as such term is defined in **Section 212** hereto); (q) whether to obtain a municipal bond insurance policy or other credit enhancement feature for any series of Bonds; (r) the form, content, terms, and provisions of any closing and other documentation executed and delivered by the Village in connection with the authorization, issuance, sale and delivery of the Bonds; and (s) all of the other terms of the Bonds not otherwise determined or fixed by the provisions of this Ordinance.

### **Section 211. Book-Entry Bonds; Securities Depository.**

(a) Unless otherwise directed by the Purchaser, the Bonds shall initially be registered to Cede & Co., as nominee for the Securities Depository, and no Beneficial Owner will receive any certificate representing its respective interest(s) in the Bonds, except if the Paying Agent issues Replacement Bonds as provided in **Section 211(b)** hereof. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of the principal or Redemption Price of and interest on the Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the Beneficial Owners as described in **Section 211(b)**.

(b) If the Village determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended (the “**Exchange Act**”), or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Registered Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, or (ii) if the Paying Agent receives written notice from Participants having interests in not less than 50% in aggregate principal amount of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Registered Owner other than Cede &



Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Paying Agent shall notify the Registered Owners of such determination or such notice and of the availability of certificates to Registered Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption, provided that in the case of a determination under this Section 209(b)(i)(A) or (B), the Village, with the consent of the Paying Agent, may select a successor securities depository in accordance with Section 211(c) hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Village, the Paying Agent or Registered Owners are unable to locate a qualified successor of the Securities Depository in accordance with Section 211(c), then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Registered Owners as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing Replacement Bonds shall be paid for by the Village.

(c) If the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities Exchange Act of 1934, as amended, the Village may appoint a successor Securities Depository, provided the Paying Agent receives written evidence satisfactory to the Paying Agent with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

(d) If so directed by the Purchaser, no Securities Depository shall be utilized in connection with the Bonds.

**Section 212. Offering Documents.** The use and distribution of any official statement, offering circular, term sheet, request for lenders or any other offering document (including any preliminary thereof, the “**Offering Document**”) by the Underwriter or the Placement Agent in connection with the Bonds is hereby authorized. Any Authorized Officer is authorized to approve the final Offering Document as so supplemented, amended and completed, and the use and distribution of the final Offering Document by the Underwriter or the Placement Agent in connection with the Bonds is hereby authorized. Any Authorized Officer is hereby authorized to execute and deliver a certificate pertaining to such Offering Document as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

If requested by the Purchaser, the Village agrees to provide to the Underwriter or the Placement Agent within seven Business Days of the date of the sale of Bonds sufficient copies of the final Offering Document to enable the Underwriter or the Placement Agent to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board, if applicable.

### ARTICLE III

#### REDEMPTION OF BONDS

##### Section 301. Redemption of Bonds.

(a) *Optional Redemption by Village.* Unless a shorter period shall be determined by an Authorized Officer, any Bonds maturing after the date five years from their date of original issue shall be subject to redemption at the option of the Village on the date five years from their date of original issue and any date thereafter, as a whole, or in part in such principal amounts and at the Redemption Prices determined by an Authorized Officer in accordance with the provisions of **Section 210** hereof.

(b) *Mandatory Sinking Fund Redemption.* The Authorized Officers, or any individually, may designate in a certificate certain Bonds as “**Term Bonds**”, portions of which are to be redeemed on such dates of the years (each such date being herein referred to as a “**Sinking Fund Payment Date**”) and in the amounts (hereinafter referred to as a “**Mandatory Sinking Fund Payment**”) set forth in such certificate. The Paying Agent shall select and call for redemption, in accordance with this subsection (b), from the Term Bonds the amounts specified by the Authorized Officer in the certificate, and the Term Bonds selected by the Paying Agent shall become due and payable on such date. If Term Bonds are redeemed at the option of the Village pursuant to **Section 301(a)**, the Term Bonds so optionally redeemed may, at the option of the Village, be applied as a credit against any subsequent Mandatory Sinking Fund Payment with respect to Term Bonds otherwise to be redeemed thereby, such credit to be equal to the principal amount of such Term Bonds redeemed pursuant to **Section 301(a)**, provided that the Village shall have delivered to the Paying Agent not less than 45 days prior to such Sinking Fund Payment Date a Village certificate stating its election to apply such Term Bonds as such a credit. In such case, the Paying Agent shall reduce the amount of Term Bonds to be redeemed on the Sinking Fund Payment Date specified in such Village certificate by the principal amount of Term Bonds so redeemed pursuant to **Section 301(a)**. Any credit given to Mandatory Sinking Fund Payments pursuant to this subsection (b) shall not affect any subsequent Mandatory Sinking Fund Payments, which shall remain payable as otherwise provided in this subsection, unless and until another credit is given in accordance with the provisions hereof.

**Section 302. Selection of Bonds to Be Redeemed.**

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date (or such shorter period as may be acceptable to the Paying Agent) of written instructions of the Village specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met. The foregoing provisions of this paragraph shall not apply to the mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Village and whether or not the Paying Agent shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

(b) Bonds shall be redeemed in Authorized Denominations, and if less than all of the principal amount thereof is to be redeemed, in such case upon the surrender of such Bond there shall be issued to the Registered Owner thereof without charge therefor, for the then unredeemed balance of the principal amount thereof, registered bonds of like series, maturity and interest rates in any of the Authorized Denominations provided by this Ordinance. If less than all of the Bonds of a maturity are to be called for redemption, the Paying Agent shall select the particular Bonds of such maturity to be redeemed by lot.

**Section 303. Notice and Effect of Call for Redemption.** Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the Village by mailing a copy of an official redemption notice by first class mail at least 30 days (or such shorter period as may be acceptable to the then-Registered Owner of the Bonds) prior to the Redemption Date to the Purchaser of the Bonds and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that, if the Paying Agent has sufficient funds on the Redemption Date to pay the Redemption Price thereof on such date, the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the Designated Office of the Paying Agent.

The failure of any Registered Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Village shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date. If such deposit does not occur or if the Paying Agent does not have sufficient funds on the Redemption Date to pay the Redemption Price, the redemption notice shall be canceled and the Bonds shall continue to bear interest as if the Bonds had not been called for redemption.

Official notice of redemption having been given as provided, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Village defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

The Paying Agent is also directed to comply with any mandatory or voluntary standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

## **ARTICLE IV**

### **SECURITY FOR AND PAYMENT OF BONDS**

For the prompt payment of the Bonds and all interest thereon, when and as the same shall become due, the Board hereby pledges all receipts now or hereafter received by the Village from the Highway Allocation Fund. Such pledge shall not prevent the Village from applying receipts from the Highway Allocation Fund to other qualifying uses under the Act, including payment of the Parity Bonds. The Village further reserves the right to issue additional highway allocation fund pledge bonds that are payable on par with the Bonds and the Parity Bonds and equally and ratably secured by a pledge of receipts from the Highway Allocation Fund.

To the extent that receipts from the Highway Allocation Fund and any other legally available moneys of the Village appropriated for such purposes are insufficient to timely pay the principal of and the interest on the Bonds, the Board hereby covenants and agrees that it will

cause to be levied and collected annually a tax on all taxable property in the Village, in addition to all other taxes now or hereafter authorized to be levied by the Village, sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith, credit and resources of the Village are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due, whether at maturity or earlier redemption.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Village are levied and collected. The proceeds derived from such taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the Village and shall be used solely for the payment of the principal of and interest on the Bonds, the Parity Bonds and other outstanding bonds payable from such tax as and when the same become due, whether at maturity or earlier redemption, and the fees and expenses of the Paying Agent. If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Village Treasurer is hereby authorized and directed to pay such principal or interest out of the general funds of the Village and to reimburse the general funds for money so expended when such taxes are collected.

The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Bonds, and any registered owners of any Bond may either in law or equity or suit, action, mandamus or other proceedings enforce or compel performance of this Ordinance.

## ARTICLE V

### ESTABLISHMENT OF FUNDS; DEPOSIT AND APPLICATION OF MONEY

**Section 501. Establishment of Funds.** The Board hereby establishes in the treasury of the Village the following separate funds, which shall be held and administered by the Village Treasurer:

- (a) Construction Fund; and
- (b) Debt Service Fund.

**Section 502. Deposit of Bond Proceeds.** The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bond as follows:

- (a) All accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Fund and applied in accordance with **Section 504** hereof.
- (b) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Construction Fund and shall be applied in accordance with **Section 503** hereof.

**Section 503. Application of Money in the Construction Fund.** Money in the Construction Fund shall be used by the Village solely for the purpose of (a) paying the costs of the Project in accordance with the plans and specifications therefor prepared by the Village's engineers approved by the Board and on file in the office of the Village Clerk, including any alterations in or amendments to such plans and specifications deemed advisable by the Village's engineers and approved by the Board, and (b) paying the costs and expenses of issuing the Bonds. The Village Treasurer shall make a withdrawal from the Construction Fund to pay Project costs only upon receipt of a certificate executed by the Village's engineers stating that such payment is being made for a purpose within the scope of this Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Nothing hereinbefore contained shall prevent the payment out of the Construction Fund of all costs and expenses incident to the issuance of the Bond without a certificate from the Village's engineers. Upon completion of the Project, any surplus remaining in the Construction Fund shall be transferred to and deposited in the Debt Service Fund.

**Section 504. Application of Money in the Debt Service Fund.** All amounts paid and credited to the Debt Service Fund shall be expended and used by the Village for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Paying Agent. The Village Treasurer is authorized and directed to withdraw from the Debt Service Fund sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owner of any Bond is no longer entitled to enforce payment of such Bond or the interest thereon, the Paying Agent shall return such funds to the Village. All money deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such money. Any money or investments remaining in the Debt Service Fund after the retirement of the Bonds shall be transferred and paid into the general fund of the Village.

**Section 505. Deposits and Investment of Money.** Money in each of the funds created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the financial institutions holding such deposits as provided by the laws of the State. All money held in the funds created by this Ordinance shall be kept separate and apart from all other funds of the Village so that there shall be no commingling of such funds with any other funds of the Village.

Money held in any fund referred to in this Ordinance may be invested by the Village Treasurer at the direction of the Board, in accordance with this Ordinance and the Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made

for a period extending longer than the date when the money invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund.

**Section 506. Payments Due on Saturdays, Sundays and Holidays.** If any payment on any Bond is due on a date which is not a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such payment date, and no interest shall accrue for the period after such payment date.

**Section 507. Nonpresentment of the Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Village to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, such Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Village the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Village, and the Registered Owner thereof shall be entitled to look only to the Village for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Village shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

## ARTICLE VI

### REMEDIES

**Section 601. Remedies.** The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the Village and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the Village and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Village, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

**Section 602. Limitation on Rights of Owners.** The covenants and agreements of the Village contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, or date of Maturity or right of prior redemption as provided in this Ordinance. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

**Section 603. Remedies Cumulative.** No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Registered Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Registered Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Registered Owner, then, and in every such case, the Village and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## **ARTICLE VII**

### **DEFEASANCE**

When any or all of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Ordinance and the pledge of the Village's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of such Bonds or the interest payments thereon, in trust for and irrevocably



appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of such Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their Stated Maturity, (a) the Village has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Village has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with **Section 302(a)** of this Ordinance. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Village, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Ordinance.

## ARTICLE VIII

### MISCELLANEOUS PROVISIONS

#### Section 801. Tax Covenants.

(a) The Board covenants and agrees that (i) the Village will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds, and (ii) the Village will not use or permit the use of any proceeds of Bonds or any other funds of the Village, nor take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The Village will also adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future law, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Village.

(b) The Board covenants and agrees that (i) the Village will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (ii) the Village will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Village in any manner, or take or omit to take any action, that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(c) The Board covenants and agrees that the Village will pay or provide for the payment from time to time of all arbitrage rebate to the United States pursuant to Section 148(f) of the Code and the Tax Certificate. This covenant shall survive payment in full or defeasance of the Bonds. The Tax Certificate may be amended or replaced if, in the opinion of Bond Counsel, such amendment or replacement will not adversely affect the exclusion from federal gross income of the interest on the Bonds.

(d) The Board covenants and agrees that the Village will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, (i) in a manner that would cause any Bond to be a “private activity bond” within the meaning of Section 141(a) of the Code, or (ii) to make or finance a loan to any Person.

(e) The Board makes the following representations in connection with the exception for small governmental units from the arbitrage rebate requirements under Section 148(f)(4)(D) of the Code:

- (i) the Village is a governmental unit under Nebraska law with general taxing powers;
- (ii) the Bonds are not private activity bonds as defined in Section 141 of the Code;

(iii) ninety-five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the Village;

(iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds and certain refunding bonds) issued by the Village (and all subordinate entities thereof) during the calendar year in which the Bonds are issued is not reasonably expected to exceed \$5,000,000; and

(v) the Village (including all subordinate entities thereof) will not issue in excess of \$5,000,000 of tax-exempt bonds (including the Bonds but excluding private activity bonds and certain refunding bonds) during the calendar year in which the Bonds are issued without first obtaining an opinion of Bond Counsel that the exclusion of the interest on the Bond from federal gross income will not be adversely affected thereby.

(f) The Board hereby designates the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code. In connection therewith, the Village hereby represents that:

(i) the aggregate face amount of all tax-exempt obligations (other than private activity bonds which are not “qualified 501(c)(3) bonds” and certain refunding bonds) which will be issued by the Village (and all subordinate entities thereof) during the calendar year in which the Bonds are issued is not reasonably expected to exceed \$10,000,000; and

(ii) the Village (including all subordinate entities thereof) will not issue an aggregate principal amount of obligations designated by the Village to be “qualified tax-exempt obligations” during the calendar year in which the Bonds are issued, including the Bonds, in excess of \$10,000,000, without first obtaining an opinion of Bond Counsel that the designation of the Bond as a “qualified tax-exempt obligation” will not be adversely affected.

The Authorized Officers, or each individually, are hereby authorized to take such other action as may be necessary to make effective the designation in this **Section 801(f)**.

(g) The Board hereby adopts the Post-Issuance Tax Compliance Procedures attached to this Ordinance as Exhibit B to ensure that all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds which are intended to be tax-exempt are met. The Village reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as it may determine. The Village also reserves the right to change these policies and procedures from time to time, without notice.

(h) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article VII** of this Ordinance or any other provision of this Ordinance, until the final Maturity of the Bond.

## **Section 802. Continuing Disclosure.**

(a) If applicable, the Village (i) authorizes and directs any Authorized Officer to execute and deliver, on the date of the issuance of the Bonds, a Continuing Disclosure Undertaking (the “**Undertaking**”) in such form that satisfies the requirements of Rule 15c2-12 promulgated under the Exchange Act (“**Rule 15c2-12**”) and is acceptable to the Purchaser and Bond Counsel and (ii) covenants that it will comply with and carry out all of the provisions of the Undertaking. The Authorized Officers, or each individually, may designate a dissemination agent thereunder to assist with compliance. Notwithstanding any other provisions of this Ordinance, failure of the Village to comply with the Undertaking will not be considered a default under this Ordinance or the Bonds; however, any Bondholder or Beneficial 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 and the Undertaking. For purposes of this Section, “Beneficial Owner” means any person who (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of any Bonds for federal income tax purposes.

(b) The Village hereby adopts the Disclosure Policies and Procedures attached to this Ordinance as **Exhibit C** to ensure the Village satisfies the requirements of Rule 15c2-12 and the Undertaking. The Village reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as it may determine. The Village also reserves the right to change such policies and procedures from time to time, without notice.

**Section 803. Amendments.** The rights and duties of the Village and the Registered Owners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by an ordinance of the Village with the written consent of the Registered Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Village Clerk.

Without the written consent of the Registered Owners of all of the Bonds at the time Outstanding, no modification or alteration of this Ordinance shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Village is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or

(d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Without notice to or the consent of any Registered Owners, the Village may amend or supplement this Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Registered Owners.

Every amendment or modification of the provisions of the Bonds or of this Ordinance, to which the written consent of the Registered Owners is given, as above provided, shall be expressed in an ordinance adopted by the Board amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. A certified copy of every such amendatory or supplemental ordinance, if any, and a certified copy of this Ordinance shall always be kept on file in the office of the Secretary, shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance of this Ordinance will be sent by the Village Clerk to any such Registered Owner or prospective purchaser.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Village Clerk a copy of such amendatory or supplemental ordinance of the Village, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Village shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance which affects the duties or obligations of the Paying Agent under this Ordinance.

**Section 804. Notices, Consents and Other Instruments by Registered Owners.** Any notice, consent, request, direction, approval or other instrument to be signed and executed by any Registered Owner may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owner in person or by an agent with written authorization. Proof of the execution of any such instrument or writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the Village and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

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

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite aggregate principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the Village shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Registered Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Registered Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as provided if the pledgee establishes to the satisfaction of the Registered Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Village.

**Section 805. General and Specific Authorizations; Ratification of Prior Actions.**

Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Board hereby (a) authorizes and directs the Authorized Officers and all other officers, officials, employees and agents of the Village to carry out or cause to be carried out, and to perform such obligations of the Village and such other actions as they, or any of them, in consultation with Bond Counsel, any Purchaser and its counsel shall consider necessary, advisable, desirable or appropriate in connection with this Ordinance, including without limitation the execution and delivery of all related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Authorized Officers the right, power and authority to exercise his or her independent judgment and absolute discretion in (i) determining and finalizing all terms and provisions to be carried by the Bonds not specifically set forth in this Ordinance and (ii) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Bonds. The execution and delivery by any Authorized Officer or by any such other officers, officials, employees or agents of the Village of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Ordinance, shall constitute conclusive evidence of both the Village's and their approval of the terms, provisions and contents thereof and of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Village and the authorization, approval and ratification by the Village of the documents, instruments, certifications and opinions so executed and the actions so taken.

All actions heretofore taken by any Authorized Officer and all other officers, officials, employees and agents of the Village, including without limitation the expenditure of funds and the selection, appointment and employment of Bond Counsel and financial advisors and agents, in connection with issuance and sale of the Bonds, together with all other actions taken in connection with any of the matters which are the subject hereof, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

**Section 806. Benefits of Ordinance Limited to the Village and the Owners.** With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in

or to be implied from this Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the Village and the Owners of the Bonds any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Village and the Owner from time to time of the Bonds as herein and therein provided.

**Section 807. No Personal Liability.** No officer or employee of the Village shall be individually or personally liable for the payment of the principal of or interest on any Bond. Nothing herein contained shall, however, relieve any such officer or employee from the performance of any duty provided or required by law.

**Section 808. Severability.** If any section or other part of this Ordinance, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

**Section 809. Governing Law.** This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State.

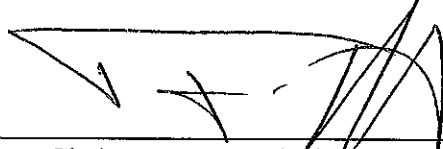
**Section 810. Effective Date.** This Ordinance shall take effect and be in full force from and after its passage and publication in pamphlet form as provided by law.

*[The remainder of this page intentionally left blank.]*

DATED: February 5, 2024.

VILLAGE OF WATERLOO, NEBRASKA

ATTEST:

By:   
Chairperson, Board of Trustees

By: Melissa Smith  
Village Clerk



**EXHIBIT A**  
**(FORM OF BOND)**

Registered  
No. R-\_\_\_

Registered  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA**  
**STATE OF NEBRASKA**  
**VILLAGE OF WATERLOO**

**GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND**  
**SERIES 20\_\_**

Interest Rate  
\_\_\_\_\_%

Maturity Date  
\_\_\_\_\_, 20\_\_

Dated Date  
\_\_\_\_\_, 20\_\_

CUSIP

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

**DOLLARS**

**THE VILLAGE OF WATERLOO, NEBRASKA**, a village and political subdivision duly organized and validly existing under the laws of the State of Nebraska (the "**Village**"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount stated above on the Maturity Date shown above unless called for redemption prior to such Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semiannually on \_\_\_\_\_ and \_\_\_\_\_ in each year, beginning \_\_\_\_\_, 20\_\_, until the Principal Amount has been paid.

The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption by check or draft mailed to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation hereof to \_\_\_\_\_, in \_\_\_\_\_, as registrar and paying agent (the "**Paying Agent**"), or such other office as may be designated by the Paying Agent. The interest payable on this Bond on any interest payment date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Paying Agent at the close of business on the Record Date for such interest, which shall be the on the fifteenth day (whether or not a business day) immediately preceding each Interest Payment Date. Such interest shall be payable by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register. The principal or redemption price of and interest on this Bond shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This bond is one of an issue of fully registered bonds (the “**Bonds**”) in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), of even date and like tenor except as to number, denomination, maturity date, interest rate and priority of redemption, authorized by Ordinance No. \_\_\_\_ (the “**Ordinance**”), passed by the Board of Trustees of the Village and approved by the Chairperson on February 5, 2024, pursuant to Section 66-4,101 et seq., Reissue Revised Statutes of Nebraska, as amended (the “**Act**”), for the purpose of paying (a) the costs of constructing and/or improving certain streets and related improvements of the Village and (b) the costs of issuing the Bonds in strict compliance with the provisions of the Act.

In the Ordinance, the Village has pledged funds received and to be received from the Highway Allocation Fund of the State of Nebraska and allocates such receipts to payment of the principal hereof and the interest hereon when and as the same becomes due. Such pledge does not prevent the Village from applying receipts from the Highway Allocation Fund to other qualifying uses under the Act. The Village has reserved the right in the Ordinance to issue additional bonds that are payable on par with the Bonds and equally and ratably secured by a pledge of receipts from the Highway Allocation Fund.

In addition, the Village has covenanted and agreed that to the extent other legally available money of the Village appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, it shall levy ad valorem taxes upon all the taxable property in the Village at such rate or rates, which, together with receipts from the Highway Allocation Fund and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Bonds as the same shall become due, whether at maturity or earlier redemption.

Reference is hereby made to the Ordinance, a copy of which is on file in the office of the Village Clerk, and to all the provisions of which any owner of this bond by its acceptance hereof hereby assents, for a description of and the nature and extent of the security for the Bonds; the Highway Allocation Fund and tax revenues pledged to the payment of the principal of and interest on the Bonds; the terms and provisions upon which the covenants made therein may be discharged at or prior to the maturity or redemption of the Bonds and the Bonds thereafter no longer be secured by the Ordinance or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar sufficient and held in trust solely for the payment thereof; and for the other terms and provisions thereof.

At the option of the Village, Bonds or portions thereof maturing on or after \_\_\_\_\_, 20\_\_ may be redeemed and paid prior to maturity at any time on or after \_\_\_\_\_, 20\_\_, as a whole, or in part in such principal amounts and from such maturity or maturities as the Village may determine, at a redemption price equal to 100% of the principal amount of the Bonds called for redemption plus accrued interest thereon to the redemption date. If less than all of a maturity is to be called for redemption, the Paying Agent shall select by lot the portion or portions of such maturity to be redeemed.

[Bonds maturing on \_\_\_\_\_, 20\_\_, are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Ordinance on \_\_\_\_\_, 20\_\_, and on each \_\_\_\_\_, thereafter prior to maturity, at a

redemption price equal to 100% of the Principal Amount thereof plus accrued interest to the redemption date.]

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first-class mail at least 30 days prior to the redemption date (or such shorter period as may be acceptable to the then-Registered Owner) to the original purchaser of the Bond and the Registered Owner hereof at the address shown on the Bond Register maintained by the Paying Agent. Notice of redemption having been given as provided, the Bond or portions thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village defaults in the payment of the redemption price) the Bond or portions thereof shall cease to bear interest.

The Bond is issuable in the form of a fully registered Bond in the denominations of \$5,000 or any whole multiples thereof.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the designated corporate trust administration office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The Village and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

In the Ordinance the Village has designated this bond as a "qualified tax-exempt obligation" as described in Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986, as amended (the "Code").

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 or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

**IT IS HEREBY DECLARED AND CERTIFIED** that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bond have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Nebraska.

**THE VILLAGE OF WATERLOO, NEBRASKA**, has caused this Bond to be executed by the manual or facsimile signature of its Chairperson and attested by the manual or facsimile signature of its Clerk.

**VILLAGE OF WATERLOO,  
NEBRASKA**

ATTEST:

\_\_\_\_\_  
Chairperson, Board of Trustees

\_\_\_\_\_  
Village Clerk

**CERTIFICATE OF AUTHENTICATION**

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

\_\_\_\_\_, as Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Trust Officer

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**ASSIGNMENT**

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

---

Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within Bond on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

---

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

---

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

Title: \_\_\_\_\_

By: \_\_\_\_\_

## **EXHIBIT B**

### **Post-Issuance Compliance Procedures**

#### **General**

In connection with the issuance by the Village of Waterloo, Nebraska (the “**Village**”) of its General Obligation Highway Allocation Fund Pledge Bonds, Series 2024 (the “**Bonds**”), the Village will execute a tax compliance certificate (the “**Tax Certificate**”) that describes the requirements and provisions of the Code that must be followed in order to maintain the tax exempt status of interest on the Bonds. In addition, the Tax Certificate will contain the reasonable expectations of the Village at the time of issuance of the Bonds with respect to the use of the gross proceeds of the Bonds and the assets to be financed or refinanced with the proceeds thereof. These Procedures supplement and support the covenants and representations made by the Village in the Tax Certificate. In order to comply with the covenants and representations set forth in the bond documents and in the Tax Certificate, the Village tracks and monitors the actual use of the proceeds of the Bonds, the investment and expenditure of the Bond proceeds and the assets financed or refinanced with the proceeds of the Bonds over their life.

#### **Designation of Responsible Person**

The Village Treasurer shall maintain an inventory of the Bonds and assets financed which contains the pertinent data to satisfy the Village’s monitoring responsibilities. Any transfer, sale or other disposition of Bond-financed assets must be reviewed and approved by the Village Treasurer.

#### **Post-Issuance Compliance Requirements**

##### External Advisors/Documentation

The Village shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. Those requirements and procedures shall be documented in the Tax Certificate and/or other documents finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

The Village also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed or refinanced assets.

The Village shall train and employ or otherwise engage expert advisors (a “**Rebate Analyst**”) to assist in the calculation of arbitrage rebate payable in respect of the investment of

Bond proceeds, unless the Tax Certificate documents provide that arbitrage rebate will not be applicable to the Bonds.

Unless otherwise provided by the Ordinance or other authorizing documents relating to the Bonds, unexpended Bond proceeds shall be held in a segregated account by a trustee, and the investment of Bond proceeds shall be managed by the Village. The Village shall prepare (or cause the trustee to prepare) regular, periodic statements regarding the investments and transactions involving Bond proceeds.

#### Arbitrage Rebate and Yield

Unless the Tax Certificate documents provide that arbitrage rebate will not be applicable to the Bonds, the Village shall be responsible for:

- engaging the services of a Rebate Analyst and, prior to each rebate calculation date, causing the trustee or other account holder to deliver periodic statements concerning the investment of Bond proceeds to the Rebate Analyst;
- providing to the Rebate Analyst additional documents and information reasonably requested by the Rebate Analyst;
- monitoring efforts of the Rebate Analyst;
- assuring payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond is redeemed;
- during the construction period of each capital project financed in whole or in part by the Bonds, monitoring the investment and expenditure of Bond proceeds and consulting with the Rebate Analyst to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bonds; and
- retaining copies of all arbitrage reports and account statements as described below under “Record Keeping Requirements”.

The Village, in the Tax Certificate and/or other documents finalized at or before the issuance of the Bonds, has agreed to undertake the tasks listed above (unless the Tax Certificate documents provide that arbitrage rebate will not be applicable to the Bonds).

#### Use of Bond Proceeds and Bond-Financed or Refinanced Assets:

The Village shall be responsible for:

- monitoring the use of Bond proceeds and the use of Bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Tax Certificate;
- maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of the Bonds, including a final allocation of Bond proceeds as described below under “Record Keeping Requirements”;
- consulting with bond counsel and other legal counsel and advisers in the review of any contracts or arrangements involving use of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Tax Certificate;
- maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under “Record Keeping Requirements”;
- conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discuss any existing or planned use of Bond-financed or refinanced assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Certificate; and
- to the extent that the Village discovers that any applicable tax restrictions regarding use of Bond proceeds and Bond-financed or refinanced assets will or may be violated, consulting promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified bonds, if such counsel advises that a remedial action is necessary.

The Village, in the Tax Certificate and/or other documents finalized at or before the issuance of the Bonds, has agreed to undertake the tasks listed above.

All relevant records and contracts shall be maintained as described below.

### Record Keeping Requirements

The Village shall be responsible for maintaining the following documents for the term of the Bonds (including refunding bonds, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the Village at or in connection with closing of the Bonds, including any elections made by the Village in connection therewith;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, draw requests for Bond proceeds and evidence as to the amount and date for each draw down of Bond proceeds, as well as documents relating to costs paid or reimbursed with Bond proceeds and records



identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;

- a copy of all contracts and arrangements involving the use of Bond-financed or refinanced assets;
- copies of all trustee statements and reports, including arbitrage reports, prepared with respect to Village bonds; and
- a copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements, in connection with any investment agreements, and copies of all bidding documents, if any.

## **EXHIBIT C DISCLOSURE POLICIES AND PROCEDURES**

### **Purpose of Disclosure Policies and Procedures**

The issuance and sale of certain municipal bonds, notes, certificates of participation or other obligations (collectively, “**Obligations**”) are subject to certain federal and state securities laws, including Rule 15c2-12 (the “**Rule**”) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). The Rule requires that an underwriter, prior to purchasing or selling an issue of Obligations in a principal amount of \$1,000,000 or more, obtain a written agreement from the issuer of such Obligations to provide certain financial information or operating data on an annual basis and notices of the occurrence of certain enumerated events with the Municipal Securities Rulemaking Board (“**MSRB**”) using the MSRB’s Electronic Municipal Market Access system (“**EMMA**”).

The Village of Waterloo, Nebraska (the “**Village**”) has previously issued or may in the future issue Obligations subject to the Rule, and in connection with such issuances the Village has entered and/or will enter into one or more Continuing Disclosure Certificates or Continuing Disclosure Agreements (collectively, the “**Undertakings**”) in accordance with the Rule. Pursuant to such Undertakings, the Village has covenanted or will covenant to comply with the Rule by timely making the required filings. These Policies and Procedures are intended to assure that all filings required under the Rule are made timely and completely and meet all requirements of the Rule.

### **Designation of Village Representative; Maintenance of List and Files**

The “**Village Representative**” for the Village shall be the Village’s Treasurer and any alternate or assistant as such Village Treasurer shall appoint. The Village Representative is directed to employ the policies and procedures described herein. The Village Representative shall be knowledgeable and familiar with the provisions of each Undertaking as to the type, format and content of the financial information or operating data to be included in each Annual Report required to be made thereunder, the instances in which notice of the occurrence of certain events must be given, and the timing requirements for the filing thereof. The Village and the Village Representative recognize and acknowledge that the terms, requirements and filing deadlines may vary by Undertaking.

The Village Representative shall maintain a current list for each fiscal year identifying each issue of Obligations of the Village outstanding during such fiscal year setting forth the name, original principal amount, date of issuance and CUSIP numbers for each such issue and the dates by which the Annual Reports are required to be submitted to the MSRB using EMMA, such list to be accompanied by copies of the related Undertakings.

## **Dissemination Agents**

The Village and the Village Representative may utilize the services of a financial institution or other provider to act as dissemination agent (each, a “**Dissemination Agent**”) in filing the disclosures and notices described herein and performing the duties of the Dissemination Agent in accordance with the terms of the applicable Undertaking. The Dissemination Agent shall review and be familiar with the contents and filing requirements of the particular Undertaking and with the procedures for making the filings required under such Undertaking with the MSRB using the EMMA system. The Village Representative shall coordinate the preparation and submission of the required information with such Dissemination Agent to ensure full compliance with the requirements of the Rule and the applicable Undertakings.

## **Annual Financial Filings**

The Village Representative will review the Undertaking related to each outstanding issue of Obligations to determine the financial information required to be included in the Annual Report (i.e., the Village’s Audited Financial Statements and certain other financial information or operating data with respect to the Village, if applicable (the “**Annual Report**”)) required to be filed annually with the MSRB using the EMMA system, and the deadline by which such information must be filed. If the filing requirements of two or more Undertakings are identical, the Issuer Representative may file identical Annual Reports with respect to each issue of the Issuer’s Obligations. If two or more Undertakings have different filing requirements, the Issuer Representative may file a separate Annual Report with respect to the applicable Undertaking or may file a single, comprehensive Annual Report with respect to all of such Undertakings. The Village Representative shall be knowledgeable and familiar with the specific requirements for the filing of a Notice of Failure to File the Annual Report by the date(s) required under the terms of each Undertaking, if applicable.

The Village Representative shall timely initiate the process of preparing the financial information or operating data required to be submitted under each Undertaking as part of the Annual Report. The Village Representative shall assemble the information as soon as it becomes available and determine the scope of additional information to be required and also contact the auditors to establish a schedule for completion and submission for the Audited Financial Statements.

The Village Representative will timely file the Annual Report, or will cause the Dissemination Agent to file the Annual Report, with the MSRB using the EMMA system. If the Audited Financial Statements are not then available by the filing deadline of a particular Undertaking, unaudited financial information may be filed with the MSRB using EMMA and the Audited Financial Statements shall be filed within 10 business days of their receipt and acceptance.

## **Listed Event Filings**

The Village Representative will review the Undertaking related to each outstanding issue of Obligations for the listed events which, upon the occurrence thereof, require prompt

notices to be filed with the MSRB using the EMMA system. The Village Representative will monitor the Obligations and the Village's operations for occurrences of any such events and will actively evaluate whether an event may be a listed event as set forth in the Village's outstanding Undertakings. After obtaining actual knowledge of such an event, the Village Representative will promptly contact the Village's bond counsel and the Dissemination Agent, if any, to determine whether the Village must file notice of the event with the MSRB under one or more of its Undertakings. Upon a determination that the Village must file such notice, the Village Representative will file the appropriate notice, or will cause the Dissemination Agent to file such notice, with the MSRB using the EMMA system within ten (10) business days after the occurrence of the listed event or as the Village's bond counsel may otherwise direct.

### **Reports of Village Representative; Record Retention**

The Village Representative shall provide to the Board of Trustees, any Dissemination Agent and the underwriter each issue of Obligations, confirmation from EMMA received upon the filing of each Annual Report and any other filings made with the MSRB using the EMMA system promptly upon receipt of each such confirmation.

The Village Representative shall maintain records with respect to the filings with the MSRB using EMMA, including, but not limited to, EMMA posting receipts showing the dates and nature or contents of all filings for each issue of Obligations outstanding during each fiscal year. Such records shall be kept for at least 5 years after the respective issue of Obligations is no longer outstanding.

### **Familiarity with EMMA Submission Process**

The Village Representative shall register with EMMA and review the on-line process of filing with EMMA located at [www.emma.msrb.org](http://www.emma.msrb.org) in order to submit the required information. The MSRB Market Information Department can also be contacted at 703.797.6668. A tutorial is available at the website and a practice submission is available as well. The Village Representative also shall enroll the Village in EMMA's reminder system to ensure timely performance of its responsibilities and obligations.

Notwithstanding the foregoing, if the Village has retained a Dissemination Agent to assist with making the filings required by the Village's Undertakings and to remind the Village of its filing deadlines, the Village Representative need not register with EMMA or enroll in EMMA's reminder system.

### **Training**

To ensure adequate resources to comply with the Rule, the Village Representative shall develop a training process aimed at providing additional assistance in preparing required information. The training process shall be conducted at least annually and shall encompass a review of the EMMA submission process and an understanding of the timing requirements necessary for full compliance. The retention by the Village of a Dissemination Agent to assist it

with compliance under its Undertakings and the Rule may be deemed part of such training process.

### **Review of Offering Document in Connection with Primary Offerings**

In connection with a new issue of Obligations, the Village Representative, together with such Village officials as the Village Representative deems appropriate, shall promptly review upon receipt the offering document by which such Obligations shall be offered and sold. For any issue of Obligations subject to the Rule, prior to the distribution of the related offering document the Village shall deem the information concerning the Village in such offering document as accurate and complete in all material respects (except for such information as permitted to be omitted by the Rule) as of the date of such offering document. The Village shall confirm prior to the final pricing of the Obligations that the information concerning the Village in the offering document does not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.