

FILED

MAY 15 2018

Georgia L. England
MOULTRIE COUNTY CLERK

ORDINANCE NO. 18-9

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$4,380,000 aggregate principal amount General Obligation Refunding Bonds (Alternate Revenue Source), Series 2018 of the City of Sullivan, Moultrie County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

WHEREAS, the City of Sullivan, Moultrie County, Illinois (the “City”), is a non-home rule municipal corporation and body politic of the State of Illinois, duly created, organized and existing under the Illinois Municipal Code, as amended from time to time (the “Municipal Code”), and having the powers, objects and purposes provided by said Municipal Code; and

WHEREAS, the Mayor and the Council of the City (the “Corporate Authorities”) have determined that it is necessary to (i) current refund (the “Refunding”) certain of the City’s outstanding Taxable General Obligation Bonds (Alternate Revenue Source), Series 2010 (Build America Bonds - Direct Pay) (the “Series 2010 Bonds”), which were issued to finance the costs of certain capital projects within the City, including, but not limited to the following: electric system improvements (new generators, oxidation catalysts, power poles and lines, security system and other equipment); waste water system plant upgrades, water system projects vehicles and equipment; Civic Center improvements; park improvements; radio frequency meter projects for electric, gas and water measuring; street equipment within Sullivan TIF Districts I, II and III (together, the “Prior Projects”), and (ii) pay certain costs of issuance of the Bonds (as such term is hereinafter defined), all for the benefit of the inhabitants of the City; and

WHEREAS, the estimated cost of the Refunding, including legal, financial, bond discount, if any, capitalized interest, if any, printing and publication costs, and other expenses (collectively, the “Costs”), is not to exceed \$4,380,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, an amount not to exceed \$4,380,000 of alternate bonds needs to be issued at this time pursuant to the Local Government Debt Reform Act of the State of Illinois, as amended, 30 ILCS 350/1 to 350/18 (the “Act”); and

WHEREAS, it is necessary for the best interests of the City that the Refunding be completed, and in order to raise funds required for such purpose it will be necessary for the City to borrow an aggregate principal amount of not to exceed \$4,380,000 and in evidence thereof to issue alternate bonds, being general obligation bonds payable from (a) principal proceeds received by the City from time to time from certain incremental taxes derived from the City’s applicable tax increment financing (“TIF”) redevelopment project areas, namely the City’s Tax Increment Financing Redevelopment Project Area, TIF Districts I, II and III in which the project is located, arising under Section 5/11-74.4-8 of the TIF Act of the State of Illinois, as amended (the “TIF Act”), and (b) any and such other funds of the City lawfully available and annually appropriated for such purpose (collectively, (a) and (b) are the “Pledged Revenues”), in an aggregate principal amount of not to exceed \$4,380,000, all in accordance with the Act; and

WHEREAS, if the aforementioned revenue sources are insufficient to pay the alternate bonds, ad valorem property taxes upon all taxable property in the City without limitation as to rate or amount (the “Pledged Taxes”) are authorized to be extended to pay the principal of and interest on the alternate bonds; and

WHEREAS, the term of the Bonds shall not be longer than the term of the Series 2010 Bonds and the debt service payable in any year on the Bonds shall not exceed the aggregate debt service payable in such year on the Series 2010 Bonds; and

WHEREAS, the Refunding constitutes a lawful corporate purpose within the meaning of the Act; and

WHEREAS, the Corporate Authorities are now authorized to issue alternate revenue bonds in an amount not to exceed \$4,380,000 in accordance with the provisions of the Act, and the Corporate Authorities hereby determine that it is necessary and desirable that the bonds so authorized be issued at this time; and

WHEREAS, the term of the Bonds shall not be longer than the term of the Series 2010 Bonds and the debt service payable in any year on the Bonds shall not exceed the aggregate debt service payable in such year on the Series 2010 Bonds; and

WHEREAS, the Refunding constitutes a lawful corporate purpose within the meaning of the Act; and

WHEREAS, the alternate bonds to be issued will be payable from the Pledged Revenues and the Pledged Taxes, both as hereinafter defined; and

WHEREAS, the Corporate Authorities hereby determine that the Pledged Revenues will provide in each year an amount not less than 1.25 times debt service of the alternate bonds proposed to be issued; and

WHEREAS, such determination is supported by the most recent audit of the City (the "Audit), which Audit has been presented previously to the Corporate Authorities and is on file currently with the City Clerk or by a report prepared by a nationally recognized feasibility consultant or independent accountant approved by the Mayor pursuant to the Bond Order:

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SULLIVAN, MOULTRIE COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Incorporation of Preamble. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this ordinance are full, true and correct and do

hereby incorporate such recitals into this ordinance by this reference. The Audit is hereby accepted and approved by the Corporate Authorities.

Section 2. Findings; Issuance of Bonds. (a) The Corporate Authorities hereby find and determine that the Corporate Authorities of the City have been authorized by the provisions of the Act, that is necessary and in the best interest of the City and necessary for the welfare of the government and affairs of the City, and that it is a proper public purpose and is in the public interest to issue alternate revenue bonds of the City in an amount not to exceed \$4,380,000 for the purpose of funding the costs of the Project and the costs of the City in connection with the issuance of such bonds.

Section 3. Bond Details. There shall be borrowed on the credit of and for and on behalf of the City, an aggregate principal amount not to exceed \$4,380,000 for the purpose aforesaid and that the City shall issue in the name of the City its “General Obligation Refunding Bonds (Alternate Revenue Source), Series 2018” (the “Bonds”).

The Bonds shall be issued in one or more series in the form of a separate single authenticated fully registered bond for the aggregate principal amount of each separate maturity of each series of the Bonds. The Bonds shall bear the date of authentication; shall be in denominations of Five Thousand Dollars (\$5,000) each or integral multiples thereof, numbered consecutively from 1 upward and dated as set forth in the hereinafter described Bond Order; and interest on the Bonds shall be payable semiannually on each January 1 and July 1 of each year (such interest computed upon the basis of a 360-day year of twelve 30-day months). The Bonds shall become due and payable (subject to prior redemption as set forth in the Bond Order) on January 1 over a period ending not later than January 1, 2023 and in an amount not exceeding \$1,200,000 per year, all as further detailed in the Bond Order executed by the Mayor (the “Bond

Order”); provided, however, that no Bond shall bear interest at a rate per annum in excess of four percent (4.00%). The Mayor, the City Manager, the City Clerk (the “City Clerk”) or the City Treasurer (the “Treasurer,” and collectively, the “Designated Representatives”) is hereby given full authority to execute and deliver a Bond Order for and on behalf of the City as herein provided. The Bond Order shall be made a part of the transcript of the proceedings related to the issuance of the Bonds.

Interest on the Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Bonds unless the Bonds are authenticated after the fifteenth (15th) day next preceding an interest payment date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Bonds are authenticated on or before the fifteenth (15th) day next preceding the first interest payment date, in which case they shall bear interest from the original date of the issuance of the Bonds, until the principal shall be fully paid. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners thereof as the names appear as of the fifteenth (15th) day next preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar (as hereinafter defined) or at such other address as is provided to the Paying Agent (as hereinafter defined) in writing by such registered owner.

The principal of the Bonds shall be payable at the principal corporate trust office of the Paying Agent. All payments on the Bonds shall be made in any coin or currency of the United States of America that on the date of such payment shall be legal tender for the payment of public and private debts. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date

occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

Section 4. Registrar and Paying Agent.

(a) *General.* The City shall designate a Registrar or Paying Agent in the Bond Order (the “Registrar” or “Paying Agent”). The Registrar is hereby charged with the responsibility of authenticating the Bonds. The Designated Representatives are hereby authorized to enter into such agreements or understandings with the Registrar as will enable the institution to perform the services required of a registrar and paying agent. The Mayor and Treasurer are further authorized to pay such fees as the Registrar may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the fund established to pay the principal of and interest on the Bonds.

Each Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal corporate trust office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the fifteenth (15th) day next preceding an interest payment date on such Bond and ending on such interest payment date, or

after notice calling such Bond for redemption has been mailed, or during the fifteen (15) day period next preceding mailing of notice of redemption of any Bonds. The costs of such transfer or exchange shall be borne by the City except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The City, Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes, including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as registrar and paying agent upon giving 30 days' notice in writing to the City and by first class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such 30-day period or upon the earlier appointment of a successor registrar and paying agent by the City. Any such notice to the City may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as registrar and paying agent by the City, in which event the City may appoint a successor registrar and paying agent for the Bonds. The City shall notify each registered owner of the Bonds then outstanding by first class mail of the removal of the registrar and paying agent. Notices to the registered owners of the Bonds shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the City, the Mayor, the Treasurer or the City Clerk are authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Bonds. The Mayor and

Treasurer are further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the fund established to pay the principal and interest on the Bonds as fiscal agency charges.

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

(b) *Book Entry System.* The City has determined that it is beneficial to the City to have the Bonds held by a central depository system pursuant to an agreement between the City and The Depository Trust Company, New York, New York (“Depository Trust Company”) and have transfers of the Bonds effected by book-entry on the books of the central depository system (“Book Entry System”). The Bonds shall be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the City and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner (“Beneficial Owner”)) of the Bonds with respect to (i) the accuracy of the records of the Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any bondholder (including any

Beneficial Owner) or any other person, other than the Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

So long as the Bonds are registered in the name of CEDE & CO., as nominee of the Depository Trust Company, no person other than the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the City to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this ordinance. The City and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such Bonds; (iii) registering transfers with respect to such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the City's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by the Depository Trust Company to the City of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this ordinance shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company,

all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Depository Trust Company as provided in a representation letter from the City to the Depository Trust Company (the “Blanket Issuer Letter of Representations”).

Upon receipt by the City of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the City kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Bonds shall designate, in accordance with the provisions of this ordinance.

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

account or (ii) arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

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

Section 5. Redemption.

(a) *Optional Redemption.* If so provided in the Bond Order, the Bonds may be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part, in integral multiples of \$5,000, in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Registrar and within any maturity by lot), on the date of redemption provided in the Bond Order, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Bonds may be subject to mandatory redemption as set forth in the Bond Order.

(c) *General.* For any such redemptions, the Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least thirty (30) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than sixty (60) days prior to the redemption date by the

Registrar, by such method of lottery as the Registrar shall deem fair and appropriate; provided that such lottery shall provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof.

The Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 6. Redemption Procedure. For any such redemptions, unless waived by the registered owner of Bonds to be redeemed, official notice of the call for any such redemption shall be given by the Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address as it appears on the registration books kept by the Registrar or at such other address as is furnished in writing by such registered owner to the Registrar.

All official notices of redemption shall state:

- (i) the redemption date,
- (ii) the redemption price,
- (iii) the identification by CUSIP numbers, if applicable, and maturity dates (and, in the case of partial redemption of Bonds within a maturity, the respective principal amounts) of the Bonds to be redeemed,
- (iv) a statement that on the redemption 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 said date,
- (v) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Registrar, and
- (vi) such other information then required by custom, practice or industry standard.

Prior to any redemption date, the City shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on such redemption date.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditioned upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so 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 City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Upon surrender of

such Bonds for redemption in accordance with said notice, such Bonds or portions being redeemed shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for the 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 maturity in the amount of the unpaid principal, of like tenor, of authorized denominations, and bearing the same rate of interest.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium, if any, shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of a Bond so called for redemption. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Registrar on behalf and at the expense of the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Bonds being redeemed; (b) the date of issue of the Bonds as originally issued; (c) the rate of interest borne by each Bond being redeemed; (d) the maturity date of each Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Bonds being redeemed.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Section 7. Execution and Negotiability. Each of the Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor, and the seal of the City shall be affixed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of the City Clerk. In case any officer whose signature or facsimile signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature of such officer shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

The Bonds shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Illinois, subject to the provisions for registration herein.

The Bonds shall also be authenticated by the manual signature of the Registrar and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

Section 8. Form of Bonds. The form and tenor of the Bond shall be substantially as follows, all blanks to be filled in properly prior to delivery:

REGISTERED
NO R-__

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF MOULTRIE

CITY OF SULLIVAN
GENERAL OBLIGATION REFUNDING BOND
(ALTERNATE REVENUE SOURCE), SERIES 2018

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM:

The City of Sullivan, in Moultrie County, Illinois (the "City"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, the Principal Sum set forth above on the Maturity Date set forth above (unless this bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest hereon (computed on the basis of a 360-day year of twelve 30-day months) at the Interest Rate per annum stated above from the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth (15th) day next preceding an interest payment date and on or before such interest payment date in which case it shall bear interest from such interest payment date or unless this bond is authenticated on or before the fifteenth (15th) day next preceding the first interest payment date, in which case it shall bear interest from the Original Date, until the principal is paid, which interest is payable semiannually on _____ 1 and _____ 1 in each year, beginning on _____ 1, 20____.

This bond is one of an authorized issue of "General Obligation Refunding Bonds (Alternate Revenue Source), Series 2018 (the "Bonds") of the City of like date, tenor and effect, except as to rates of interest and dates of maturity; aggregating _____ Dollars (\$_____); numbered consecutively from R-1 up; issued for the purpose of paying the costs of the Refunding (as defined in the hereinafter defined Ordinance) and the costs of issuing the bonds. This bond is issued pursuant to an ordinance adopted by the City Council of said City (the "Corporate Authorities") on the 14th day of May, 2018 and a Bond Order executed on the _____ day of _____, 2018 by the Mayor of said City pursuant thereto (collectively, the "Ordinance") and in accordance with the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (the "Act"), the proceeds of which bonds are to be applied solely to pay the costs of the Refunding and the payment of costs of issuance.

[Bonds maturing on and after _____ 1, 20____, shall be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part, in integral

multiples of \$5,000, in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Registrar (as hereinafter defined) and within any maturity by lot), on _____, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.]

[Bonds due on _____ and _____, are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Registrar, at a redemption price of par plus accrued interest to the redemption date, as set forth in the Bond Order.]

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the principal corporate trust office of the Registrar by the registered owner hereof in person, or by its attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The Registrar shall not be required to transfer or exchange this bond during the period beginning at the close of business on the fifteenth (15th) day next preceding an interest payment date on this bond and ending on such interest payment date. The City, the Registrar, the Paying Agent (as hereinafter defined) and any other registrar or paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes, including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

This bond is subject to defeasance prior to payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE.

The City has designated the Bonds as qualified tax-exempt obligations to qualify the bonds for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof.

The principal of this bond is payable at the principal corporate trust office of _____, _____, Illinois (the "Registrar" or "Paying Agent"). All payments of interest on this bond shall be paid by check, mailed one (1) business day prior to the interest payment date to the registered owner hereof as of the fifteenth (15th) day next preceding such interest payment date at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the bond shall be made in

any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

The Bonds shall be initially issued in a Book Entry System (as defined in the Ordinance). The provisions of this bond and of the Ordinance are subject in all respects to the provisions of the Blanket Issuer Letter of Representations (as defined in the Ordinance) between the City and The Depository Trust Company, or any substitute agreement, affecting such Book Entry System.

This bond is a general obligation of the City payable from (i) certain incremental taxes derived from the City's applicable tax increment financing ("TIF") redevelopment project areas, namely the City's Tax Increment Financing Redevelopment Project Area, TIF Districts I, II and III in which the project is located, arising under Section 5/11-74.4-8 of the TIF Act of the State of Illinois, as amended and any and such other funds of the City lawfully available and annually appropriated for such purpose and (ii) ad valorem taxes levied against all taxable property in the City, without limitation as to rate or amount, all in accordance with the provisions of the Act. The full faith, credit and resources of the City are pledged to the punctual payment of the principal of and interest on this bond. This bond is negotiable, subject to registration provisions, pursuant to the laws of the State of Illinois.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law; that the indebtedness of the City, including the issue of the Bond of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Sullivan, Moultrie County, Illinois, has caused this bond to be executed by the manual or duly authorized facsimile signature of the Mayor of the City, the seal of said City (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or duly authorized facsimile signature of the City Clerk, all as of the Original Date identified above.

CITY OF SULLIVAN,
MOULTRIE COUNTY, ILLINOIS

By: _____
Mayor

(SEAL)

Attest:

By: _____
City Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

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

By: _____
Authorized Representative

[End of Form of Bond]

Section 9. Authorization for Preparation and Sale of the Bonds; Purchase Contract.

(a) The Treasurer is hereby authorized and directed to have the Bonds prepared, and the Mayor and the City Clerk are hereby authorized and directed to execute and attest the Bonds in the form and manner provided herein. The Treasurer is hereby authorized and directed to deliver the Bonds to the underwriter, Bernardi Securities, Inc. (the "Purchaser"), upon receipt of the purchase price of not less than 98% of the par amount of the Bonds plus accrued interest to date of delivery, as further detailed in the Bond Order. The Designated Representatives are authorized and directed to execute a bond purchase agreement (the "Purchase Contract") in connection with the sale of the Bonds, in the name of and on behalf of the City, provided that the Bonds shall be sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon such sale shall exceed the maximum rate otherwise authorized by Illinois. The Purchase Contract shall be substantially in the form of purchase contracts commonly used in transactions similar to that described in this ordinance, with such changes as necessary to reflect the terms and provisions of the Bonds, this ordinance and such other changes as the Mayor or City Treasurer shall determine are necessary or desirable in connection with the sale of the Bonds. No person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the

Purchase Contract. Before being issued, the Bonds shall be registered and numbered, such registration being made in a book provided for that purpose, in which shall be entered a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due. The Bonds shall be executed as in this ordinance provided as soon after the execution of the Purchase Contract as may be done, and thereupon the Bonds shall be deposited with the Treasurer who receives the taxes of the City, and be by said Treasurer delivered to the Purchaser upon receipt of the purchase price therefor.

(b) The Bonds when fully paid for and delivered to the Purchaser, shall be the binding general obligations of the City. The proper officers of the City are hereby directed to sell the Bonds to the Purchaser and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

Section 10. Official Statement. The use by the Purchaser of the Preliminary Official Statement and any final Official Statement relating to the Bonds, on behalf of the City, is hereby ratified, approved and authorized, and the Mayor and the Treasurer are authorized and directed to execute the Preliminary Official Statement and the final Official Statement on behalf of the City in a form consistent with this ordinance. The Preliminary Official Statement is hereby deemed nearly final. The officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this ordinance, the Preliminary Official Statement, the final Official Statement and the Bonds.

Section 11. Bond Insurance. In the event the Purchaser certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy for the Bonds, the City hereby authorizes and directs the Treasurer to obtain such an insurance

policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy.

Section 12. Continuing Disclosure. The Continuing Disclosure Undertaking (the “Undertaking”) in substantially the form which has been presented to and is hereby approved by the Corporate Authorities, and the Mayor and the City Clerk are hereby authorized and directed to complete, execute and attest the same on behalf of the City. Notwithstanding any other provisions of this ordinance, failure of the City to comply with the Undertaking shall not be considered an event of default under the Bonds or this ordinance.

Section 13. Alternate Revenue Source; Tax Levy. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, the City covenants and agrees with the Purchaser and the owners of the Bonds that the City will deposit principal proceeds received by the City from time to time from certain incremental taxes derived from the City’s applicable tax increment financing (“TIF”) redevelopment project areas, namely the City’s Tax Increment Financing Redevelopment Project Area, TIF Districts I, II and III in which the project is located, arising under Section 5/11-74.4-8 of the TIF Act of the State of Illinois, as amended and any and such other funds of the City lawfully available and annually appropriated for such purpose (the “Pledged Revenues”) into the Bond Fund (as hereinafter defined). The Pledged Revenues are hereby pledged to the payment of the Bonds, and the Corporate Authorities covenant and agree

to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service.

For the purpose of providing additional funds to produce sums necessary to pay the interest on the Bonds as it falls due and also pay and discharge the principal thereof at maturity, the Pledged Taxes shall be levied for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and that there be and there is hereby levied upon all of the taxable property in the City, in each of the years 2018 to 2021 a maximum direct annual tax in the amount of \$1,200,000, such amount to be finalized in the Bond Order.

Principal or interest coming due at any time when there are not sufficient funds on hand from the foregoing Pledged Taxes to pay the same shall be paid from current funds on hand of the City, and the fund from which such payment was made shall be reimbursed out of the Pledged Taxes when the same shall be collected.

The City covenants and agrees with the Purchaser and the holders of the Bonds that so long as the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing Pledged Taxes, unless the abatement of any particular tax levy amount has been provided for through the deposit of moneys in a segregated account, and the City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and the Pledged Taxes will be levied, extended and collected as provided herein and deposited in the Bond Fund established to pay the principal of and interest on the Bonds.

The funds derived from the tax levy be and the same are hereby appropriated and set aside for the sole and only purpose of paying principal and interest on said Bonds when and as

the same become due. The funds from the sale of said Bonds be and they are hereby appropriated and set aside for the purpose hereinbefore set out.

If the City deposits funds from any lawful source into the Bond Fund, the City Clerk shall file written direction with the County Clerk of Moultrie County, Illinois (the "County Clerk"), to abate the taxes by the amount so deposited, and such deposits shall be made prior to any such abatement being filed with the County Clerk. No Pledged Taxes may be abated unless and until the proper amount of such abatement has been deposited irrevocably into the Bond Fund and dedicated to the payment of the Bonds.

Pursuant to Section 13 of the Debt Reform Act, the moneys deposited or to be deposited into the Bond Fund (as defined herein), including any tax receipts derived from the taxes levied pursuant to this Ordinance, are pledged as security for the payment of the Bonds. While any Bonds remain outstanding and unpaid, the tax levies to be made as provided by this Ordinance shall be for the sole benefit of the owners of the outstanding Bonds and such owners shall have and are granted a security interest in, and a lien upon, all rights, claims and interests of the City arising pursuant to those levies and all present and future proceeds of such levies. The security interest in and lien upon those rights, claims and interests are immediately valid and binding from the time the Bonds are issued, and shall immediately attach to (a) the tax receipts wherever held, (b) amounts held in the Bond Fund and other funds pledged for the benefit of holders of the Bonds, and (c) those rights, claims and interests pledged hereby, without any physical delivery or further act and the lien of such pledge shall be immediately valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City or against the funds, rights, claims or interests pledged hereby irrespective of whether such parties have notice thereof.

The pledge is an agreement between the City and the bondholders to provide security for the Bonds in addition to any statutory lien.

Section 14. Filing of Ordinance. Forthwith upon this ordinance becoming effective, the City Clerk is hereby directed to file a certified copy of this ordinance, which certificate shall recite that this ordinance has been passed by the Corporate Authorities and published, with the County Clerk, and it shall be the duty of said County Clerk in and for the years 2018 to 2022 while the Bonds or any of them are outstanding (as set forth in the Bond Order), inclusive, to annually ascertain the rate necessary to produce the tax herein and therein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in said years, in order to raise the respective amounts aforesaid and in said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general corporate purposes of the City, and when collected, the taxes hereby levied shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 15. Tax Intercept; Deposit of Moneys. A tax intercept escrow agreement (the "Tax Escrow Agreement") among the County Collector of the County of Moultrie, Illinois (the "Collector"), the City, and a trustee, as further set forth in the Bond Order (the "Trustee"), requires that the Pledged Taxes with respect to the Bonds while outstanding, when collected by the Collector, shall be paid by the Collector via a Segregation Order and Authorization Agreement for Automatic Deposits, as further set forth in the Bond Order, for deposit into the Bond Fund. All Pledged Taxes received by the Trustee with respect to the Bonds while outstanding shall be paid to the Bond Fund and segregated therein for the payment of the

principal installments of and interest on the Bonds while outstanding. The Trustee shall not be liable in connection with performance of its duties except for its own negligence.

Section 16. Abatement of Pledged Taxes. Whenever funds in an amount not less than the Debt Service Requirement (as hereinafter defined) for the subsequent calendar year are on deposit in the Bond Fund, the Corporate Authorities shall by adoption of an appropriate ordinance direct the abatement of the Pledged Taxes by such amount, and proper notification of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 17. Bond Fund. There is hereby created and established a special fund of the City known as the “Bond Fund, Series 2018” (the “Bond Fund”) to be held by the Treasurer, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this ordinance. Within the Bond Fund there may be established separate accounts for each series of Bonds. The Bond Fund shall be the fund for the payment of the principal of and interest on the Bonds at maturity or on interest payment dates or redemption. Any capitalized interest included in the proceeds of the sale of the Bonds shall be deposited in the Bond Fund for the payment of interest on the Bonds, and Pledged Taxes and the Pledged Revenues shall be deposited into the Bond Fund, as received, and shall be used solely and only for the payment of principal and interest on the Bonds when due (including any redemption). The Bonds are secured by a pledge of all moneys on deposit in the Bond Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the City are discharged under this ordinance. Accrued interest and premium received at the time of delivery of the Bonds, if any, shall be deposited in the Bond Fund.

Section 18. Additional Funds and Accounts. In addition to the funds established hereunder, the Mayor is hereby authorized and directed to establish, and the Treasurer is further authorized to hold, any and all funds and/or accounts they deem necessary or convenient to the accomplishment of the purposes set forth in this ordinance.

Section 19. Defeasance of the Bonds. If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or a portion thereof then outstanding shall be paid; or (i) sufficient moneys or (ii) direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury), the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds or any designated portion thereof issued hereunder shall no longer be deemed outstanding or entitled to any pledge of the Pledged Taxes or Pledged Revenues made herein.

Section 20. Investment of Moneys. Moneys in the Bond Fund may be invested by the Trustee in lawful investments for the City. All income earned or losses sustained on such investments shall be credited to the Fund or Account from which the investments were made.

Section 21. Additional Bonds. The City may without limit issue additional bonds ("Additional Bonds") on a parity with or junior to the Bonds as to the pledge of the Pledged Revenues. If such Additional Bonds are to be parity bonds, the Pledged Revenues shall be sufficient to provide for or pay all of the following: (i) debt service on all outstanding Bonds

computed immediately after the issuance of any proposed Additional Bonds, and (ii) an additional amount not less than 0.25 times debt service on the outstanding Bonds and Additional Bonds after the issuance of the proposed Additional Bonds. Such sufficiency shall be calculated for each year to the final maturity of the Bonds and the Additional Bonds. The determination of the sufficiency of the Pledged Revenues shall be supported by reference to the most recent audit of the City. If such audit shows the Pledged Revenues to be insufficient, then the determination of sufficiency may be supported by the report of an independent accountant or feasibility analyst demonstrating the sufficiency of the Pledged Revenues and explaining by what means they will be greater than shown in the audit.

Section 22. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) in aggregate principal amount of the Bonds issued pursuant to this ordinance and then outstanding shall have the right from time to time, anything contained in this ordinance to the contrary notwithstanding, to consent to and approve the adoption by the City of such ordinance or ordinances supplemental hereto or amendatory hereof, as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular manner any of the terms or provisions contained in this ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on any Bond issued pursuant to this ordinance; or

(b) A reduction in the principal amount of any Bond or the rate of interest thereon; or

(c) A preference or priority of any Bond or Bonds issued pursuant to this ordinance over any other Bond or Bonds issued pursuant to the provisions of this ordinance; or

(d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance.

If the owners of not less than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the City Clerk, no owner of any Bond issued pursuant to this ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this ordinance of the City and all owners of Bonds then outstanding, shall thereafter be determined, exercised and enforced in accordance with this ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this ordinance, the rights and obligations of the City and of the owners of the Bonds authorized by this ordinance, and the terms and provisions of the Bonds and this ordinance, or any supplemental or amendatory ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Bonds then outstanding.

Section 23. Tax Covenants. In order to preserve the exclusion of interest on any Bonds, the interest on which is exempt from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the Bonds (the “Code”) and as an inducement to purchasers of the Bonds, the City represents, covenants and agrees that:

(a) The facilities financed with the Bonds are available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity, other than the City or another state or local governmental unit, will use more than 10% of the proceeds of the Bonds or property financed by Bond proceeds other than as a member of the general public. No person or entity other than the City or another state or local governmental unit own property financed by Bond proceeds or have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as a take-or-pay or output contract or any other type of arrangement that conveys other special legal entitlements and differentiates that person’s or entity’s use of such property from the use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds.

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

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

(d) The City reasonably expects, as of the date hereof, that it will comply with the covenants described in paragraph (a), (b) and (c) above during the entire term of the Bonds.

(e) No more than five percent (5%) of the proceeds of the Bonds will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The City will not take any action nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes, nor will the City act in any other manner which would adversely affect such status, and it will not make any investment or do any other act or thing during the period that the Bonds are outstanding which would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(g) The City certifies that to the extent necessary to preserve the tax-exempt status of the Bonds, it will rebate any arbitrage profits to the United States of America in accordance with Section 148(f) of the Code and the Regulations promulgated thereunder.

It shall be not an event of default under this ordinance if interest on any Bond is not excludable from gross income for federal income tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.

(h) The City represents that:

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

(ii) The City has designated the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Code; and

(iii) The reasonably anticipated amount of qualified tax-exempt obligations (including 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the City and all entities subordinate to the City during 2018 does not exceed \$10,000,000.

(iv) The City has not designated more than \$10,000,000 of qualified tax-exempt obligations during 2018.

(i) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

The City hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, the City Clerk and the Treasurer of the City, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be excludable from gross income for federal income tax purposes. In connection therewith, the City further agrees:

(a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated

thereunder; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

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

Section 25. Registered Form. The City recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation for the Bonds. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 26. Severability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

Section 27. Publication. The City Clerk is hereby authorized and directed to publish this ordinance in pamphlet form and to file copies thereof for public inspection in his/her office.

Section 28. Conflicting Ordinances. All ordinances, resolutions and parts of ordinances and resolutions, in conflict herewith are hereby repealed.

Section 29. Headings. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this ordinance.

Section 30. Effective Date. This ordinance shall be in full force and effect from and after its adoption and publication.

ADOPTED this 14th day of May, 2018 by a roll call vote as follows:

AYES: 4

NAYS: 0

~~ABSENT:~~ Abstain: 1

APPROVED this 14th day of May, 2018.

Carol G. Shatt
Mayor

ATTEST:

Monte A. Johnson
City Clerk

Commissioner Wade moved and Commissioner Kirk seconded the motion that said ordinance as presented by the City Clerk be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt said ordinance as presented.

Upon the roll being called, the following Commissioners voted AYE: Wade, Kirk, Mossman, Short.
and the following Commissioners voted NAY: n/a.
Commissioner Auky abstained.

Whereupon the Mayor declared the motion carried and said ordinance adopted, approved and signed the same in open meeting and directed the City Clerk to record the same in full in the records of the City Council of the City of Sullivan, Moultrie County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

Monte A. Johnson
City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF MOULTRIE)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Sullivan, Moultrie County, Illinois (the "City"), and as such official am the keeper of the official journal of proceedings, books, records, minutes and files of the City Council (the "Corporate Authorities").

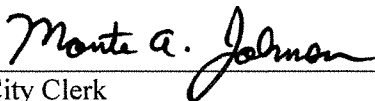
I further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 14th day of May, 2018, insofar as the same relates to the adoption of Ordinance No. 18-9 entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$4,380,000 aggregate principal amount General Obligation Refunding Bonds (Alternate Revenue Source), Series 2018 of the City of Sullivan, Moultrie County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said regular public meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the principal office of the Corporate Authorities and at the location where said meeting was to be held on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting; that said agenda described or made specific reference to said ordinance; that a true, correct and complete copy of said agenda as so posted is attached hereto; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Corporate Authorities has complied with all of the provisions of said Act and said Code, and with all of the procedural rules of the Corporate Authorities in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of said City, this 14th day of May, 2018.



City Clerk

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF MOULTRIE)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of Moultrie County, Illinois, and as such official I do further certify that on the 15 day of May, 2018, there was filed in my office a duly certified copy of Ordinance No. 18-9 entitled:

AN ORDINANCE authorizing and providing for the issuance of not to exceed \$4,380,000 aggregate principal amount General Obligation Refunding Bonds (Alternate Revenue Source), Series 2018 of the City of Sullivan, Moultrie County, Illinois, and for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

duly adopted by the City Council of the City of Sullivan, Moultrie County, Illinois, on the 14th day of May, 2018, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this 15 day of May, 2018.

Georgia C. England
County Clerk of Moultrie County, Illinois

(SEAL)