

EMERGENCY ORDINANCE NO. 29-95
CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER Brooks Compton
ON THE 6TH DAY OF NOVEMBER, 1995

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF BONDS IN THE MAXIMUM PRINCIPAL AMOUNT OF \$1,420,000 FOR THE PURPOSE OF PAYING COSTS OF RECONSTRUCTING AND WIDENING SOUTH MAIN STREET BETWEEN CERTAIN TERMINI, INCLUDING PROVIDING CURBS, STORM SEWERS, SIDEWALKS, WATER MAIN ADJUSTMENTS, STREET LIGHTING, TRAFFIC SIGNALS AND TRAFFIC SIGNAL IMPROVEMENTS, AND PROVIDING RIGHT-OF-WAY, TOGETHER WITH ALL NECESSARY APPURTENANCES, AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 1-95 passed January 16, 1995, notes in anticipation of bonds in the amount of \$1,310,000, dated February 2, 1995, were issued for the purpose stated in Section 3, to mature on February 1, 1996 (the Outstanding Notes); and

WHEREAS, this Council finds and determines that the City should retire the Outstanding Notes with the proceeds of the Bonds described in Section 3 and provide additional funds for the purpose stated in Section 3; and

WHEREAS, the Director of Finance, as fiscal officer of the City, has certified to this Council that the estimated life or period of usefulness of the improvement described in Section 3 is at least five years and that the maximum maturity of the Bonds described in Section 3 is 22 years based upon the weighted average of the amounts allocated to the several classes of improvements set forth in the Fiscal Officer's Certificate, which allocation is approved, ratified and confirmed; now therefor,

THE MUNICIPALITY OF CENTERVILLE HEREBY ORDAINS:

SECTION 1. Emergency Ordinance. This Council hereby declares that an emergency exists affecting the public welfare, in that the Bonds authorized by this emergency Ordinance must be sold without delay in order to provide for the timely retirement of the Outstanding Notes at maturity and thereby maintain and protect the good credit of the City and to take advantage of favorable market conditions and thereby achieve a lower debt service cost to the City.

SECTION 2. Definitions and Interpretation. In addition to the words and terms elsewhere defined in this Ordinance, unless the context or use clearly indicates another or different meaning or intent:

"Authorized Denominations" means (a) with respect to Current Interest Bonds, the denomination of \$5,000 or any integral multiple thereof, and (b) with respect to Capital Appreciation Bonds, the denomination equal to the original principal amount that, when interest is accrued and compounded thereon on each Interest Accretion Date to the stated maturity of the Bonds, will equal a \$5,000 Maturity Amount or any integral multiple thereof.

"Bond proceedings" means, collectively, this Ordinance, the Certificate of Award, the Continuing Disclosure Certificate and such other proceedings of the City, including the Bonds, that provide collectively for, among other things, the rights of holders and beneficial owners of the Bonds.

"Bond Register" means all books and records necessary for the registration, exchange and transfer of Bonds as provided in Section 6.

"Bond Registrar" means Star Bank, National Association, Cincinnati, Ohio, as the initial authenticating agent, bond registrar, transfer agent and paying agent for the Bonds under the Registrar Agreement and until a successor Bond Registrar shall have become such pursuant to

the provisions of the Registrar Agreement and, thereafter, "Bond Registrar" shall mean the successor Bond Registrar.

"Book entry form" or "book entry system" means a form or system under which (a) the ownership of book entry interests in Bonds and the principal of and interest on the Bonds may be transferred only through a book entry, and (b) physical Bond certificates in fully registered form are issued by the City only to a Depository or its nominee as registered owner, with the Bonds "immobilized" in the custody of the Depository. The book entry maintained by others than the City is the record that identifies the owners of book entry interests in those Bonds and that principal and interest.

"Capital Appreciation Bonds" means any Bonds designated as such in the Certificate of Award, maturing in the years, being in the original principal amounts and having the Maturity Amounts set forth therein, and bearing interest accrued and compounded on each Interest Accretion Date and payable at maturity.

"Certificate of Award" means the certificate authorized by Section 7(a), to be executed by the Director of Finance, setting forth and determining those terms or other matters pertaining to the Bonds and their issuance, sale and delivery as this Ordinance requires or authorizes to be set forth or determined therein.

"Closing Date" means the date of physical delivery of, and payment of the purchase price for, the Bonds.

"Code" means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent

applicable. Unless otherwise indicated, reference to a Section of the Code includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

"Compound Accreted Amount" means, with respect to any Capital Appreciation Bond, the original principal amount thereof plus interest accrued and compounded on each Interest Accretion Date to the date of maturity or other date of determination. The Compound Accreted Amount per \$5,000 Maturity Amount of the Capital Appreciation Bonds of each maturity as of each Interest Accretion Date shall be set forth in the Certificate of Award. The Compound Accreted Amount of any Capital Appreciation Bond for each maturity as of any date other than an Interest Accretion Date is the sum of (a) the Compound Accreted Amount for such Bond on the immediately preceding Interest Accretion Date plus (b) the product of (i) the difference between (A) the Compound Accreted Amount of that Bond on the immediately preceding Interest Accretion Date and (B) the Compound Accreted Amount of that Bond on the immediately succeeding Interest Accretion Date, times (ii) the ratio of (C) the number of days from the immediately preceding Interest Accretion Date to the date of determination to (D) the total number of days from that immediately preceding Interest Accretion Date to the immediately succeeding Interest Accretion Date; provided, however, that in determining the Compound Accreted Amount of a Capital Appreciation Bond as of a date prior to the first Interest Accretion Date, the Closing Date shall be deemed to be the immediately preceding Interest Accretion Date and the original principal amount of that Capital Appreciation Bond shall be deemed to be the Compound Accreted Amount on the Closing Date.

"Continuing Disclosure Certificate" means the certificate authorized by subsection 7(c), to be substantially in the form on file with the Clerk of Council, and which, together with the

agreements of the City set forth in that subsection, shall constitute the continuing disclosure agreement made by the City for the benefit of holders and beneficial owners of the Bonds in accordance with the Rule.

"Current Interest Bonds" means, collectively, the Current Interest Serial Bonds and the Current Interest Term Bonds, each as is designated as such in the Certificate of Award.

"Current Interest Serial Bonds" means those Current Interest Bonds designated as such and maturing on the dates set forth in the Certificate of Award, bearing interest payable on each Interest Payment Date and not subject to mandatory sinking fund redemption.

"Current Interest Term Bonds" means those Current Interest Bonds designated as such and maturing on the date or dates set forth in the Certificate of Award, bearing interest payable on each Interest Payment Date and subject to mandatory sinking fund redemption.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of book entry interests in Bonds or the principal of and interest on Bonds, and to effect transfers of Bonds, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Interest Accretion Dates" means, as to any Capital Appreciation Bonds, each June 1 and December 1, commencing June 1, 1996, in the years any Capital Appreciation Bonds are outstanding.

"Interest Payment Dates" means (a) as to Current Interest Bonds, June 1 and December 1 of each year that the Current Interest Bonds are outstanding, commencing June 1, 1996, and (b) as to any Capital Appreciation Bonds, their respective maturity dates.

"Maturity Amount" means, with respect to a Capital Appreciation Bond, the principal and interest due and payable at the stated maturity of that Capital Appreciation Bond.

"Original Purchaser" means Banc One Capital Corporation, Columbus, Ohio.

"Participant" means any participant contracting with a Depository under a book entry system and includes securities brokers and dealers, banks and trust companies, and clearing corporations.

"Principal Payment Dates" means December 1 in each of the years from and including 1996 to and including 2017, provided that the first Principal Payment Date may be deferred one year and the last Principal Payment Date may be advanced up to five years or deferred one year if such actions are determined by the Director of Finance in the Certificate of Award to be in the best interest of and financially advantageous to the City and further provided that in no case shall the total number of Principal Payment Dates exceed the maximum maturity of the Bonds referred to in the preambles hereto.

"Purchase Agreement" means the Bond Purchase Agreement between the City and the Original Purchaser, as it may be modified from the form on file with the Clerk of Council and executed by the Director of Finance in accordance with Section 7.

"Registrar Agreement" means the Bond Registrar Agreement between the City and the Bond Registrar, as it may be modified from the form on file with the Clerk of Council and executed by the Director of Finance in accordance with Section 5.

"Rule" means Rule 15c2-12 prescribed by the SEC pursuant to the Securities Exchange Act of 1934.

"SEC" means the Securities and Exchange Commission.

The captions and headings in this Ordinance are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Ordinance unless otherwise indicated.

SECTION 3. Authorized Principal Amount and Purpose; Application of Proceeds. This Council determines that it is necessary and in the best interest of the City to issue bonds of this City in one lot in the maximum aggregate principal amount of \$1,420,000 (the Bonds) for the purpose of paying costs of reconstructing and widening South Main Street between certain termini, including providing curbs, storm sewers, sidewalks, water main adjustments, street lighting, traffic signals and traffic signal improvements, and providing right-of-way, together with all necessary appurtenances. The improvement has been made pursuant to, and the termini of the street to be improved are stated in, Resolution No. 65-95, adopted September 18, 1995. The Bonds shall be issued pursuant to the Charter of the City, Chapter 133, Ohio Revised Code, and this Ordinance.

The aggregate principal amount of Bonds to be issued shall not exceed \$1,420,000 and shall be an amount determined by the Director of Finance in the Certificate of Award to be the aggregate principal amount of Bonds that is required to be issued at this time to retire the Outstanding Notes and provide necessary additional funds for the purpose stated in this Section 3, taking into account costs of the improvement, estimates of financing costs, and interest rates on the Bonds.

The proceeds from the sale of the Bonds, except any premium and accrued interest, shall be paid into the proper fund or funds, and those proceeds are appropriated and shall be used for the purpose for which the Bonds are being issued. Any portion of those proceeds representing

premium and accrued interest shall be paid into the Bond Retirement Fund. Immediately upon issuance of the Bonds, proceeds in the amount of the temporary advances as certified by the Director of Finance are to be credited to the Fund from which temporary advances were made to reimburse it for temporary advances made to pay capital expenditures previously made for the improvement described above, and such amount is charged against those proceeds. The appropriate officers are directed further to reflect such reimbursement, together with reimbursement of any additional amounts eligible for reimbursement under U.S. Treasury Regulations Section 1.103-18, on the appropriate accounting records of the City immediately upon such issuance.

SECTION 4. Denominations; Dating; Principal and Interest Payment and Redemption Provisions. The Bonds shall be issued in one lot and only as fully registered bonds, in the Authorized Denominations, but in no case as to a particular maturity date exceeding the principal amount maturing on that date. The respective principal amounts of the Bonds to be issued as Current Interest Bonds and Capital Appreciation Bonds (if any Bonds are to be issued as Capital Appreciation Bonds) shall be determined by the Director of Finance in the Certificate of Award, having due regard to the best interest of and financial advantages to the City. The Current Interest Bonds shall be dated as provided in the Certificate of Award, provided that their dated date shall not be more than sixty (60) days prior to the Closing Date, and any Capital Appreciation Bonds shall be dated as of the Closing Date.

(a) **Interest Rates and Payment Dates.** The Current Interest Bonds shall bear the rate or rates of interest per year (computed on a 360-day per year basis), as shall be determined by the Director of Finance, subject to subsection (c) of this Section, in the Certificate of Award; provided, that the Current Interest Bonds of any one stated maturity all shall bear the same rate

of interest. Interest on the Current Interest Bonds shall be payable at such rate or rates on the Interest Payment Dates until the principal amount has been paid or provided for. The Current Interest Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date.

Any Capital Appreciation Bonds shall bear interest from the Closing Date at the compounding rate or rates of interest (computed on a 360-day per year basis), accrued and compounded on each Interest Accretion Date and payable at maturity, that will result in the aggregate Maturity Amounts payable at maturity, as shall be determined by the Director of Finance, subject to subsection (c) of this Section, in the Certificate of Award; provided, that the Capital Appreciation Bonds of any one stated maturity all shall bear the same compounding rate of interest. The total interest accrued on any Capital Appreciation Bond as of any particular date shall be an amount equal to the amount by which the Compound Accreted Amount of that Capital Appreciation Bond exceeds the original principal amount of that Capital Appreciation Bond as of that date.

(b) Principal Payment Schedule. The Bonds shall mature or be payable pursuant to Mandatory Sinking Fund Redemption Requirements (as hereinafter defined and described) on the Principal Payment Dates in principal amounts as shall be determined by the Director of Finance, subject to subsection (c) of this Section, in the Certificate of Award, consistent with his determination of the best interest of and financial advantages to the City.

Consistent with the foregoing and in accordance with his determination of the best interest of and financial advantages to the City, the Director of Finance shall specify in the Certificate of Award (i) the aggregate principal amount of Current Interest Bonds to be issued as Current Interest Serial Bonds, the Principal Payment Dates on which those Bonds shall be

stated to mature and the principal amount thereof that shall be stated to mature on each such Principal Payment Date, (ii) the aggregate principal amount of Current Interest Bonds to be issued as Current Interest Term Bonds, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, the principal amount thereof that shall be stated to mature on each such Principal Payment Date, the Principal Payment Date or Dates on which Current Interest Term Bonds shall be subject to mandatory sinking fund redemption (Mandatory Redemption Dates) and the principal amount thereof that shall be payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Mandatory Redemption Date, and (iii) the aggregate principal amount of any Bonds to be issued as Capital Appreciation Bonds and the corresponding aggregate Maturity Amount thereof, the Principal Payment Date or Dates on which those Bonds shall be stated to mature, and the principal amount and corresponding Maturity Amount thereof that shall be payable on each such Principal Payment Date.

(c) Conditions for Establishment of Interest Rates and Principal Payment Dates and Amounts. The rate or rates of interest per year to be borne by the Current Interest Bonds and the compounding rate or rates of interest per year to be borne by any Capital Appreciation Bonds, and the principal amount of Current Interest Bonds maturing or payable pursuant to Mandatory Sinking Fund Redemption Requirements on each Principal Payment Date and the Maturity Amount of any Capital Appreciation Bonds payable on each Principal Payment Date, shall be such that the total principal and interest payments on the Bonds in any fiscal year in which principal is payable is not more than three times the amount of those payments in any other fiscal year. The weighted average of the rate or rates of interest per year to be borne by the Current Interest Bonds and the compounding rate or rates of interest per year to be borne by any Capital Appreciation Bonds, determined by taking into account the respective principal

amounts of the Bonds and terms to maturity or mandatory sinking fund redemption of those principal amounts of Bonds, shall not exceed 7-1/2% per year.

(d) Payment of Debt Charges. The debt charges on the Bonds shall be payable in lawful money of the United States of America without deduction for the services of the Bond Registrar as paying agent. Principal of and any premium on the Current Interest Bonds, and principal of and interest on any Capital Appreciation Bonds, shall be payable when due upon presentation and surrender of the Bonds at the principal corporate trust office of the Bond Registrar. Interest on a Current Interest Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond was registered, and to that person's address appearing, on the Bond Register at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date. Notwithstanding the foregoing, if and so long as the Bonds are issued in a book entry system, principal of and interest and any premium on the Bonds shall be payable in the manner provided in any agreement entered into by the Director of Finance, in the name and on behalf of the City, in connection with the book entry system.

(e) Redemption Provisions. The Current Interest Bonds shall be subject to redemption prior to stated maturity as follows:

(i) Mandatory Sinking Fund Redemption of Current Interest Term Bonds. If any of the Bonds are issued as Current Interest Term Bonds, the Current Interest Term Bonds shall be subject to mandatory redemption in part by lot and be redeemed pursuant to mandatory sinking fund requirements, at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date, on the applicable Mandatory Redemption Dates and in the principal amounts payable on those Dates, for

which provision is made in the Certificate of Award (such Dates and amounts, the Mandatory Sinking Fund Redemption Requirements).

The aggregate of the moneys to be deposited with the Bond Registrar for payment of principal of and interest on any Current Interest Term Bonds on each Mandatory Redemption Date shall include an amount sufficient to redeem on that Date the principal amount of Current Interest Term Bonds payable on that Date pursuant to Mandatory Sinking Fund Redemption Requirements (less the amount of any credit as hereinafter provided).

The City shall have the option to deliver to the Bond Registrar for cancellation Current Interest Term Bonds in any aggregate principal amount and to receive a credit against the then current or any subsequent Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) of the City, as specified by the Director of Finance, for Current Interest Term Bonds stated to mature on the same Principal Payment Date as the Current Interest Term Bonds so delivered. That option shall be exercised by the City on or before the 15th day preceding any Mandatory Redemption Date with respect to which the City wishes to obtain a credit, by furnishing the Bond Registrar a certificate, signed by the Director of Finance, setting forth the extent of the credit to be applied with respect to the then current or any subsequent Mandatory Sinking Fund Redemption Requirement for Current Interest Term Bonds stated to mature on the same Principal Payment Date. If the certificate is not timely furnished to the Bond Registrar, the current Mandatory Sinking Fund Redemption Requirement (and corresponding mandatory redemption obligation) shall not be reduced. A credit against the then current or any subsequent Mandatory Sinking Fund Redemption

Requirement (and corresponding mandatory redemption obligation), as specified by the Director of Finance, also shall be received by the City for any Current Interest Term Bonds which prior thereto have been redeemed (other than through the operation of the applicable Mandatory Sinking Fund Redemption Requirements) or purchased for cancellation and canceled by the Bond Registrar, to the extent not applied theretofore as a credit against any Mandatory Sinking Fund Redemption Requirement, for Current Interest Term Bonds stated to mature on the same Principal Payment Date as the Current Interest Term Bonds so redeemed or purchased and canceled.

Each Current Interest Term Bond so delivered, or previously redeemed, or purchased and canceled, shall be credited by the Bond Registrar at 100% of the principal amount thereof against the then current or subsequent Mandatory Sinking Fund Redemption Requirements (and corresponding mandatory redemption obligations), as specified by the Director of Finance, for Current Interest Term Bonds stated to mature on the same Principal Payment Date as the Current Interest Term Bonds so delivered, redeemed or purchased and canceled.

(ii) Optional Redemption. The Current Interest Bonds of the maturities specified in the Certificate of Award shall be subject to redemption by and at the sole option of the City, in whole or in part in integral multiples of \$5,000, on the dates, in the years and at the redemption prices (expressed as a percentage of the principal amount to be redeemed), plus accrued interest to the redemption date, to be determined by the Director of Finance in the Certificate of Award; provided that the earliest optional redemption date shall not be earlier than December 1, 2000 or later than December 1, 2010, and the redemption price for the earliest optional redemption date shall not be greater than 103%.

If optional redemption of Current Interest Term Bonds at a redemption price exceeding 100% of the principal amount to be redeemed is to take place as of any Mandatory Redemption Date applicable to those Current Interest Term Bonds, the Current Interest Term Bonds, or portions thereof, to be redeemed optionally shall be selected by lot prior to the selection by lot of the Current Interest Term Bonds of the same maturity to be redeemed on the same date by operation of the Mandatory Sinking Fund Redemption Requirements. Bonds to be redeemed pursuant to this paragraph shall be redeemed only upon written notice from the Director of Finance to the Bond Registrar, given upon the direction of this Council by adoption of a resolution or passage of an Ordinance. That notice shall specify the redemption date and the principal amount of each maturity of Bonds to be redeemed, and shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Bond Registrar.

(iii) Partial Redemption. If fewer than all of the outstanding Bonds are called for optional redemption at one time and Bonds of more than one maturity are then outstanding, the Bonds that are called shall be Bonds of the maturity or maturities selected by the City. If fewer than all of the Bonds of a single maturity are to be redeemed, the selection of Bonds of that maturity to be redeemed, or portions thereof in amounts of \$5,000 or any integral multiple thereof, shall be made by the Bond Registrar by lot in a manner determined by the Bond Registrar. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then outstanding, each \$5,000 unit of principal thereof shall be treated as if it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of principal amount represented by a Bond are to be called for redemption, then,

upon notice of redemption of a \$5,000 unit or units, the registered owner of that Bond shall surrender the Bond to the Bond Registrar (i) for payment of the redemption price of the \$5,000 unit or units of principal amount called for redemption (including, without limitation, the interest accrued to the date fixed for redemption and any premium), and (ii) for issuance, without charge to the registered owner, of a new Bond or Bonds of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

(iv) Notice of Redemption. The notice of the call for redemption of Bonds shall identify (A) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (B) the redemption price to be paid, (C) the date fixed for redemption, and (D) the place or places where the amounts due upon redemption are payable. The notice shall be given by the Bond Registrar on behalf of the City by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption, to the registered owner of each Bond subject to redemption in whole or in part at the registered owner's address shown on the Bond Register maintained by the Bond Registrar at the close of business on the fifteenth day preceding that mailing. Failure to receive notice by mail or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any Bond.

(v) Payment of Redeemed Bonds. In the event that notice of redemption shall have been given by the Bond Registrar to the registered owners as provided above, there shall be deposited with the Bond Registrar on or prior to the redemption date, moneys

that, in addition to any other moneys available therefor and held by the Bond Registrar, will be sufficient to redeem at the redemption price thereof, plus accrued interest to the redemption date, all of the redeemable Bonds for which notice of redemption has been given. Notice having been mailed in the manner provided in the preceding paragraph hereof, the Bonds and portions thereof called for redemption shall become due and payable on the redemption date, and, subject to Section 8, upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, plus accrued interest to the redemption date. If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together with accrued interest thereon to the redemption date, are held by the Bond Registrar on the redemption date, so as to be available therefor on that date and, if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding. If those moneys shall not be so available on the redemption date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption. All moneys held by the Bond Registrar for the redemption of particular Bonds shall be held in trust for the account of the registered owners thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

(vi) Capital Appreciation Bonds. The Capital Appreciation Bonds, if any, are not subject to redemption prior to maturity.

SECTION 5. Execution and Authentication of Bonds; Appointment of Bond Registrar.

The Bonds shall be signed by the Mayor or the Deputy Mayor and the Director of Finance, in the name of the City and in their official capacities, provided that either or both of those signatures may be a facsimile. The Bonds shall be issued in the Authorized Denominations and numbers as requested by the Original Purchaser and approved by the Director of Finance, shall be numbered as determined by the Director of Finance in order to distinguish each Bond from any other Bond and to distinguish the Current Interest Bonds from any Capital Appreciation Bonds, and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance.

Star Bank, National Association, Cincinnati, Ohio, is appointed to act as the initial Bond Registrar. The Director of Finance shall sign and deliver, in the name and on behalf of the City, the Registrar Agreement between the City and the Bond Registrar, in substantially the form as is now on file with the Clerk of Council. The Registrar Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Director of Finance on behalf of the City, all of which shall be conclusively evidenced by the signing of the Registrar Agreement or amendments thereto. The Director of Finance shall provide for the payment of the services rendered and for reimbursement of expenses incurred pursuant to the Registrar Agreement, except to the extent paid or reimbursed by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and then from other money lawfully available and appropriated or to be appropriated for that purpose.

No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under the Bond proceedings unless and until the certificate of authentication printed

on the Bond is signed by the Bond Registrar as authenticating agent. Authentication by the Bond Registrar shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under, and is entitled to the security and benefit of, the Bond proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Bond Registrar or by any other person acting as an agent of the Bond Registrar and approved by the Director of Finance on behalf of the City. The same person need not sign the certificate of authentication on all of the Bonds.

SECTION 6. Registration; Transfer and Exchange; Book Entry System.

(a) Bond Registrar. So long as any of the Bonds remain outstanding, the City will cause the Bond Registrar to maintain and keep the Bond Register at its principal corporate trust office. Subject to the provisions of Section 7, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute owner of that Bond for all purposes of the Bond proceedings. Payment of or on account of the debt charges on any Bond shall be made only to or upon the order of that person; neither the City nor the Bond Registrar shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the City's liability upon the Bond, including interest, to the extent of the amount or amounts so paid.

(b) Transfer and Exchange. Any Bond may be exchanged for Bonds of any Authorized Denomination upon presentation and surrender at the principal corporate trust office of the Bond Registrar, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. A Bond may be transferred only on the Bond Register upon presentation and surrender of the Bond at the principal corporate trust office of the Bond Registrar together with an assignment signed by

the registered owner or by a person legally empowered to do so in a form satisfactory to the Bond Registrar. Upon exchange or transfer the Bond Registrar shall complete, authenticate and deliver a new Bond or Bonds of any Authorized Denomination or Denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the City are required, the Bond Registrar shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the City. In all cases of Bonds exchanged or transferred, the City shall sign and the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Bond proceedings. The exchange or transfer shall be without charge to the owner, except that the City and Bond Registrar may make a charge sufficient to reimburse them for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The City or the Bond Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Bonds issued and authenticated upon any exchange or transfer shall be valid obligations of the City, evidencing the same debt, and entitled to the same security and benefit under the Bond proceedings as the Bonds surrendered upon that exchange or transfer. Neither the City nor the Bond Registrar shall be required to make any exchange or transfer of (i) Bonds then subject to call for redemption between the 15th day preceding the mailing of notice of Bonds to be redeemed and the date of that mailing, or (ii) any Bond selected for redemption, in whole or in part.

(c) Book Entry System. Notwithstanding any other provisions of this Ordinance, if the Director of Finance determines in the Certificate of Award that it is in the best interest of and financially advantageous to the City, the Bonds may be issued in book entry form in accordance with the following provisions of this Section.

The Bonds may be issued to a Depository for use in a book entry system and, if and so long as a book entry system is utilized, (i) the Bonds may be issued in the form of a single, fully registered Bond representing each maturity and registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository; (ii) the book entry interest owners of Bonds in book entry form shall not have any right to receive Bonds in the form of physical securities or certificates; (iii) ownership of book entry interests in Bonds in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of book entry interests shall be made only by book entry by the Depository and its Participants; and (iv) the Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a book entry system, the Director of Finance may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Director of Finance does not or is unable to do so, the Director of Finance, after making provision for notification of the book entry interest owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Bonds from the Depository, and shall cause Bond certificates in registered form to be authenticated by the Bond Registrar and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of

printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Director of Finance is hereby authorized and directed, to the extent necessary or required, to enter into any agreements, in the name and on behalf of the City, that he determines to be necessary in connection with a book entry system for the Bonds, after approval of any such agreement by the Municipal Attorney.

SECTION 7. Sale of the Bonds.

(a) To the Original Purchaser. The Bonds are sold at private sale to the Original Purchaser at a purchase price, not less than 98% of the aggregate principal amount thereof, as shall be determined by the Director of Finance in the Certificate of Award, plus accrued interest on the Current Interest Bonds from their date to the Closing Date, and shall be awarded by the Director of Finance with and upon such other terms as are required or authorized by this Ordinance to be specified in the Certificate of Award, in accordance with law, the provisions of this Ordinance and the Purchase Agreement. The Director of Finance is authorized, if it is determined to be in the best interest of the City, to combine the issue of Bonds with one or more other bond issues of the City into a consolidated bond issue pursuant to Section 133.30(B) of the Revised Code in which case a single Certificate of Award may be utilized for the consolidated bond issue if appropriate and consistent with the terms of this Ordinance.

The Director of Finance shall sign and deliver the Certificate of Award and shall cause the Bonds to be prepared and signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Original Purchaser upon payment of the purchase price. The Mayor, the Deputy Mayor, the City Manager, the Director of Finance, the Clerk of Council and other City officials, as appropriate, each are authorized and directed to

sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance.

The Director of Finance shall sign and deliver, in the name and on behalf of the City, the Purchase Agreement between the City and the Original Purchaser, in substantially the form as is now on file with the Clerk of Council, providing for the sale to, and the purchase by, the Original Purchaser of the Bonds. The Purchase Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the Director of Finance on behalf of the City, all of which shall be conclusively evidenced by the signing of the Purchase Agreement or amendments thereto.

(b) Primary Offering Disclosure -- Official Statement. The preliminary official statement of the City relating to the original issuance of the Bonds substantially in the form now on file with the Clerk of Council is approved. The distribution and use of that preliminary official statement is hereby approved. The City Manager and the Director of Finance are each authorized and directed to complete and sign on behalf of the City, and in their official capacities, that preliminary official statement, with such modifications, completions, changes and supplements, as those officers shall approve or authorize for the purpose of preparing and determining, and to certify or otherwise represent, that the revised official statement is a "deemed final" official statement (except for permitted omissions) by the City as of its date and is a final official statement for purposes of SEC Rule 15c2-12(b)(1), (3) and (4).

Those officers are each further authorized to use and distribute, or authorize the use and distribution of, the final official statement and supplements thereto in connection with the

original issuance of the Bonds as may in their judgment be necessary or appropriate. Those officers and each of them are also authorized to sign and deliver, on behalf of the City, and in their official capacities, such certificates in connection with the accuracy of the final official statement and any amendment thereto as may, in their judgment, be necessary or appropriate.

(c) Agreement to Provide Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Bonds, the City agrees, as the only obligated person with respect to the Bonds under the Rule, to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of paragraph (b)(5)(i) of the Rule. In order to describe and specify certain terms of the City's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the City Manager, and the Director of Finance are authorized and directed to sign and deliver, in the name and on behalf of the City, the Continuing Disclosure Certificate, with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the City Manager and the Director of Finance on behalf of the City, all of which shall be conclusively evidenced by the signing of that Certificate or amendments to it. The agreement formed, collectively, by this paragraph and that Certificate, shall be the City's continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet costs the City would be required to incur to perform it.

(d) Application for Rating or Bond Insurance. If, in the judgment of the Director of Finance, the filing of an application for (i) a rating on the Bonds by one or more nationally-recognized rating agencies, or (ii) a policy of insurance from a company or companies

to better assure the payment of principal of and interest on the Bonds, is in the best interest of and financially advantageous to this City, the Director of Finance is authorized to prepare and submit those applications, to provide to each such agency or company such information as may be required for the purpose, and to provide further for the payment of the cost of obtaining each such rating or policy, except to the extent paid by the Original Purchaser in accordance with the Purchase Agreement, from the proceeds of the Bonds to the extent available and otherwise from any other funds lawfully available and that are appropriated or shall be appropriated for that purpose.

SECTION 8. Provisions for Tax Levy. There shall be levied on all the taxable property in the City, in addition to all other taxes, a direct tax annually during the period the Bonds are outstanding in an amount sufficient to pay the debt charges on the Bonds when due, which tax shall not be less than the interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. The tax shall be within the ten-mill limitation imposed by law, shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of those years are certified, levied, extended and collected, and shall be placed before and in preference to all other items and for the full amount thereof. The proceeds of the tax levy shall be placed in the Bond Retirement Fund, which is irrevocably pledged for the payment of the debt charges on the Bonds when and as the same fall due. To the extent necessary, the debt charges on the Bonds shall also be paid from municipal income taxes lawfully available therefore under the Constitution and laws of the State of Ohio; and the City hereby covenants, subject and pursuant to such authority, including particularly Section 133.05(B)(7), Revised Code to appropriate annually from such municipal income taxes such amount as is necessary to meet such

annual debt charges. In each year to the extent the income from the levy of municipal income taxes is available for the payment of the debt charges on the Bonds and is appropriated for that purpose, the amount of the tax shall be reduced by the amount of such income so available and appropriated.

Nothing in this Section in any way diminishes the irrevocable pledge of the full faith and credit and revenues of the City to the prompt payment of the debt charges on the Bonds.

SECTION 9. Federal Tax Considerations. The City covenants that it will use, and will restrict the use and investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary so that (a) the Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Code or (ii) be treated other than as bonds to which Section 103 of the Code applies, and (b) the interest thereon will not be an item of tax preference under Section 57 of the Code.

The City represents that the Outstanding Notes were designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code. The City hereby covenants that the City will redeem the Outstanding Notes from proceeds of, and within 90 days after issuance of, the Bonds, and represents that all other conditions are met for treating an amount of the Bonds equal to the amount of the Outstanding Notes that is being refunded with proceeds of the Bonds, determined in accordance with Section 265(b)(3) of the Code, as "qualified tax-exempt obligations" and as not to be taken into account under subparagraph (D) of Section 265(b)(3) of the Code, without necessity for further designation, by reason of subparagraph (D)(ii) of Section 265(b)(3) of the Code.

Any amount of the Bonds in excess of the amount of the Outstanding Notes that is being refunded with proceeds of the Bonds, determined in accordance with Section 265(b)(3) of the

Code (the Designated Amount), is hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. In that connection, this City hereby represents and covenants that the City, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which the City issues obligations, in or during the calendar year in which the Bonds are issued, (i) has not issued and will not issue tax-exempt obligations designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, including the Designated Amount of the Bonds, in an aggregate amount in excess of \$10,000,000, and (ii) has not issued, do not reasonably anticipate issuing, and will not issue, tax-exempt obligations (including the Designated Amount of the Bonds, but excluding obligations, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code, that are private activity bonds as defined in Section 141 of the Code and excluding refunding obligations that are not advance refunding obligations as defined in Section 149(d)(5) of the Code) in an aggregate amount exceeding \$10,000,000, unless the City first obtains a written opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not adversely affect the status of the Bonds as "qualified tax-exempt obligations".

Further, the City represents and covenants that, during any time or in any manner as might affect the status of the Bonds as "qualified tax-exempt obligations", it has not formed or participated in the formation of, or benefitted from or availed itself of, any entity in order to avoid the purposes of subparagraph (C) or (D) of Section 265(b)(3) of the Code, and will not form, participate in the formation of, or benefit from or avail itself of, any such entity. The City further represents that the Bonds are not being issued as part of a direct or indirect composite issue that combines issues or lots of tax-exempt obligations of different issuers.

Each covenant made in this Section with respect to the Bonds is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the Bonds (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Bonds from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the Bonds.

The Director of Finance, as the fiscal officer, or any other officer of the City having responsibility for issuance of the Bonds, is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the Bonds as the City is permitted or required to make or give under the federal income tax laws, including, without limitation thereto, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Bonds, and (c) to give one or more appropriate certificates of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the

Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Bonds.

SECTION 10. Certification and Delivery of Ordinance and Certificate of Award. The Clerk of Council is directed to deliver promptly a certified copy of this Ordinance and a copy of the Certificate of Award to the County Auditor of Montgomery County.

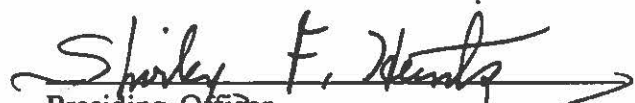
SECTION 11. Satisfaction of Conditions for Bond Issuance. This Council determines that all acts and conditions necessary to be performed by the City or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the City have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 8) of the City are pledged for the timely payment of the debt charges on the Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

SECTION 12. Publication of Ordinance. The Clerk of Council is hereby directed to cause a summary of this emergency Ordinance to be published as required by Article V of the Charter of the City.

SECTION 13. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

SECTION 14. Effective Date. This Ordinance shall become effective upon its adoption in accordance with Section 5.05 of the Charter of the City and by reason of Sections 5.05 and 8.11 of the Charter this Ordinance shall not stand repealed as of the 75th day after adoption.

ADOPTED this 6th day of November, 1995.


Presiding Officer

Attest: 
Clerk of Council