ORDINANCE

WHEREAS, the City of Chicago (the "*City*") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution (the *"Constitution"*) of the State of Illinois (the "*State*") having a population in excess of 25,000 and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

WHEREAS, in accordance with the provisions of Section 6(a) of Article VII of the Constitution, the City may exercise any power and perform any function pertaining to its government and affairs, including the power to tax and the power to incur debt; and

WHEREAS, the City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to implement a plan to provide for the financing of the funding of (A) judgments entered against the City, (B) certain settlements or other payments required to be made by the City as a condition to the resolution of litigation or threatened litigation, and (C) such escrow accounts or other reserves as shall be deemed necessary for any of said purposes (the *"Purposes"*); and

WHEREAS, the City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to implement a plan to provide for the financing of the Purposes (the "*Financing Plan*"), in each case if and to the extent determined by the Mayor of the City (the *"Mayor"*), the Chief Financial Officer of the City (the "*Chief Financial Officer*") or the City Comptroller of the City (the "*City Comptroller*") (an "*Authorized Officer*" as referred to herein being the Mayor, the Chief Financial Officer, the City Comptroller or any other official of the City so designated by a certificate signed by the Mayor or the Chief Financial Officer); and

WHEREAS, the City has determined to finance the implementation of the Financing Plan through the issuance of its general obligation bonds (collectively, the *"Bonds"*) as herein described; and

WHEREAS, subject to the Debt Issuance Limitation (as hereinafter defined), the City has determined to issue and sell Bonds in the manner hereinafter authorized, in one or more series, in an aggregate principal amount not to exceed $480,000,000 to finance the costs of the Purposes, such borrowing being for proper public purposes and in the public interest, and the City, by virtue of its constitutional home rule powers and all laws applicable thereto, has the power to issue such Bonds; and

WHEREAS, any series of the Bonds may be issued such that the interest thereon is either includible in (*"Taxable Bonds"*) or excludable from (*"Tax-Exempt Bonds"*) the gross income of their owners for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "*Code*"); and

WHEREAS, it is desirable to authorize the issuance of the Bonds under and pursuant to one or more trust indentures between the City and a bond trustee substantially in the form authorized by Section 2.2(c) hereof, as each may from time to time be amended or supplemented in accordance with its provisions (each such trust indenture being hereinafter referred to as a "*Trust Indenture*"); and

WHEREAS, in connection with the issuance of the Bonds, it is desirable to authorize an Authorized Officer to appoint a bank or trust company to act as bond trustee under one or more

Trust Indentures (each such bank or trust company acting in the capacity as bond trustee, bond registrar and paying agent under one or more Trust Indentures, together with any successor bank or trust company appointed by an Authorized Officer and acting in such capacity, being hereinafter referred to as a "*Bond Trustee*"); and

WHEREAS, for the purpose of enhancing the City's transparency with respect to financial matters, the City has determined that it is necessary and in the best interests of the City to amend the Municipal Code (as hereinafter defined) to provide for additional reporting related to certain of the City's financial transactions; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

ARTICLE I.
AUTHORIZATION AND DEBT ISSUANCE

Section 1.1. Authorization. The City Council of the City (the *"City Council"*), after a public meeting heretofore held on this Ordinance by the Committee on Finance of the City Council (the "*Finance Committee*"), pursuant to proper notice and in accordance with the findings and recommendations of the Finance Committee, hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution. The City has determined that it is in the best interests of the inhabitants of the City and necessary for the welfare of the government and affairs of the City to implement the Financing Plan. The City has heretofore authorized, or may authorize in the future, the borrowing of money pursuant to one or more line of credit agreements to provide funds for interim financing for the Purposes, with such borrowing incurred by the City with the intention of being repaid by Bond proceeds (such borrowings being referred to as *"Line of Credit Indebtedness"*). Proceeds of any Line of Credit Indebtedness shall be referred to as *"Line of Credit Proceeds."* Bond proceeds, Line of Credit Proceeds and Corporate Funds (as hereinafter defined) are collectively referred to herein as *"Authorized Funds"*.

ARTICLE II.
AUTHORIZATION AND DETAILS OF GENERAL OBLIGATION BONDS

Section 2.1. Findings and Determinations. The City Council hereby finds and determines as follows:

(a) that the issuance of the Bonds to implement the Financing Plan is in the best interests of the City;

(b) that the City's ability to issue the Bonds from time to time without further action by the City Council at various times, in various principal amounts and with various interest rates and interest rate mechanisms, maturities, redemption provisions and other terms will enhance the City's opportunities to obtain financing upon the most favorable terms available; and

(c) that the delegations of authority that are contained in this Ordinance are necessary and desirable.

Therefore, authority is granted to an Authorized Officer to determine to sell one or more series of the Bonds, at one or more times, as and to the extent such Authorized Officer determines that such sale or sales is desirable and in the best interests of the City.

Section 2.2. Authorization of Bonds and Trust Indentures.

(a) Bonds are hereby authorized to be issued in one or more series in an aggregate principal amount not to exceed $480,000,000 (the *"Debt Issuance Limitation"*) for the purpose of implementing the Financing Plan which consists of (A) financing all or a portion of the cost of the Purposes including therewith (i) costs of issuance, including any underwriters' discount, origination fee or similar fee charged by any Purchasers (as hereinafter defined), (ii) capitalized interest on the Bonds, and (iii) credit enhancements (including, but not limited to, premiums for the purchase of policies of municipal bond insurance with respect to the Bonds) and (B) refinancing Line of Credit Indebtedness relating to interim financing for the Purposes.

(b) The Bonds may be issued from time to time in one or more series in an aggregate principal amount not exceeding the Debt Issuance Limitation, or such lesser amounts as may be determined by an Authorized Officer.

(c) The Bonds of each series may be issued pursuant to, and have such terms and provisions as are set forth in, a Trust Indenture between the City and a Bond Trustee, which Trust Indenture, if executed, shall be in substantially the form used by the City in previous general obligation bond transactions, but with such revisions in text as the Authorized Officer executing the same shall determine are necessary or desirable, the execution thereof, and any amendment thereto, by such Authorized Officer to evidence the approval by such Authorized Officer, as applicable, of all such revisions. Such revisions may include, among other things, (i) revisions required in the case of the issuance of a series of Taxable Bonds, (ii) revisions required to accommodate the sale of the Bonds on a forward-delivery basis, (iii) revisions required to accommodate the sale of the Bonds to a Direct Purchaser (as hereinafter defined), and (iv) revisions required to reflect the issuance of the Bonds as Direct Purchase Bonds (as hereinafter defined). With respect to any series of Bonds issued pursuant to a Trust Indenture, in the event of any conflict between the provisions of this Ordinance and such Trust Indenture, the terms of such Trust Indenture shall be deemed to control. An Authorized Officer is authorized to enter into one or more of such Trust Indentures from time to time on behalf of the City.

(d) The Bonds will bear interest at fixed rates and pay interest as described below. Each series of Bonds shall be dated such date as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds, shall be in fully registered form, shall be in such minimum denominations and integral multiples thereof as shall be agreed upon by an Authorized Officer and the purchasers of such Bonds (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered as determined by the applicable Bond Registrar (as hereinafter defined).

All or any portion of the Bonds may be issued and sold from time to time as a direct purchase (the *"Direct Purchase Bonds"*) to a purchaser or purchasers other than an Underwriter (as hereinafter defined) (individually, a *"Direct Purchaser"* and collectively, the *"Direct Purchasers"*). The Direct Purchase Bonds shall be sold as provided in Section 2.18 hereof.

(e) Any series of the Bonds may be issued on a forward-delivery basis.

(f) The principal of the Bonds of each series shall become due and payable on or before 10 years after the date of issuance of such series. Each series of Bonds shall bear interest at a rate or rates not to exceed 12 percent per annum. Any portion of the Bonds may be issued as Taxable Bonds or Tax-Exempt Bonds as determined by an Authorized Officer to be beneficial to the City.

(g) Each Bond shall bear interest from the later of its date or the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid, such interest (computed upon the basis of a 360-day period of twelve 30-day months) being payable on the dates as shall be determined by an Authorized Officer at the time of the sale of each series of Bonds. Interest on each Bond shall be paid to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date, by check or draft of the applicable Bond Registrar, or, at the option of any registered owner of $1,000,000 or more in aggregate principal amount of Bonds of a series, by wire transfer of immediately available funds to such bank in the continental United States of America as the registered owner of such Bonds shall request in writing to the applicable Bond Registrar.

The principal of the Bonds and any redemption premium shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the designated corporate trust office of the applicable Bond Registrar.

(h) Each of the Bonds shall be designated "General Obligation Bonds, Series ____" or shall have such other designations or descriptions as determined by an Authorized Officer to be necessary to properly identify and differentiate the Bonds at the time of the sale of the Bonds, and with such other additions, modifications or revisions as shall be determined to be necessary by an Authorized Officer at the time of the sale of such Bonds to reflect the calendar year of issuance of the Bonds, the order of sale of the Bonds, the specific series of the Bonds, whether the Bonds are being issued as Taxable Bonds or Tax-Exempt Bonds, whether the Bonds are Direct Purchase Bonds, the purposes for which the Bonds are being sold and any other authorized features of the Bonds determined by an Authorized Officer as desirable to be reflected in the title of the Bonds being issued and sold. As used in this Ordinance, *"City Clerk"* shall mean the duly qualified and acting City Clerk of the City or any Deputy City Clerk or other person who may lawfully take a specific action or perform a specific duty prescribed for the City Clerk pursuant to this Ordinance.

Section 2.3. Execution and Authentication.

(a) The seal of the City or a facsimile thereof shall be affixed to or printed on each of the Bonds, and the Bonds shall be executed by the manual or facsimile signature of the duly qualified and acting Mayor and attested by the manual or facsimile signature of the City Clerk, and in case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

(b) All Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the applicable Bond Registrar or Bond Trustee as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the applicable Bond Registrar or Bond Trustee by manual signature, and such certificate of authentication upon any

such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by the applicable Bond Registrar or Bond Trustee if signed by an authorized officer of such Bond Registrar or Bond Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued under this Ordinance.

Section 2.4. Registration and Transfer.

(a) The City shall cause books (the "*Bond Register*") for the registration and for the transfer of each series of Bonds as provided in this Ordinance to be kept at the designated corporate trust office of a bank or trust company designated by an Authorized Officer, as the registrar for the City in connection with such series of Bonds (the *"Bond Registrar"*), which shall, with respect to a series of Bonds issued pursuant to a Trust Indenture, be the Bond Trustee for such series of Bonds. The City is authorized to prepare multiple Bond blanks executed by the Mayor and attested by the City Clerk for use in the transfer and exchange of Bonds.

(b) Upon surrender for transfer of any Bond at the designated corporate trust office of the applicable Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to such Bond Registrar and duly executed by the registered owner or its attorney duly authorized in writing, the City shall execute and such Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees one or more fully registered Bonds of the same series, interest rate and maturity of authorized denominations, for a like principal amount. Any Bond or Bonds may be exchanged at said office of the applicable Bond Registrar for a like aggregate principal amount of Bonds of the same series, type, interest rate and maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the applicable Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided* that the aggregate principal amount of Bonds of each series, maturity and interest rate authenticated by the applicable Bond Registrar or Bond Trustee shall not exceed the authorized principal amount of Bonds for such series, maturity and interest rate less previous retirements.

(c) The applicable Bond Registrar shall not be required to transfer or exchange (i) any Bond after notice calling such Bond for redemption has been mailed, or (ii) any Bond during a period of 15 days next preceding mailing of a notice of redemption of such Bond; *provided, however*, that provisions relating to the transfer or exchange of Bonds of a series shall be as determined by an Authorized Officer at the time of the sale of such series and may be set forth in a notification of sale as described in Section 2.18(i) hereof (a *"Notification of Sale"*).

(d) The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of, redemption premium, if any, or interest on any Bond, as appropriate, shall be made only to or upon the order of the registered owner thereof or its legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(e) No service charge shall be made for any transfer or exchange of Bonds, but the City or the applicable Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except that no such payment may be required in the case of the issuance of a Bond or Bonds for the unredeemed portion of the Bond surrendered for redemption.

Section 2.5. Book-Entry Only System. If so determined and directed by an Authorized Officer in connection with the sale of any of the Bonds, such Bonds may be issued in book-entry only form. In connection with the issuance of Bonds in book-entry only form, an Authorized Officer is authorized to execute and deliver to the book-entry depository selected by such Authorized Officer such depository's standard form of representation letter. If any of the Bonds are registered in the name of a securities depository which uses a book-entry system, the standing of the beneficial owner to enforce any of the covenants herein may be established through the books and records of such securities depository or a participant therein.

Section 2.6. Replacement of Bonds. If any Bond, whether in temporary or definitive form, is lost (whether by reason of theft or otherwise), destroyed (whether by mutilation, damage, in whole or in part, or otherwise) or improperly cancelled, the applicable Bond Registrar may authenticate a new Bond of like series, date, maturity date, interest rate, denomination and principal amount and bearing a number not contemporaneously outstanding; *provided* that (i) in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the applicable Bond Registrar, and (ii) in the case of any lost Bond or Bond destroyed in whole, there shall be first furnished to the applicable Bond Registrar evidence of such loss or destruction, together with indemnification of the City and such Bond Registrar, satisfactory to such Bond Registrar. If any lost, destroyed or improperly cancelled Bond shall have matured or is about to mature, or has been called for redemption, instead of issuing a duplicate Bond, the applicable Bond Registrar shall pay the same without surrender thereof if there shall be first furnished to such Bond Registrar evidence of such loss, destruction or cancellation, together with indemnity, satisfactory to it. Upon the issuance of any substitute Bond, the applicable Bond Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Section 2.7. Redemption and Repurchase.

(a) The Bonds may be made subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of Bonds being redeemed to be redeemed) not to exceed 120 percent, plus, accrued interest to the date of redemption, as determined by an Authorized Officer at the time of the sale thereof.

(b) Notwithstanding the foregoing, such 120 percent limitation on the redemption price of Bonds shall not apply where the redemption price is based upon a formula designed to compensate the owner of the Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a "make-whole" redemption price (the *"Make-Whole Redemption Price"*). At the time of sale of the Bonds, an Authorized Officer shall determine the provisions of the formula to be used to establish any Make-Whole Redemption Price, which may vary depending on whether the Bonds are issued as Taxable Bonds or Tax-Exempt Bonds. An Authorized Officer shall confirm and transmit the applicable Make-Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

(c) If fewer than all of the outstanding Bonds of a series are to be optionally redeemed, the Bonds to be called shall be called from such maturities and interest rates of such series as may be determined by an Authorized Officer.

(d) Certain of the Bonds of a series may be made subject to mandatory redemption, at par and accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of the sale thereof.

(e) An Authorized Officer is authorized to sell (at a price determined by such Authorized Officer to be in the best interests of the City) or waive any right the City may have to call any of the Bonds for optional redemption, in whole or in part, and is further authorized to expend the proceeds of any such sales for any purpose for which the proceeds of the Bonds are authorized to be expended and for the payment or prepayment of any City debt obligations whether issued before or after the date of adoption of this Ordinance, all as determined by an Authorized Officer; *provided however,* to the extent that interest on such Bonds is excluded from gross income for federal income tax purposes, such expenditures shall not adversely affect such exclusion. If determined to be necessary or appropriate, an Authorized Officer is authorized to solicit the consent of holders of outstanding Bonds to any such sale or waiver.

(f) At the time of sale of Bonds of a series, an Authorized Officer is authorized to determine the manner of redeeming such Bonds, either by lot in the manner hereinafter provided or pro-rata in the manner determined by an Authorized Officer at the time of sale, if less than all of the Bonds of the same series, maturity and interest rate are to be redeemed.

(g) The Bonds shall be redeemed only in amounts equal to the respective minimum authorized denominations and integral multiples thereof. In the event of the redemption of fewer than all the Bonds of the same series, maturity and interest rate by lot, the aggregate principal amount thereof to be redeemed shall be the minimum authorized denomination for such series or an integral multiple thereof, and the applicable Bond Registrar shall assign to each Bond of such series, maturity and interest rate, a distinctive number for each minimum authorized denomination of such Bond and shall select by lot from the numbers so assigned as many numbers as, at such minimum authorized denomination for each number, shall equal the principal amount of such Bonds to be redeemed. In such case, the Bonds to be redeemed shall be those to which were assigned numbers so selected; *provided* that only so much of the principal amount of each Bond shall be redeemed as shall equal such minimum authorized denomination for each number assigned to it and so selected. In the event of the redemption of fewer than all Bonds of the same series, maturity and interest rate on a pro-rata basis, if the Bonds are held in book-entry form at the time of redemption, at the time of sale of the Bonds, an Authorized Officer is authorized to direct the Bond Registrar to instruct the book-entry depository to select the specific Bonds within such maturity and interest rate for redemption pro-rata among such Bonds. The City shall have no responsibility or obligation to ensure that the book-entry depository properly selects such Bonds for redemption.

(h) An Authorized Officer shall, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the applicable Bond Registrar), notify the applicable Bond Registrar of such redemption date and of the principal amount of Bonds of such series to be redeemed.

(i) In connection with any mandatory redemption of Bonds of a series as authorized above, the principal amounts of Bonds of such series to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds of such series credited against future mandatory redemption requirements in such order of the mandatory redemption dates as an Authorized Officer may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date of Bonds of a series, the applicable Bond Registrar may, and if directed by an Authorized Officer shall, purchase Bonds of such series required to be retired on such mandatory redemption date at such prices as an Authorized Officer shall determine. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the payment required on such next mandatory redemption date with respect to such series of Bonds.

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

(k) Subject to the limitation on redemption price set forth above, the terms of such redemption shall be determined by an Authorized Officer at the time of sale of the Bonds of each series and may be set forth in a Notification of Sale.

Section 2.8. Notice of Redemption.

(a) Unless waived by any owner of Bonds to be redeemed, notice of the call for any such redemption shall be given by the applicable Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the applicable Bond Register or at such other address as is furnished in writing by such registered owner to such Bond Registrar, but the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. Any notice of redemption mailed as provided in this Section shall be conclusively presumed to have been given whether or not actually received by the addressee.

(b) All notices of redemption shall state:

(1) the series designation of the Bonds to be redeemed,

(2) the redemption date,

(3) the redemption price, or in the case of a redemption of Bonds at a Make-Whole Redemption Price, a description of the formula by which the redemption price shall be determined,

(4) if less than all outstanding Bonds of a series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts and interest rates) of the Bonds to be redeemed,

(5) 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,

(6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the applicable Bond Registrar, and

(7) such other information as shall be deemed necessary by the applicable Bond Registrar at the time such notice is given to comply with law, regulation or industry standard.

(c) With respect to an optional redemption of any series of Bonds, such notice may state that said redemption is conditioned upon the receipt by the applicable Bond Registrar on or prior to the date fixed for redemption of moneys sufficient to pay the redemption price of the Bonds of such series. If such moneys are not so received, such redemption notice shall be of no force and effect, the City shall not redeem such Bonds and the applicable Bond 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. Unless the notice of redemption shall be made conditional as provided above, on or prior to any redemption date for a series of Bonds, the City shall deposit with the applicable Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions thereof of such series which are to be redeemed on that date.

(d) Notice of redemption having been given as aforesaid, the Bonds, or portions thereof, 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 defaults in the payment of the redemption price or unless, in the event of a conditional notice as described above, the necessary moneys were not deposited) such Bonds, or portions thereof, shall cease to bear or accrue interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the applicable Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same series, interest rate and maturity in the amount of the unpaid principal.

(e) If any Bond or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by such Bond, or portion thereof, so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the applicable Bond Registrar and shall not be reissued.

(f) If any Bond is not presented for payment when the principal amount thereof becomes due, either at maturity or at a date fixed for redemption thereof or otherwise, and if moneys sufficient to pay such Bond are held by the applicable Bond Registrar for the benefit of the registered owner of such Bond, such Bond Registrar shall hold such moneys for the benefit of the registered owner of such Bond without liability to the registered owner for interest. The registered owner of such Bond thereafter shall be restricted exclusively to such funds for satisfaction of any claims relating to such Bond.

Section 2.9. Form of Bonds. The Bonds of each series shall be prepared in substantially the following form with such insertions and revisions as shall be necessary to reflect the terms and provisions of the sale of the Bonds of such series pursuant to Section 2.18 hereof; *provided* that if the text of any Bond is to be printed in its entirety on the front side of such Bond, then the text shown or appearing on the reverse side of such Bond shall replace the second paragraph on the front side of the form of the Bond shown below and the legend, "See Reverse Side for Additional Provisions," shall be omitted.

All Bonds may be prepared with such insertions and revisions as shall be necessary in connection with the issuance of such Bonds as Direct Purchase Bonds or for the sale of such Bonds to a Direct Purchaser.

[Form of Bond — Front Side]

REGISTERED
NO. _____ $_____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

CITY OF CHICAGO

See Reverse Side for Additional Provisions

GENERAL OBLIGATION BOND
SERIES ____

Interest Rate:	Maturity Date:	Dated Date:	CUSIP:
_____%	_____ 1, 20__	_____, 20__	_____

Registered Owner:

Principal Amount:

The City of Chicago (the "*City*") hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the date of this Bond or the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above on _____ of each year commencing _____ 1, 20__, until said Principal Amount is paid. Principal of this bond (this "*Bond*" or these "*Bonds*") and redemption premium, if any, shall be payable in lawful money of the United States of America upon presentation and surrender at the designated corporate trust office of _____, Chicago, Illinois, as [bond trustee,] bond registrar and paying agent (the "*Bond Registrar*"). Payment of the installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar at the close of business on the 15th day of the month next preceding each interest payment date and shall be paid by check or draft of the Bond Registrar mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar or, at the option of any Registered Owner of $1,000,000 or more in aggregate principal amount of the Bonds, by wire transfer of immediately available funds to such bank in the continental United States of America as the Registered Owner hereof shall request in writing to the Bond Registrar.

Reference is made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, and have been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of Bonds 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 signed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Chicago by the City Council has caused its corporate seal to be imprinted by facsimile hereon and this Bond to be signed by the duly authorized facsimile signature of the Mayor and attested by the facsimile signature of the City Clerk, all as of the Dated Date identified above.

(Facsimile Signature)
Mayor
City of Chicago

Attest:

(Facsimile Signature)
City Clerk
City of Chicago

[SEAL]

Date of Authentication: _____, ____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Ordinance and is one of the General Obligation Bond, Series _____, of the City of Chicago.

By: (Manual Signature)
Authorized Officer

[Form of Bond — Reverse Side]

CITY OF CHICAGO
GENERAL OBLIGATION BOND
SERIES ____

For the prompt payment of this Bond, both principal and interest, as aforesaid, as the same become due, and for the levy of taxes sufficient for that purpose (the *"Pledged Taxes"*), the full faith, credit and resources of the City are irrevocably pledged.

This Bond is one of a series of Bonds aggregating the original principal amount of $_____ issued pursuant to the constitutional home rule powers of the City for the purposes of (A)(i) paying costs of the Purposes described in the hereinafter-defined Bond Ordinance, (ii) capitalizing or funding such interest on the Bonds as may be necessary, (iii) paying costs of credit enhancements, and (iv) paying expenses incidental to the issuance of the Bonds, and (B) refinancing Line of Credit Indebtedness (as defined in the Bond Ordinance) relating to interim financing for any Purposes, and was authorized by an ordinance adopted by the City Council of the City on _____, 20__ (the *"Bond Ordinance"*).

The Bonds maturing on or after _____, ____, are redeemable prior to maturity at the option of the City, in whole or in part on any date on or after _____ 1, ____, and if less than all of the outstanding Bonds are to be redeemed, the Bonds to be called shall be called from such maturities and interest rates as shall be determined by the City and if less than all of the Bonds of a single maturity and the same interest rate are to be redeemed then [by lot] [pro-rata] within such maturity and interest rate in the manner hereinafter provided, the Bonds to be redeemed at the redemption prices (being expressed as a percentage of the principal amount) set forth below, plus accrued interest to the date of redemption:

DATES OF REDEMPTION	REDEMPTION PRICE

The Bonds maturing on _____, ____, are subject to mandatory redemption prior to maturity on _____ of the years _____ to _____, inclusive, and the Bonds maturing on _____, ____, are subject to mandatory redemption prior to maturity on _____ of the years _____ to _____, inclusive, in each case at par and accrued interest to the date fixed for redemption.

[Redemption by lot] In the event of the redemption of less than all the Bonds of like maturity and interest rate, the aggregate principal amount thereof to be redeemed shall be $_____,000 or an integral multiple thereof, and the Bond Registrar shall assign to each Bond of such maturity and interest rate a distinctive number for each $_____,000 principal amount of such Bond and shall select by lot from the numbers so assigned as many numbers as, at $_____,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; *provided* that only so much of the principal amount of each Bond shall be redeemed as shall equal $_____,000 for each number assigned to it and so selected.

[Redemption pro-rata] In the event of the redemption of less than all of the Bonds of like maturity and interest rate, the Bonds to be redeemed will be selected pro-rata in the manner determined pursuant to the Bond Ordinance.

Notice of any such redemption shall be sent by first class mail not less than 20 days nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar; *provided* that the failure to mail any such notice or any defect therein as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond. When so called for redemption, this Bond shall cease to bear interest on the specified redemption date, *provided* that funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

This Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the designated corporate trust office of the Bond Registrar in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations, of the same interest rate, series and maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor. The Bond Registrar shall not be required to transfer or exchange this Bond (A) after notice calling this Bond for redemption has been mailed, or (B) during a period of 15 days next preceding mailing of a notice of redemption of this Bond.

The Bonds are issued in fully registered form in the denomination of $_____,000 each or authorized integral multiples thereof. This Bond may be exchanged at the designated corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same interest rate, series and maturity of other authorized denominations, upon the terms set forth in the Bond Ordinance.

The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and redemption premium, if any, and for all other purposes and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

_____

(Name and Address of Assignee)

the within Bond and irrevocably constitutes and appoints _____

_____

_____

attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 2.10. General Obligations. Each Bond shall be a direct and general obligation of the City for the payment of which (as to principal, interest and redemption premium, if any, as appropriate) the City pledges its full faith and credit. Each Bond shall be payable (as to principal, interest and redemption premium, if any, as appropriate) from any moneys, revenues, receipts, income, assets or funds of the City legally available for such purpose, including but not limited to the proceeds of the Pledged Taxes (as defined in Section 2.11 hereof), except as provided in Section 2.11 hereof. Repayment of one or more series of Bonds may be secured by repayments of loans funded by such Bonds, if determined by an Authorized Officer at the time of issuance of such Bonds to be in the best interests of the City. Each Authorized Officer is authorized to make such determinations.

Section 2.11. Tax Levy.

(a) For the purpose of providing the funds required to pay as the same become due (i) the principal of and interest and redemption premium, if any, on the Bonds, and (ii) to the extent determined by an Authorized Officer to be necessary or desirable, periodic fees and expenses payable to parties involved in the provision of ongoing services relating to the Bonds, such as rating agencies and entities providing financial market information to be used in connection with the structuring and sale of the Bonds (the *"Ongoing Financing Services"*), there is hereby levied upon all of the taxable property within the City, in the years for which any of said Bonds are outstanding, a direct annual tax sufficient for that purpose, provided, however, that such levy shall not exceed $125,000,000 in any single levy year. Such levy for a series of the Bonds shall be fully set forth in one or more Notifications of Sale delivered in connection with the sale of such series of the Bonds; provided that collections of such levy for any year in an amount in excess of that necessary to make the payments described in clauses (i) and (ii), above (x) may be used for any lawful public purpose designated by the City Council or (y) may be reduced and abated by an Authorized Officer if such reduction is deemed desirable by an Authorized Officer in connection with the sale or sales of the Bonds, in each case as determined from time to time by an Authorized Officer as provided in Section 2.18 hereof.

(b) The tax levy made in this Section is not subject to the "*Aggregate Levy*" limitation contained in the Chicago Property Tax Limitation Ordinance contained in Chapter 3-92 of the Municipal Code of Chicago (the *"Municipal Code"*), and Section 3-92-020 of the Municipal Code is superseded to exclude the tax levy herein from the definition of "Aggregate Levy" contained therein.

(c) The term "*Pledged Taxes*" means the taxes hereinabove levied for collection for the purpose of providing the funds necessary to make the payments described in clauses (a)(i) and (ii) of this Section, and also includes any amounts deposited into the hereinafter-defined Bond Fund or deposited with the Ad Valorem Tax Escrow Agent (as defined in Section 2.13 hereof) by an Authorized Officer for the purpose of paying principal of and interest on the Bonds and any accrued interest received and deposited in the Bond Fund or the Ad Valorem Tax Escrow Account, if established pursuant to Section 2.13 hereof.

The City reserves the right to abate all or a portion of the Pledged Taxes required to be levied in any year if and to the extent on or before March 31 of the next succeeding calendar year (or such earlier date as may be required by law), the City has on hand amounts dedicated to the payments described in clause (i) of paragraph (a) of this Section due during the one-year period commencing on January 2 of such succeeding calendar year. The City may, but shall not be required to, cause the levy or extension in any year of taxes for the payment of the costs of Ongoing Financing Services.

Section 2.12. Continuing Appropriation. The City shall appropriate or otherwise provide amounts sufficient to pay principal of and interest on the Bonds for the years such amounts are due, and the City covenants to take timely action as required by law to carry out the provisions of this Section, but, if for any such year it fails to do so, this Ordinance shall constitute a continuing appropriation of such amounts without any further action on the part of the City Council.

Section 2.13. Bond Funds. Each Authorized Officer is authorized to establish one or more special accounts, if determined to be necessary in connection with the sale of any of the Bonds, separate and segregated from all other funds and accounts of the City (each a "*Bond Fund*"), which shall be (i) held by an Authorized Officer, or (ii) maintained by a Bond Trustee pursuant to a Trust Indenture, or (iii) maintained with a bank or trust company to be designated by an Authorized Officer (each an "*Ad Valorem Tax Escrow Account*") pursuant to an escrow agreement (each an "*Ad Valorem Tax Escrow Agreement*"), between the City and the applicable escrow agent named therein (each an "*Ad Valorem Tax Escrow Agent*"), and each Authorized Officer is authorized to execute and deliver one or more Ad Valorem Tax Escrow Agreements in connection with the sale of the Bonds in such form as the officers so executing such agreement may deem appropriate in accordance with the provisions of this Ordinance.

Section 2.14. Direct Deposit of Pledged Taxes. In lieu of the proceeds of the Pledged Taxes being deposited with the City Treasurer of the City (the "*City Treasurer*"), each Authorized Officer is authorized to direct the County Collectors (the "*County Collectors*") of The County of Cook, Illinois ("*Cook County*") and The County of DuPage, Illinois ("*DuPage County*") to deposit the proceeds of the Pledged Taxes directly into the Bond Fund held pursuant to the applicable Trust Indenture or the applicable Ad Valorem Tax Escrow Account, if such Trust Indenture has been executed and delivered or such Ad Valorem Tax Escrow Account has been created.

Section 2.15. Legally Available Funds. If the Pledged Taxes to be applied to the payment of the Bonds are not available in time to make any payments of principal of or interest on the Bonds when due, then an Authorized Officer is directed to make such payments from any other moneys, revenues, receipts, income, assets or funds of the City that are legally available for that purpose in advance of the collection of such Pledged Taxes, and when the proceeds thereof are received, such other funds shall be replenished, all to the end that the credit of the City may be preserved by the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 2.16. Filing of Ordinance and Notification of Sale with County Clerks. A copy of this Ordinance, duly certified by the City Clerk, and a copy of each Notification of Sale shall be filed in the respective offices of the County Clerks of Cook County and DuPage County (the "*County Clerks*"), and such filing of each Notification of Sale shall constitute the authority for, and it shall be the duty of, the County Clerks to extend the taxes levied pursuant to Section 2.11 hereof for collection in such years as shall be indicated in each such Notification of Sale, such taxes to be in addition to and in excess of all other taxes heretofore or hereafter authorized to be levied by the City on its behalf.

Section 2.17. Additional Filings of Ordinance. A copy of this Ordinance, duly certified by the City Clerk, shall also be filed with each applicable Bond Trustee, each applicable Ad Valorem Tax Escrow Agent, if any, each applicable Bond Registrar, and if the County Collectors are authorized to deposit the proceeds of the Pledged Taxes levied pursuant to Section 2.11 hereof directly with a Bond Trustee or an Ad Valorem Tax Escrow Agent pursuant to Section 2.14 hereof, with such County Collectors.

Section 2.18. Bond Sales.

(a) Each Authorized Officer is authorized to sell all or any portion of the Bonds from time to time (i) to or at the direction of an underwriter or group of underwriters to be selected by such Authorized Officer (an *"Underwriter"* or the "*Underwriters*"), or (ii) to or at the direction of a Direct Purchaser (the Underwriters and Direct Purchasers being collectively referred to herein as the *"Purchasers"*), on such terms as such Authorized Officer may deem to be in the best interests of the City within the limitations set forth in this Ordinance, with the concurrence of the Chairman of the Finance Committee.

(b) The principal amount of and the interest on the Bonds due in any levy year of each series and maturity in the aggregate (after taking into account (i) interest on the Bonds of such series to be paid from proceeds of such series and (ii) mandatory redemptions) shall not exceed the maximum annual levy amount specified in Section 2.11 hereof. The Bonds may be sold from time to time as an Authorized Officer shall determine that the proceeds of such sales are needed.

(c) Each Authorized Officer is authorized and directed to (i) refinance any Line of Credit Indebtedness relating to interim financing of any Purposes by application of the proceeds of sale of the Bonds and (ii) determine the amount of proceeds of the Bonds, if any, to be applied to such refinancing of Line of Credit Indebtedness.

(d) An Authorized Officer is authorized to execute and deliver a contract of purchase with respect to each sale of the Bonds to, or at the direction of, the Underwriters, in substantially the form previously used for similar general obligation bonds of the City (the "*Contract of Purchase*"), with appropriate revisions to reflect the terms and provisions of the Bonds and such other revisions in text as an Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds, including, if applicable, customary provisions relating to the sale of all or a portion of the Bonds on a forward delivery basis if such Authorized Officer finds and determines that a forward delivery of such Bonds is in the best interest of the City. Bonds sold pursuant to a Contract of Purchase shall be sold at a price of not less than 85 percent of the principal amount of the Bonds being sold. The compensation paid to the Underwriters in connection with any sale of Bonds shall not exceed five percent of the principal amount of the Bonds being sold. Nothing contained in this Ordinance shall limit the sale of the Bonds or any maturity or maturities thereof at a price or prices in excess of the principal amount thereof.

(e) The Bonds may be sold as Direct Purchase Bonds in a manner and containing such terms authorized by an Authorized Officer, including pursuant to a placement agent arrangement, to one or more Direct Purchasers, such Direct Purchasers to be selected by an Authorized Officer and such sale being permitted at a price of not less than 85 percent of the principal amount of the Direct Purchase Bonds being sold. The compensation paid to any Direct Purchaser in connection with the sale of Bonds, including any origination fee, shall not exceed five percent of the principal amount of the Bonds being sold. An Authorized Officer is authorized to do all such things and to execute and deliver such additional documents, agreements and certificates as shall be necessary in connection with the sale of Direct Purchase Bonds. Furthermore, an Authorized Officer is authorized to (i) negotiate the terms and provisions of such Direct Purchase Bonds in addition to or as an alternative to the terms and provisions of the Trust Indenture securing the applicable series of Bonds and (ii) provide such certifications on behalf of the City as may be required by a Direct Purchaser

(f) In connection with any sale of the Bonds, an Authorized Officer is authorized to obtain one or more policies of bond insurance from recognized bond insurers selected by an

Authorized Officer, if such Authorized Officer determines such bond insurance to be desirable in connection with such sale of the Bonds. Either Authorized Officer may, on behalf of the City, make covenants with such bond insurer that are not inconsistent with the provisions of this Ordinance and are necessary to carry out the purposes of this Ordinance.

(g) Following the final sale of Bonds of all series under this Ordinance, the final Notification of Sale to the City Council described in paragraph (i) of this Section shall notify the City Council of the total of all taxes levied in each year pursuant to paragraph (a) of Section 2.11 hereof for all Bonds issued pursuant to this Ordinance.

(h) The preparation, use and distribution of a preliminary official statement, an official statement, a limited offering memorandum, a private placement memorandum, or any other disclosure document (each a *"Disclosure Document"* and collectively, the *"Disclosure Documents"*) relating to each sale and issuance of any series of the Bonds are ratified and approved. Each Authorized Officer is authorized to execute and deliver a Disclosure Document relating to each sale and issuance of such series of the Bonds on behalf of the City. The Disclosure Documents herein authorized shall contain the terms and provisions of and security for the Bonds, the manner in which the Bonds shall be sold, the use of proceeds of the Bonds, financial information for the City, and such other information as an Authorized Officer determines to be advisable under the circumstances.

(i) In connection with the sale of any series of Bonds, an Authorized Officer shall file in the office of the City Clerk and, for any series of Bonds for which the Pledged Taxes will be levied, the County Clerks, a Notification of Sale directed to the City Council setting forth, as applicable, (i) the series designation, the aggregate principal amount and authorized denominations of, maturity schedule and redemption provisions for such Bonds sold, (ii) the principal amounts and interest rates on such Bonds sold, (iii) information regarding the specific Line of Credit Indebtedness or any portion thereof to be refinanced with proceeds of Bonds, (iv) the identity of the insurer or insurers issuing the bond insurance policy or policies, if any, referred to in paragraph (f) of this Section, (v) the identity of the Bond Trustees, if any, selected for such Bonds, (vi) the identity of the applicable Bond Registrar, if any, selected by an Authorized Officer for such Bonds, (vii) the identity of, and compensation paid to, any Underwriter in connection with such sale, (viii) the identity of, and compensation, including origination fee, paid to, any Direct Purchaser in connection with such sale, (ix) the amount of Pledged Taxes levied pursuant to Section 2.11 with respect to the Bonds for each year during which the Bonds are outstanding, (x) whether repayment of such Bonds is secured by repayments of loans made from proceeds of such Bonds, and (xi) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of the Bonds of each series.

(j) In connection with any sale of the Bonds, an Authorized Officer is authorized to execute and deliver one or more agreements of the City (each a *"Continuing Disclosure Undertaking"*) to comply with the requirements of Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission ("*SEC*") under the Securities Exchange Act of 1934 (*"Rule 15c2-12"*). Upon its execution and delivery on behalf of the City as herein provided, each Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of each Continuing Disclosure Undertaking as executed. Each Authorized Officer is further authorized to amend each Continuing Disclosure Undertaking in accordance with its respective terms from time to time following its execution and delivery as that Authorized Officer shall deem necessary. In addition, an Authorized Officer is authorized to make all future filings with the Electronic Municipal Market

Access system operated by the Municipal Securities Rulemaking Board or such other municipal securities information repository as shall be designated by the SEC, all in accordance with the provisions of Section (b)(5) of Rule 15c2-12. Notwithstanding any other provision of this Ordinance, the sole remedies for any failure by the City to comply with any Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any applicable Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under such Continuing Disclosure Undertaking.

(k) The Bonds shall be duly prepared and executed in the form and manner provided herein and delivered to the Purchasers in accordance with the applicable terms of sale.

Section 2.19. Application of Authorized Funds; Reporting.

(a) The proceeds from the sale of any series of the Bonds or the proceeds of Authorized Funds, as applicable, shall be used as follows:

(1) The sum of Bond proceeds representing the accrued interest received, if any, shall be used to pay the first interest becoming due on the Bonds sold, and to that end, shall be deposited in the applicable Bond Fund, if established.

(2) From the sale proceeds derived from any such sale of a series of the Bonds, (i) such sum as may be determined by an Authorized Officer to be necessary to pay not more than three years of interest on the Bonds may be used to pay such interest, and to that end, may be deposited in the applicable Bond Fund established for such Bonds; (ii) the sum determined by an Authorized Officer to be necessary to pay the costs of the Purposes shall be set aside, held and invested at the direction of an Authorized Officer, as separate funds of the City pending such payment, and (iii) the sum determined to be necessary by an Authorized Officer to reimburse the Corporate Fund for amounts paid therefrom to fund costs of the Purposes in accordance with Section 2.24 hereof.

(b) From the sale proceeds of a series of the Bonds not applied as provided in paragraph (a) of this Section, the amount deemed necessary by an Authorized Officer shall be applied to the payment of the costs of issuance of such Bonds, including the premium or fee for bond insurance, if any, and any unexpended portion of the sale proceeds shall be either (i) deposited into the Bond Fund for such series of the Bonds or (ii) be paid to the City and deposited by the City into such funds or accounts as necessary to effectuate the Financing Plan for which such Bonds were issued.

(c) An Authorized Officer shall report to the City Council with respect to the expenditure of Authorized Funds to pay the costs of the Purposes. Such reports shall be made no later than August 1 of each year, commencing August 1 of the year immediately succeeding the year in which any Authorized Funds are first expended for Purposes, with respect to expenditures made during the preceding calendar year. No report shall be required hereunder following any calendar year in which no Authorized Funds are expended to pay costs of the Purposes.

(d) Notwithstanding any provision of the Municipal Code, investments acquired with proceeds of the Bonds or investment income thereon may include but are not limited to agreements entered into between the City and providers of securities under which agreements such providers agree to purchase from or sell to the City specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement and as set forth in such agreement, and guaranteed investment contracts, forward purchase agreements

and other similar investment vehicles. Such guaranteed investment contracts, forward purchase agreements and other similar investment vehicles may, to the extent permitted by operative authorizing documents and by applicable law, be assigned or transferred from one bond transaction to another or apply to the proceeds of more than one bond transaction on a commingled or non-commingled basis, as determined by an Authorized Officer. An Authorized Officer is authorized to enter into any amendments to or restatements of existing documents or to execute new documents, to consent to actions being taken by others or to obtain the consent of other parties, as may be necessary or desirable in this respect. Investment income derived from Bond proceeds may be (i) expended for the same purposes for which Bond proceeds may be expended, (ii) used for the payment or prepayment of City debt obligations, (iii) deposited in the Corporate Fund or (iv) rebated to the United States of America as provided in Section 2.20 hereof, all as determined by an Authorized Officer. Any commingled investment income from guaranteed investment contracts, forward purchase agreements and other similar investment vehicles shall be apportioned among bond transactions as determined by an Authorized Officer or as otherwise required by operative authorizing documents and applicable law.

Section 2.20. Tax Covenants. The City covenants that it will take no action in the investment of the proceeds of Tax-Exempt Bonds which would result in making the interest payable on any of such Tax-Exempt Bonds subject to federal income taxes by reason of such Tax-Exempt Bonds being classified as "*arbitrage bonds*" within the meaning of Section 148 of the Code. The City further covenants that it will act with respect to the proceeds of Tax-Exempt Bonds, the earnings on the proceeds of such Tax-Exempt Bonds and any other moneys on deposit in any fund or account maintained in respect of such Tax-Exempt Bonds, including, if necessary, a rebate of such earnings to the United States of America, in a manner which would cause the interest on such Tax-Exempt Bonds to continue to be exempt from federal income taxation under Section 103(a) of the Code. Each Authorized Officer is authorized to execute such certifications, tax returns, covenants and agreements as shall be necessary, in the opinion of nationally recognized bond counsel, or in the best interest of the City, as determined by an Authorized Officer, to evidence the City's compliance with the covenants contained in this Section.

Section 2.21. Proxies. Each Authorized Officer may each designate another to act as their respective proxy and, as applicable, to affix their respective signatures to the Bonds whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by an Authorized Officer pursuant to this Ordinance and any instrument, certificate or document required thereby and by any Trust Indenture. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for such Authorized Officer. A written signature of an Authorized Officer executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal for such date and filed in the office of the City Clerk. When the signature of an Authorized Officer is so affixed to an instrument, certificate or document at the direction of such Authorized Officer, the same, in all respects, shall be as binding on the City as if signed by such Authorized Officer in person.

Section 2.22. Bond Registrar Agreements. If requested by a Bond Registrar, each Authorized Officer and the City Clerk are authorized to execute the standard form of agreement between the City and such Bond Registrar with respect to the obligations and duties thereof.

Section 2.23. Defeasance and Provision for Payment.

(a) If payment or provision for payment is made, to or for the registered owners of all or a portion of the Bonds, and the principal of and interest due and to become due on any Bond at the times and in the manner stipulated therein, and there is paid or caused to be paid to the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent as provided in Section 2.13 hereof, or such bank or trust company as shall be designated by an Authorized Officer (such bank or trust company hereinafter referred to as a *"Defeasance Escrow Agent"*), all sums of money due and to become due according to the provisions of this Ordinance, then these presents and the estate and rights granted by this Ordinance shall cease, terminate and be void as to those Bonds or portions thereof except for purposes of registration, transfer and exchange of Bonds and any such payment from such moneys or obligations. Any Bond shall be deemed to be paid within the meaning of this section when payment of the principal of any such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Ordinance or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided for by irrevocably depositing with the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent as provided in Section 2.13 hereof, or a Defeasance Escrow Agent, in trust and exclusively for such payment, (1) moneys sufficient to make such payment, or (2)(A) direct obligations of the United States of America; (B) obligations of agencies of the United States of America, the timely payment of principal of and interest on which are guaranteed by the United States of America; (C) debt obligations of the following agencies: Federal Home Loan Mortgage Corporation (FHLMC), Farm Credit System, Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), and Resolution Funding Corporation (REFCORP); (D) pre-refunded municipal obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state, excluding the City, which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; or (E) instruments evidencing an ownership interest in obligations described in the preceding clauses (A), (B) and (C), or (3) a combination of the investments described in clauses (1) and (2) above, such amounts so deposited being available or maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment (all as confirmed by a nationally recognized firm of independent public accountants). At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Ordinance, except for the purposes of registration, transfer and exchange of Bonds and any such payment from such moneys or obligations. The defeasance of Bonds under this Ordinance shall also be subject to any additional terms and conditions in the applicable Trust Indenture, if any.

(b) No such deposit under this Section shall be made or accepted hereunder and no use made of any such deposit unless, in the case of Tax-Exempt Bonds, the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, or the applicable Defeasance Escrow Agent, as the case may be, shall have received an opinion of nationally recognized bond counsel to the effect that such deposit and use would not cause any of such Tax-Exempt Bonds to be treated as "*arbitrage bonds*" within the meaning of Section 148 of the Code or any successor provision thereto.

(c) Nothing in this Ordinance shall prohibit a defeasance deposit of escrow securities as provided in this Section from being subject to a subsequent sale of such escrow securities and reinvestment of all or a portion of the proceeds of that sale in escrow securities which, together

with money to remain so held in trust, shall be sufficient to provide for payment of principal, redemption premium, if any, and interest on any of the defeased Bonds, as appropriate. Amounts held by the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, or any Defeasance Escrow Agent, in excess of the amounts needed so to provide for payment of the defeased Bonds, may be subject to withdrawal by the City. An Authorized Officer is authorized to execute and deliver from time to time one or more agreements (and amendments thereto) with counterparties selected by an Authorized Officer, with respect to the investment and use of such excess amounts held by the applicable Bond Registrar or Bond Trustee, the applicable Ad Valorem Tax Escrow Agent, or a Defeasance Escrow Agent.

Section 2.24. Appropriation of Funds. Notwithstanding any ordinance to the contrary, funds in the City's Corporate Fund, including Line of Credit Proceeds, may be used for the purpose of paying the costs of the Purposes. The City shall reimburse the Corporate Fund for any moneys in the Corporate Fund so used to pay the costs of the Purposes from the proceeds of the Bonds upon the issuance thereof. Funds in the Corporate Fund expended pursuant to authority granted in this Section and intended to be reimbursed from Bond proceeds shall be referred to as *"Corporate Funds."*

Section 2.25. Declaration of Official Intent. This Ordinance is a declaration of official intent under Treasury Regulations Section 1.150-2 as to all costs of the Purposes paid within 60 days prior to the date hereof or on any date after the date hereof and prior to issuance of the Bonds. In addition, in accordance with Section 1.150-2 of the Treasury Regulations promulgated under the Code, the Mayor, the Chief Financial Officer and the City Comptroller are each hereby authorized to declare official intent of the City to reimburse prior expenditures made by the City from the Corporate Funds, special revenue funds or other funds available to the City (not including the proceeds of tax-exempt bonds issued by the City) with the proceeds of the Bonds or with tax-exempt Line of Credit Proceeds.

ARTICLE III.
AMENDMENT TO MUNICIPAL CODE

Section 3.1. Amendment to Section 2-32-130 of the Municipal Code. Chapter 2-32 of the Municipal Code is hereby amended by repealing Section 2-32-130, in its entirety, and replacing it with a new Section 2-32-130, as set forth in Exhibit A hereto.

ARTICLE IV.
ENACTMENT

Section 4.1. Construction. Articles I and II of this Ordinance are part of the contract between the City and the owners of the Bonds. Pursuant to the home rule powers of the City, to the extent that any ordinance, resolution, rule, order or provision of the Municipal Code or part thereof, is in conflict with or inconsistent with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. No provision of (i) the Municipal Code, or (ii) Section 2.19 hereof, or violation of any provision of (x) the Municipal Code, or (y) Section 2.19 hereof shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized under this Ordinance or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the owners of the Bonds to receive payment of the principal of or interest on the Bonds or to impair the security for the Bonds or to constitute

a default under the Bonds, or any other documents, instruments or agreements authorized hereunder; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code. The documents, agreements and instruments authorized under this Ordinance shall not be deemed to be "city contracts" for the purposes of Section 11-4-1600(e) of the Municipal Code.

Section 4.2. Additional Authorization. The Authorized Officers and the City Clerk, for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance and are hereby further authorized, empowered and directed for and on behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance or to evidence said authority.

Section 4.3. Pamphlet Publication. This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five copies hereof, which copies are to be made available in the office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

Section 4.4. Title. This Ordinance may hereafter be cited as the "November 2026 General Obligation Borrowing Ordinance."

Section 4.5. Effective Date. This Ordinance shall be in full force and effect upon its passage, approval and publication as provided herein.