

CITY OF SPRINGFIELD, NEBRASKA

ORDINANCE NO. 1177

PASSED DECEMBER 17, 2024

Authorizing

Not to Exceed

\$1,000,000

City of Springfield, Nebraska

Sewer Revenue Bonds

Series 2025

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AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF SPRINGFIELD, NEBRASKA OF ONE OR MORE SERIES OF ITS SEWER REVENUE BONDS, SERIES 2025, IN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,000,000; PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AUTHORIZING CERTAIN OFFICIALS TO DETERMINE THE PRINCIPAL AMOUNT, THE MATURITIES, THE INTEREST RATES, THE REDEMPTION PROVISIONS, THE FINANCIAL COVENANTS AND OTHER TERMS AND PROVISIONS RELATING TO THE BONDS AND AUTHORIZING THE SALE AND DELIVERY OF THE BONDS TO THE PURCHASER THEREOF; DESIGNATING THE BONDS AS QUALIFIED TAX-EXEMPT OBLIGATIONS; ADOPTING CERTAIN POST ISSUANCE TAX COMPLIANCE AND DISCLOSURE POLICIES AND PROCEDURES WITH RESPECT TO THE BONDS; PROVIDING FOR THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM; REPEALING A PRIOR ORDINANCE OF THE CITY; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Springfield, Nebraska (the “**Issuer**”), is a political subdivision and city of the second class duly organized and existing under the laws of the State of Nebraska; and

WHEREAS, the Issuer owns and operates a revenue-producing sewer system (the “**System**,” as hereinafter more fully described), which serves the Issuer and the inhabitants within the Issuer’s service area; and

WHEREAS, the Issuer desires to make certain extensions and improvements to the System (collectively, the “**Project**”) and is authorized under the provisions of the Act (as hereinafter defined) to issue and sell revenue bonds for the purpose of providing funds for such purpose, provided that the principal of and interest on such revenue bonds shall be payable solely from the revenues derived from the operation of the System and certain other moneys, if available; and

WHEREAS, to provide funds for the Project, it is hereby found and determined that it is necessary and advisable and in the best interest of the Issuer and of its inhabitants at this time to authorize the issuance and delivery of one or more series of sewer revenue bonds (the “**Bonds**”) pursuant to the Act as herein provided to provide funds for such purposes; and

WHEREAS, it is necessary that the Issuer adopt (i) policies and procedures to satisfy all applicable requirements of federal income tax law in order to preserve, post-issuance, the tax-exempt status of the bonds described herein and (ii) policies and procedures to satisfy the issuance and post-issuance disclosure requirements of Rule 15c2-12 (as described herein); and

WHEREAS, all conditions, acts and things required by law to exist or to be done precedent to the issuance of bonds pursuant to the Act do exist and have been done as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SPRINGFIELD, NEBRASKA, AS FOLLOWS:

ARTICLE I

DEFINITIONS

In addition to words and terms defined elsewhere herein, the following capitalized words and terms as used in this Ordinance shall have the following meanings:

“Act” means Sections 18–1803 through 18–1805, Reissue Revised Statutes of Nebraska, as amended.

“Authorized Denominations” means \$5,000 or whole multiples thereof.

“Authorized Officer” means the Mayor, the City Clerk, the City Treasurer or any individual authorized to act on behalf of any such officer.

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

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

“Bond Payment Date” means any date on which principal of or interest on any Bond is payable at the Maturity thereof or on any Interest Payment Date.

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

“Bonds” means the Issuer’s Sewer Revenue Bonds, Series 2025, in the original aggregate principal amount not to exceed \$1,000,000, authorized and to be issued pursuant to this Ordinance.

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

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

“City Clerk” or **“Clerk”** means the Clerk of the Issuer, including any person authorized to act on his or her behalf.

“City Treasurer” or **“Treasurer”** means the Treasurer of the Issuer, including any person authorized to act on his or her behalf.

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

“Consultant” means an independent engineer or engineering firm or accounting firm having a favorable reputation for skill and experience in the construction, financing and operation of public utilities and the preparation of management studies and financial feasibility studies in connection therewith, selected by the Issuer for the purpose of carrying out the duties imposed on the Consultant by this Ordinance.

“Council” means the City Council of the Issuer, which governs the actions of the Issuer.

“Debt Service Fund” means the fund by that name created by Section 5.01 hereof.

“Debt Service Requirements” means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on all System Revenue Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State of Nebraska and having full trust powers.

“Debt Service Reserve Fund” means the fund by that name created by Section 5.01 hereof.

“Debt Service Reserve Requirement” means the amount on the date of original issuance and delivery of the Bonds equal to or less than the least of (i) 10% of the stated principal amount of the Bonds, (ii) the maximum Debt Service Requirements for the Bonds during any fiscal year, or (iii) 125% of the average annual Debt Service Requirements for the Bonds over the term of the Bonds, subject to adjustment as described herein. The initial Debt Service Reserve Requirement for the Bonds shall be determined in accordance with Section 2.12 herein.

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

“Defeasance Obligations” means any of the following obligations:

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

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

(i) the obligations are (A) not subject to redemption prior to maturity or (B) the trustee for such obligations has been given irrevocable instructions

concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

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

(iii) such cash and the principal of and interest on such United States Government Obligations serving as security for the obligations, plus any cash in the escrow fund, are sufficient to meet the liabilities of the obligations;

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

(v) such cash and United States Government Obligations serving as security for the obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(vi) the obligations are rated in at least the second highest rating category by Moody's Investors Service, Inc. (presently "Aa") or Standard & Poor's Ratings Group (presently "AA").

"Expenses" means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Revenue Bonds and depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including, without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, Paying Agent fees and expenses, annual audits, periodic Consultant's reports, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term obligations incurred and payable within a particular fiscal year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the Issuer not related to the operation of the System.

"Insurance Consultant" means an individual or firm selected by the Issuer qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the System and having a favorable reputation for skill and experience in making such surveys and recommendations.

"Interest Payment Date" means the dates established by the Authorized Officer pursuant to Section 2.12 for the payment of interest on the Bonds.

“Lender” has the meaning set forth in Section 2.11 hereof.

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

“Maximum Annual Debt Service” means the maximum amount of Debt Service Requirements as computed for the then current or any future fiscal year.

“Mayor” means the Mayor of the Issuer, including any person authorized to act on his or her behalf.

“Net Revenues Available for Debt Service” means, for the period of determination, all Revenues less all Expenses as determined in accordance with generally accepted accounting principles.

“Operation and Maintenance Fund” means the fund by that name created by Section 5.01 hereof.

“Ordinance” means this Ordinance as from time to time amended in accordance with the terms hereof.

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

- (a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of Article XI hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered hereunder.

“Parity Bonds” means any parity bonds or other long-term obligations payable out of the net income and revenues of the System hereafter issued or incurred in accordance with the provisions of this Ordinance and standing on a parity and equality with the Bonds with respect to the payment of principal and interest out of the net income and Revenues of the System, so long as any such bonds remain outstanding and unpaid or until provision is made for the payment and defeasance of such bonds.

“Parity Ordinance” means the ordinances under which any Parity Bonds are hereafter issued.

“Participants” means those financial institutions for which the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the Issuer’s Treasurer or a third-party financial institution designated by an Authorized Officer in accordance with Section 2.12 hereof, and any successors or assigns.

“Permitted Investments” means any securities and obligations permitted under the laws, statutes and Constitution of the State of Nebraska for investment of the Issuer’s moneys held in the funds referred to in Section 5.01 hereof.

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

“Placement Agent” has the meaning set forth in Section 2.11 hereof.

“Private Purchaser” has the meaning set forth in Section 2.11 hereof.

“Project” has the meaning set forth in the Recitals hereto, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions, enlargements and acquisitions thereto hereafter made or acquired by the Issuer.

“Project Fund” means the fund by that name created by Section 5.01 hereof.

“Purchaser” means the Underwriter, the Private Purchaser or the Lender, as specified by an Authorized Officer in accordance with the provisions of Section 2.11 hereof.

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

“Redemption Date” means the date fixed for such redemption pursuant to the terms of this Ordinance.

“Redemption Price,” when used with respect to any Bond to be redeemed, means the price at which such Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Replacement Bonds” means Bonds issued to the beneficial owners of the Bonds in accordance with Section 2.09(b) hereof.

“Revenue Fund” means the fund by that name created by Section 5.01 hereof.

“Revenues” means all income and revenues derived from the operation of the System, including investment and rental income, net proceeds from business interruption insurance (if any), the principal of gifts, bequests, contributions, grants and donations available to pay debt service of System Revenue Bonds and actually received during such period, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or

other disposition, not in the ordinary course of business, of investments or fixed or capital assets, and also excluding the principal of gifts, bequests, contributions, grants and donations which are specifically restricted by the donor, testator or grantor to a particular purpose which is inconsistent with their use for the payment of debt service on System Revenue Bonds.

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

“Special Record Date” means the date fixed by the Paying Agent pursuant to Section 2.04 hereof for the payment of Defaulted Interest.

“State” means State of Nebraska.

“Stated Maturity,” when used with respect to any Bond or any installment of interest thereon, means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

“Surplus Fund” means the fund by that name created by Section 5.01 hereof.

“System” means the entire sewerage plant and system owned and operated by the Issuer for the collection, treatment and disposal of sewage, to serve the needs of the Issuer and its inhabitants and others, including all appurtenances and facilities connected therewith or relating thereto, together with all extensions, improvements, additions and enlargements thereto hereafter made or acquired by the Issuer.

“System Revenue Bonds” means, collectively, the Bonds, the Parity Bonds and all other revenue bonds which are payable out of, or secured by an interest in, the income and Revenues derived from the operation of the System.

“United States Government Obligations” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service, and such obligations are held in a custodial or trust account for the benefit of the Issuer.

“Underwriter” has the meaning set forth in Section 2.11 hereof.

ARTICLE II

AUTHORIZATION OF BONDS

Section 2.01. Authorization of Bonds. The Issuer is authorized and directed to issue one or more series of Bonds, designated “Sewer Revenue Bonds, Series 2025”, or such other designations as may be appropriate, in an aggregate principal amount not to exceed \$1,000,000,

for the purpose of providing funds to (i) finance the costs of the Project, (ii) fund a deposit to the Debt Service Reserve Fund, if any, and (iii) pay the costs of issuing the Bonds.

Section 2.02. Description of Bonds. The Bonds shall consist of fully registered bonds without coupons, numbered from R-1 upward, with such other designation as the Authorized Officers, or each individually, shall deem appropriate, in Authorized Denominations. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in Exhibit A attached hereto, with such changes acceptable to the Authorized Officers, or each individually, and bond counsel to the Issuer. The Bonds shall be dated, shall be due and payable on the dates and in the amounts (subject to optional and mandatory redemption as provided in Article III hereof), and shall bear interest at the rates per annum as set forth in the Award Certificate as defined in Section 2.12 hereof, (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable each Interest Payment Date.

Section 2.03. Designation of Paying Agent. The Paying Agent shall be the paying agent for the payment of the principal or Redemption Price of and interest on the Bonds and the bond registrar with respect to the registration, transfer and exchange of the Bonds. If the Paying Agent is other than the City Treasurer, the Paying Agent shall serve in such capacities under the terms of an agreement entitled “Bond Registrar and Paying Agent Agreement” between the Issuer and the Paying Agent (the “**Paying Agent Agreement**”) in the such form as the Authorized Officers, or each individually, shall deem appropriate and necessary. The Authorized Officers, or each individually, may execute the Paying Agent Agreement on behalf of the Issuer. The Paying Agent shall have only such duties and obligations as are expressly specified by this Ordinance and the Registrar and Paying Agent Agreement, and no other duties or obligations shall be implied to the Paying Agent.

The Issuer will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right, and does hereby authorize the Authorized Officers, or each individually, to appoint a successor Paying Agent by (a) filing with the Paying Agent then performing such function notice of the termination of such Paying Agent and appointing a successor, and (b) causing notice of the appointment of the successor Paying Agent to be given by first-class mail to each Registered Owner. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

Unless the Paying Agent is the City Treasurer, every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company organized and doing business under the laws of the United States or of a state of the United States, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority

The Paying Agent shall be paid the usual fees and expenses for its services in connection therewith, which fees and expenses shall be paid as other Expenses are paid.

Section 2.04. Method and Place of Payment of Bonds. The principal or Redemption Price of and interest on the Bonds shall be payable in any coin or currency of the United States of

America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Bond shall be paid on the Maturity Date by check or draft to the Person in whose name such Bond is registered on the Bond Register on such Maturity Date, upon presentation and surrender of such Bond at the designated office of the Paying Agent. The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or in the case of an interest payment to any Registered Owner of \$100,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions, including the bank (which shall be in the continental United States), ABA routing number and account number to which such Registered Owner wishes to have such transfer directed.

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

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

Section 2.05. Registration, Transfer and Exchange of Bonds. As long as any of the Bonds remain Outstanding, the Issuer will cause the Bond Register to be kept at the designated office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the designated office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond

that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

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

The Issuer and the Paying Agent shall not be required (a) to register the transfer or exchange of any Bond after notice calling such Bond or portion thereof for redemption has been given or during the period of 15 days immediately preceding the first mailing of such notice of redemption (b) to issue, transfer or exchange Bonds from the Record Date to the next Interest Payment Date, or (c) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to Section 2.04 hereof.

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

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners to be evidenced to the satisfaction of the Paying Agent.

Section 2.06. Execution, Authentication and Delivery of Bonds. The Mayor and the City Clerk (each including anyone authorized to act on their behalf) are hereby authorized and directed to prepare and execute the Bonds as herein specified and, when duly executed, to deliver the Bonds to the Paying Agent for authentication.

Each of the Bonds, including any Bonds issued in exchange or as substitution for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the City Clerk. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall

nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such Persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such Persons may not have been such officers.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A attached hereto, which shall be manually executed by an authorized officer or employee of the Paying Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to the Purchaser, upon payment of the purchase price of the Bonds plus accrued interest thereon to the date of their delivery.

Section 2.07. Mutilated, Destroyed, Lost and Stolen Bonds. If (a) any mutilated Bond is surrendered to the Paying Agent, or the Issuer and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer request, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 2.08. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either on or before the Maturity Date, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent and applicable record retention laws. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 2.09. Book-Entry Bonds; Securities Depository.

(a) Unless otherwise directed by the Purchaser, the Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial owner will receive certificates representing their respective interests in the Bonds, except if the Paying Agent issues Replacement Bonds as provided in paragraph (b) hereof. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the beneficial owners as described in paragraph (b).

(b) (i) If the Issuer determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, or (ii) if the Paying Agent receives written notice from Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any Bondowner other than Cede & Co. is no longer in the best interests of the beneficial owners of the Bonds, then the Paying Agent shall notify the Bondowners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the beneficial owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under clause (i)(A) or (i)(B) of this paragraph (b), the Issuer, with the consent of the Paying Agent, may select a successor securities depository in accordance with Section 2.09(c) hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Paying Agent or Bondowners are unable to locate a qualified successor of the Securities Depository in accordance with Section 2.09(c) hereof, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Bondowners, as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names of the beneficial owners of the Bonds. The cost of printing Replacement Bonds shall be paid for by the Issuer.

(c) If the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered

clearing agency under the Securities Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Paying Agent receives written evidence satisfactory to the Paying Agent with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 2.10. Offering Documents. The use and distribution of any official statement, offering circular, term sheet, request for lenders or any other offering document (including any preliminary thereof, the “**Offering Document**”) by the Purchaser in connection with the reoffering or placement of the Bonds is hereby authorized. Any Authorized Officer is authorized to approve the final Offering Document as so supplemented, amended and completed, and the use and distribution of the final Offering Document by the Purchaser in connection with the reoffering or placement of the Bonds is hereby authorized. Any Authorized Officer is hereby authorized to execute and deliver a certificate pertaining to such Offering Document as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

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

Section 2.11. Sale of Bonds. In accordance with and subject to the provisions of Section 2.12, the Authorized Officers, or each individually, are hereby authorized to sell the Bonds pursuant to one or more of the following methods:

(a) The Issuer is authorized to sell the Bonds to Piper Sandler & Co., as original purchaser of the Bonds (the “**Underwriter**”), in accordance with Section 2.12 of this Ordinance. Delivery of the Bonds shall be made to the Underwriter as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale. The Issuer is authorized to enter into a Bond Purchase Agreement (the “**Purchase Agreement**”) between the Issuer and the Underwriter in form and substance acceptable to the Authorized Officers, or each individually. Such Authorized Officer is authorized to execute the Purchase Agreement, in form and substance acceptable to such Authorized Officer, for and on behalf of the Issuer, such officer’s signature thereon being conclusive evidence of such official’s and the Issuer’s approval thereof. The Underwriter shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. Such Underwriter and its agents, representatives and counsel (including bond counsel) are hereby authorized to take such actions on behalf of the Issuer as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository at closing.

(b) The Issuer is further authorized to place the Bonds with a private purchaser (the “**Private Purchaser**”) with the assistance of Piper Sandler & Co., as placement agent of the Bonds (the “**Placement Agent**”) in accordance with Section 2.12 of this Ordinance. The Private Purchaser shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. The Placement Agent and its agents, representatives and counsel (including bond counsel) are hereby authorized to take such actions on behalf of the Issuer as are necessary to effectuate the closing of the issuance and placement of the Bonds.

(c) The Issuer is further authorized to (i) issue the Bonds directly to a bank or other institutional lender (the “**Lender**”) to evidence or secure one or more loans from such Lender to the Issuer or (ii) enter into one or more loan agreements with a Lender in lieu of issuing the Bonds, in accordance with Section 2.12 of this Ordinance and subject to the other restrictions of this Ordinance. Such Lender may be identified with the assistance of the Placement Agent. The Lender shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, and shall have the right to sell participation interests in the Bonds to other banks and institutional lenders, all subject to the restrictions of this Ordinance. The Placement Agent and its agents, representatives and counsel (including bond counsel) are hereby authorized to take such actions on behalf of the Issuer as are necessary to effectuate the closing of the issuance of the Bonds.

Section 2.12. Parameters and Authorization of Award Certificate. The Authorized Officers, or each individually, is authorized and directed, in the exercise of his or her independent judgment and absolute discretion, as it relates to each series of Bonds authorized herein, to hereafter, from time to time, specify, set, designate, determine, establish and appoint, as the case may be, and in each case in accordance with and subject to the provisions of this Ordinance pursuant to a certificate executed by an Authorized Officer (the “**Award Certificate**”) or as shall be set forth in one or more Loan Agreements: (a) the dates of original issue, (b) the aggregate principal amount of Bonds to be issued, not exceeding aggregate principal amount set forth in Section 2.01, (c) the Maturity Dates and the principal amount of the Bonds to mature on each of such dates, (d) the final Maturity Date of the Bonds, which shall in no event be later than December 15, 2045, (e) the dates upon which the Bonds shall be sold, (f) the rate or rates of interest to be carried by each maturity, such that the true interest cost of the Bonds shall not exceed 6.50%, (g) the method by which such rate or rates of interest shall be calculated, (h) the Interest Payment Dates for the Bonds, (i) the redemption dates and prices and all terms relating thereto, including the amount and maturity date of any Bonds issued as “term bonds” and the amount of each sinking fund installment therefor, and all terms relating thereto, if any, (j) the identity of the Paying Agent; (k) any financial covenants, including modification of those set forth herein; (l) the form, content, terms and provisions of the Purchase Agreement entered into by the Issuer with the Underwriter, if applicable, or any loan agreement between the Issuer and the Lender, if applicable, all as set forth in Section 2.11 hereof, (m) the identity of the Purchaser and the related structure of the financing, in accordance with Section 2.11 hereof, (n) the fee of the Purchaser, which shall not be more than 1.50% of the aggregate principal amount of the Bonds, (o) the purchase price for the Bonds, which shall not be less than 96.00% of the aggregate principal amount thereof (inclusive of the Purchaser’s discount or fee and any original issue discount), (p) the form and contents of any

Offering Document (as defined in Section 2.10 hereof), (q) the types and the amounts of any reserves as may be required by the Purchaser, (r) such covenants and other security as may be necessary in addition to those set forth in this Ordinance; (s) the initial Debt Service Reserve Requirement, if any, as required by the Purchaser; (t) the form, content, terms, and provisions of any closing and other documentation executed and delivered by the Issuer in connection with the authorization, issuance, sale and delivery of the Bonds, and (u) all of the other terms of the Bonds not otherwise determined or fixed by the provisions of this Ordinance.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Optional and Mandatory Redemption of Bonds.

(a) ***Optional Redemption by Issuer.*** At the option of the Issuer, the Bonds or portions thereof may be called for redemption and payment prior to their respective Stated Maturities on the dates and at the Redemption Prices determined by the Authorized Officers, or each individually, in accordance with the provisions of **Section 2.12** hereof; provided, however, that the Bonds shall be subject to redemption no later than five (5) years from their date of issuance.

(b) ***Mandatory Redemption.*** The Authorized Officers, or each individually, may designate in the Award Certificate certain Bonds as “**Term Bonds**”, portions of which are to be redeemed on the dates (each such date being herein referred to as a “**Sinking Fund Payment Date**”) and in the amounts (hereinafter referred to as a “**Mandatory Sinking Fund Payment**”) set forth in such certificate. The Paying Agent shall select and call for redemption, in accordance with this subsection (b), from the Term Bonds the amounts specified by such Authorized Officer in the Award Certificate, and the Term Bonds selected by the Paying Agent shall become due and payable on such date.

At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (i) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (ii) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Registered Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (iii) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on such mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this **Section 301(b)**) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this **Section 301(b)**. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological order, and the principal amount of Term Bonds of the same Stated Maturity to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any

option granted by the provisions of clauses (i), (ii) or (iii) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (i), (ii) and (iii) are to be complied with respect to such mandatory redemption payment.

Section 3.02. Selection of Bonds To Be Redeemed.

(a) The Paying Agent shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in Section 3.03 hereof are met. The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Bonds hereunder, and Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.

(b) Bonds shall be redeemed only in Authorized Denominations. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed from the Stated Maturities selected by the Issuer, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in Authorized Denominations in such equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Bonds when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption, each \$5,000 of face value shall be treated as though 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 face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (i) for payment of the Redemption Price and interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (ii) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Section 3.03. Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the Issuer by mailing a copy of an official redemption notice by first-class mail at least 30 days prior to the Redemption Date (or such shorter period as may be acceptable to the then-Registered Owner), to the Purchaser of the Bonds and each Registered Owner of the Bonds to be redeemed at the address shown on the Bond Register.

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

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date, the Redemption Price will become due and payable upon each Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the designated corporate trust office of the Paying Agent.

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

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on that date.

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

In addition to the foregoing notice, further notice shall be given by the Paying Agent on behalf of the Issuer as set out below, but no defect in said further notice or any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed.

- (a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the Stated Maturity of each Bond

being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed; and

(b) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

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

So long as the Securities Depository is effecting book-entry transfers of the Bonds, the Issuer or the Paying Agent shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond (having been mailed notice from the Paying Agent, a Participant or otherwise) to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

ARTICLE IV

SECURITY FOR BONDS

The Bonds are special, limited obligations of the Issuer payable solely from, and secured as to the payment of principal, premium and interest by a pledge of the Revenues, which include all income and revenues derived from the operation of the System, including investment and rental income, net proceeds from business interruption insurance (if any), the principal of gifts, bequests, contributions, grants and donations available to pay debt service of System Revenue Bonds and actually received during such period, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets, and also excluding the principal of gifts, bequests, contributions, grants and donations which are specifically restricted by the donor, testator or grantor to a particular purpose which is inconsistent with their use for the payment of debt service on System Revenue Bonds. The Issuer hereby pledges said Revenues to the payment of the principal of, the premium and the interest on the Bonds.

The Bonds are further secured by amounts in the Debt Service Reserve Fund, if so required by the Purchaser.

The Bonds shall not be or constitute a general obligation of the Issuer, nor shall they constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision, limitation or restriction. The taxing power of the Issuer is not pledged to the payment of debt service on the Bonds.

The covenants and agreements of the Issuer contained in this Ordinance and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of, the premium and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Ordinance. The Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal, premium and interest from the net income and revenues derived from the operation of the System and in all other respects with any Parity Bonds. The Bonds shall not have any priority with respect to the payment of principal, premium or interest from said net income and revenues or otherwise over the Parity Bonds, and the Parity Bonds shall not have any priority with respect to the payment of principal, premium or interest from said net income and revenues or otherwise over the Bonds.

ARTICLE V

FUNDS; DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 5.01. Establishment of Funds. There are hereby created and ordered to be established and maintained by the Treasurer of the Issuer the following separate funds to be known respectively as follows:

- (a) Project Fund (the “**Project Fund**”);
- (b) Cost of Issuance Fund (the “**Cost of Issuance Fund**”);
- (c) Revenue Fund (the “**Revenue Fund**”);
- (d) Operation and Maintenance Fund (the “**Operation and Maintenance Fund**”);
- (e) Debt Service Fund (the “**Debt Service Fund**”);
- (f) Debt Service Reserve Fund (the “**Debt Service Reserve Fund**”); and
- (g) Surplus Fund (the “**Surplus Fund**”).

The funds referred to in paragraphs (a) through (g) of this Section shall be maintained and administered by the Issuer solely for the purposes and in the manner as provided in this Ordinance so long as any of the Bonds remain Outstanding within the meaning of this Ordinance.

Section 5.02. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds, as follows:

- (a) All accrued interest received from the sale of the Bonds shall be deposited in the Debt Service Fund and applied in accordance with Section 6.02(b) hereof.

(b) An amount equal to the Debt Service Reserve Requirement, if any, from the proceeds of the Bonds shall be deposited in the Debt Service Reserve Fund and applied in accordance with Section 6.02(c) hereof, if the Debt Service Reserve Fund is required by the Purchaser.

(c) An amount equal to the costs of issuance of the Bonds shall be deposited in the Cost of Issuance Fund. Moneys in the Cost of Issuance Fund shall be used solely for the purposes of paying the costs of issuing the Bonds. Any surplus moneys remaining in the Cost of Issuance Fund and not required for the payment of unpaid costs thereof shall be deposited in the Debt Service Fund.

(d) The remaining balance of the proceeds of the Bonds shall be deposited in the Project Fund and applied in accordance with Section 5.03 hereof.

Section 5.03. Application of Moneys in the Project Fund. Moneys in the Project Fund shall be used solely for the purposes of paying (a) the costs of issuing the Bonds, (b) the costs of the Project, and/or (c) interest accruing and payable on the Bonds during such acquisition and construction.

Except for moneys used to reimburse the Issuer for costs incurred in connection with the Project as set forth in the tax certificate executed by the Issuer on the date of delivery of the Bonds, withdrawals from the Project Fund shall be made only when authorized by the Issuer accompanied by a certificate that such payment is being made for a purpose within the scope of this Ordinance and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof.

Upon completion of the Project as hereinbefore provided, but in no event later than three years from the date of issuance of the Bonds, any surplus moneys remaining in the Project Fund and not required for the payment of unpaid costs thereof shall be deposited in the Debt Service Fund.

ARTICLE VI

APPLICATION OF REVENUES

Section 6.01. Revenue Fund. The Issuer covenants and agrees that from and after the delivery of the Bonds, and continuing as long as any of the Bonds remain Outstanding hereunder, all of the Revenues derived and collected from the operation of the System shall as and when received be paid and deposited into the Revenue Fund. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Issuer and shall not be commingled with any other moneys, revenues, funds and accounts of the Issuer. The Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance.

Section 6.02. Application of Moneys in Funds. The Issuer covenants and agrees that from and after the delivery of the Bonds and continuing, so long as any of the Bonds shall remain

Outstanding, it will on the first day of each month administer and allocate all of the moneys then held in the Revenue Fund as follows:

(a) **Operation and Maintenance.** There shall first be paid and credited to the Operation and Maintenance Fund (i) the Expenses of the System as the same become due and payable and (ii) the customary charges of the Paying Agent.

(b) **Debt Service Fund.** There shall next be paid and credited to the Debt Service Fund, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Bonds, the following sums:

(i) Beginning with the month following the month in which the Bonds are issued and delivered, and continuing each month thereafter so long as any of the Bonds remain Outstanding and unpaid, an amount not less than one-sixth (or such equal pro rata percentage for any shorter or longer period) of the amount of interest that will become due on the Bonds on the next succeeding Interest Payment Date; and

(ii) Beginning with the month following the month in which the Bonds are issued and delivered, and continuing each month thereafter so long as any of the Bonds remain Outstanding and unpaid, an amount not less than one-twelfth (or such equal pro rata percentage for any shorter or longer period) of the amount of principal that will become due on the Bonds on the next succeeding Maturity Date.

Any amounts deposited in the Debt Service Fund as accrued interest in accordance with Section 5.02(a) hereof or transferred from the Project Fund to pay capitalized interest in accordance with Section 5.03 hereof shall be credited against the Issuer's payment obligations as set forth in Section 6.02(b)(i) above.

All amounts paid and credited to the Debt Service Fund shall be expended and used by the Issuer for the sole purpose of paying the interest on and the principal of the Bonds as and when the same become due at Maturity and on each Interest Payment Date, as applicable.

The amounts required to be paid and credited to the Debt Service Fund pursuant to this Section shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service funds established for the payment of principal and interest on any Parity Bonds pursuant to the provisions of the respective Parity Ordinances. If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Fund and to the debt service funds established to pay the principal of and interest on any Parity Bonds, the available moneys in the Revenue Fund shall be divided among such debt service funds in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in said debt service funds.

(c) **Debt Service Reserve Fund.** After all payments and credits required at the time to be made under the provisions of paragraphs (a) and (b) of this Section have been made, there shall next be paid and credited to the Debt Service Reserve Fund the

sum, if any, necessary to maintain the balance of the Debt Service Reserve Fund at the Debt Service Reserve Requirement. Except as hereinafter provided in this Section, all amounts paid and credited to the Debt Service Reserve Fund shall be expended and used by the Issuer solely to prevent any default in the payment of interest on, premium, if any, or principal of the Bonds on any Maturity Date or Interest Payment Date if the moneys in the Debt Service Fund are insufficient to pay the interest on, premium, if any, or principal of said Bonds when due. So long as the Debt Service Reserve Fund aggregates the Debt Service Reserve Requirement, no further payments into said Fund shall be required.

The amounts required to be paid and credited to the Debt Service Reserve Fund pursuant to this Section shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service reserve funds established for the Parity Bonds, if any, under the provisions of the Parity Ordinances, if any.

All income derived from the investment of amounts on deposit in the Debt Service Reserve Fund shall remain in, and be credited to, such fund until such time as the amount on deposit in the Debt Service Reserve Fund is equal to the Debt Service Reserve Requirement, and thereafter all such investment income shall be transferred to the Debt Service Fund. If upon a valuation of the investments on deposit in the Debt Service Reserve Fund, the amount on deposit in the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement, the Paying Agent shall transfer from the Debt Service Reserve Fund to the Debt Service Fund an amount equal to such excess.

Moneys in the Debt Service Reserve Fund may be used to call the Bonds for redemption and payment prior to their Stated Maturity, provided all of the Bonds at the time Outstanding are called for payment and funds are available to pay the same according to their terms. If fewer than all Bonds are to be redeemed and prepaid, on such redemption date the Debt Service Reserve Requirement shall be recalculated as of such date, and all moneys in excess of such requirement shall be used to redeem and prepay Bonds on such date. Moneys in the Debt Service Reserve Fund shall be used to pay and retire the last Outstanding Bonds unless such Bonds and all interest thereon are otherwise paid.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Reserve Fund and to the debt service reserve funds established to protect the payment of any Parity Bonds, the available moneys in the Revenue Fund shall be divided among such debt service reserve funds in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in such debt service reserve funds.

(d) ***Surplus Fund.*** After all payments and credits required at the time to be made under the provisions of paragraphs (a), (b), and (c) of this Section have been made, all moneys remaining in the Revenue Fund shall be paid and credited to the Surplus Fund. Moneys in the Surplus Fund may be expended and used for the following purposes as determined by the Authorized Officers, or each individually:

(i) Paying the cost of the operation, maintenance and repair of the System to the extent necessary after the application of the moneys held in the Operation and Maintenance Fund under the provisions of paragraph (a) of this Section;

(ii) Paying the cost of extending, enlarging, improving and/or repairing the System;

(iii) Preventing default in, anticipating payments into or increasing the amounts in the Debt Service Fund or the Debt Service Reserve Fund referred to in paragraphs (b) or (c) of this Section, or any one of them, or establishing or increasing the amount of any debt service fund or debt service reserve fund created by the Issuer for the payment of any Parity Bonds;

(iv) Calling, redeeming and paying prior to Stated Maturity, or, at the option of the Issuer, purchasing in the open market at the best price obtainable not exceeding the redemption price (if any bonds are callable), the Bonds or any Parity Bonds, including principal, interest and redemption premium, if any; or

(v) Any other lawful purpose in connection with the operation of the System and benefiting the System.

So long as any of the Bonds remain Outstanding, no moneys derived from the operation of the System shall be diverted to the general governmental or municipal functions of the Issuer.

(e) ***Deficiency of Payments Into Funds.*** If at any time the revenues derived from the operation of the System are insufficient to make any payment on the date or dates hereinbefore specified, the Issuer will make good the amount of such deficiency by making additional payments or credits out of the first available revenues thereafter received from the operation of the System, such payments and credits being made and applied in the order hereinbefore specified in this Section.

Section 6.03. Transfer of Funds to Paying Agent. The Treasurer or other Authorized Officer is hereby authorized and directed to withdraw from the Debt Service Fund, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Bonds, from the Debt Service Reserve Fund and the Surplus Fund as provided in Section 6.02 hereof, sums sufficient to pay the principal of, premium, if any, and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date. If, through lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent forthwith to return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

Section 6.04. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or

interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 6.05. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

(a) Money in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks holding such deposits as provided by the laws of the United States of America or their state of incorporation.

(b) Money held in any fund or account referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the money invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of such fund or account. All earnings on investments held in the Debt Service Reserve Fund shall accrue to and become a part of such Fund until the amount on deposit in the Debt Service Reserve Fund shall aggregate the Debt Service Reserve Requirement; thereafter, all such earnings shall be credited to the Debt Service Fund. In determining the amount held in any fund or account under any of the provisions of this Ordinance, obligations shall be valued at the lower of the cost or the market value thereof; provided, however, that investments held in the Debt Service Reserve Fund shall be valued at market value only. If and when the amount held in any fund or account shall be in excess of the amount required by the provisions of this Ordinance, the Issuer shall direct that such excess be paid and credited to the Debt Service Fund.

(c) So long as any Parity Bonds remain outstanding and unpaid, any investments made pursuant to this Article shall be subject to any restrictions in the Parity Ordinance with respect to the funds and accounts created by and referred to in the Parity Ordinance.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

The Issuer covenants and agrees with each of the Registered Owners of any of the Bonds that so long as any of the Bonds remain Outstanding and unpaid, it will, acting by and through the Council, comply with each of the following covenants:

Section 8.01. Efficient and Economical Operation. The Issuer will continuously own and will operate the System as a revenue-producing facility in an efficient and economical manner and will keep and maintain the same in good repair and working order. The Issuer will establish and maintain such rules and regulations for the use of the System as may be necessary to assure maximum utilization and most efficient operation of the System.

Section 8.02. Rate Covenant. The Issuer in accordance with and subject to applicable legal requirements will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce revenues sufficient to (a) pay the costs of the operation and maintenance of the System; (b) pay the principal of and interest on the System Revenue Bonds then outstanding as and when the same become due at the Maturity thereof or on any Interest Payment Date; (c) enable the Issuer to have in each fiscal year Net Revenues Available for Debt Service not less than 125% of Maximum Annual Debt Service on all System Revenue Bonds at the time outstanding; and (d) provide reasonable and adequate reserves for the payment of all System Revenue Bonds then outstanding and the interest thereon and for the protection and benefit of the System as provided in this Ordinance. The Issuer will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The Issuer will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues Available for Debt Service will be sufficient to cover the obligations under this Section and otherwise under the provisions of this Ordinance. If in any fiscal year the Net Revenues Available for Debt Service are less than 125% of Maximum Annual Debt Service on all System Revenue Bonds then outstanding, the Issuer will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the City Clerk and the Purchaser of the Bonds and shall be furnished to any Registered Owner of the Bonds requesting a copy of the same, at the cost of such Registered Owner. The Issuer shall, to the extent feasible, follow the recommendations of the Consultant.

Section 8.03. Reasonable Charges for All Services. None of the facilities or services provided by the System will be furnished to any user (excepting the Issuer itself) without a reasonable charge being made therefor. If the revenues derived from the System are at any time insufficient to pay the reasonable Expenses of the System and also to pay all interest on and principal of the Bonds as and when the same become due, then the Issuer will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all services provided by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Bonds.

Section 8.04. Restrictions on Mortgage or Sale of System. The Issuer will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the Issuer may:

(a) sell at fair market value any portion of the System which has been replaced by other similar property of at least equal value, or which ceases to be necessary for the efficient operation of the System, and in the event of sale, the Issuer will apply the proceeds to either (i) redemption of Outstanding Bonds in accordance with the provisions governing repayment of Bonds in advance of Stated Maturity, or (ii) replacement of the property so disposed of by other property the revenues of which shall be incorporated into the System as hereinbefore provided;

(b) cease to operate, abandon or otherwise dispose of any property which has become obsolete, nonproductive or otherwise unusable to the advantage of the Issuer;

(c) lease, (i) as lessor, any real or personal property which is unused or unimproved, or which has become obsolete, nonproductive or otherwise unusable to the advantage of the Issuer, or which is being acquired as a part of a lease/purchase financing for the acquisition and/or improvement of such property; and/or (ii) as lessee, with an option of the Issuer to purchase, any real or personal property for the extension and improvement of the System; property being leased as lessor and/or lessee pursuant to this paragraph (c) shall not be treated as part of the System for purposes of this Section 8.05 and may be mortgaged, pledged or otherwise encumbered; or

(d) grant a security interest in equipment to be purchased with the proceeds of any loan, lease or other obligation undertaken in accordance with Article IX hereof; or

(e) sell, lease or convey all or substantially all of the System to another entity or enter into a management contract with another entity if:

(i) The transferee entity is a political subdivision organized and existing under the laws of the State, or instrumentality thereof, or an organization described in Section 501(c)(3) of the Code, and expressly assumes in writing the due and punctual payment of the principal of and premium, if any, and interest on all outstanding System Revenue Bonds according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Ordinance;

(ii) If there remains unpaid any System Revenue Bond which bears interest that is not includable in gross income under the Code, the Issuer receives an opinion of Bond Counsel, in form and substance satisfactory to the Issuer, to the effect that under then existing law the consummation of such sale, lease or conveyance, whether or not contemplated on any date of the delivery of such System Revenue Bond, would not cause the interest payable on such System Revenue Bond to become includable in gross income under the Code;

(iii) The Issuer receives a certificate of the Consultant which demonstrates and certifies that immediately upon such sale or conveyance the

transferee entity will not, as a result thereof, be in default in the performance or observance of any covenant or agreement to be performed or observed by it under this Ordinance;

(iv) Such transferee entity possesses such licenses to operate the System as may be required if it is to operate the System; and

(v) The Issuer receives an opinion of Bond Counsel, in form and substance satisfactory to the Issuer, as conclusive evidence that any such sale, lease or conveyance, and any such assumption, is permitted by law and complies with the provisions of this Section.

Section 8.05. Insurance. The Issuer will carry and maintain insurance with respect to the System and its operations against such casualties, contingencies and risks (including, but not limited to, property and casualty, fire and extended coverage insurance upon all of the properties being parts of the System insofar as the same are of an insurable nature, public liability, worker's compensation and employee dishonesty insurance), such insurance to be of the character and coverage and in such amounts as would normally be carried by other enterprises engaged in similar activities of comparable size and similarly situated. In the event of loss or damage, the Issuer, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the Issuer will pay and deposit the proceeds of such insurance into the Revenue Fund. The Issuer will annually review the insurance it maintains with respect to the System to determine that it is customary and adequate to protect its property and operations. The Issuer may elect to be self-insured for all or any part of the foregoing requirements if (a) the Issuer annually obtains a written evaluation with respect to such self-insurance program from an Insurance Consultant, (b) the evaluation is to the effect that the self-insurance program is actuarially sound, (c) unless the evaluation states that such reserves are not necessary, the Issuer deposits and maintains adequate reserves for the self-insurance program with a corporate trustee, who may be the Paying Agent, and (d) in the case of workers' compensation, adequate reserves created by the Issuer for such self-insurance program are deposited and maintained in such amount and manner as are acceptable to the State. The Issuer shall pay any fees and expenses of such Insurance Consultant in connection therewith. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Expense out of the Revenues of the System.

Section 8.06. Books, Records and Accounts. The Issuer will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the Issuer) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues received from the System, the application of such Revenues, and all financial transactions in connection therewith. Said books shall be kept by the Issuer according to standard accounting practices as applicable to the operation of facilities comparable to the System.

Section 8.07. Annual Budget. Prior to the commencement of each fiscal year, the Issuer will cause to be prepared and filed with the City Clerk a budget setting forth the estimated receipts and expenditures of the System, or a separate schedule for the System within the Issuer's overall

budget, for the next succeeding fiscal year. The City Clerk, promptly upon the filing of said budget in the City Clerk's office, will mail a copy of said budget to the Purchaser of the Bonds. Said annual budget shall be prepared in accordance with the laws and regulations of the State.

Section 8.08. Annual Audit. After the end of each fiscal year, the Issuer will cause an audit to be made of the System, or a separate schedule within the Issuer's audited financial statements, for the preceding fiscal year by a certified public accountant or firm of certified public accountants to be employed for that purpose and paid from the revenues of the Issuer. Said annual audit shall cover in reasonable detail the operations of the System during such fiscal year.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser of the Bonds. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner.

As soon as possible after the completion of the annual audit, the Council of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Ordinance, the Issuer will promptly cure such deficiency and will promptly proceed to increase the rates and charges to be charged for the use and services furnished by the System as may be necessary to adequately provide for such requirements.

Section 8.09. Right of Inspection. The Purchaser of the Bonds and any Registered Owner or Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Registered Owner or Owners may reasonably request.

Section 8.10. Administrative Personnel. The Issuer shall use its best efforts to employ at all times administrative personnel experienced and well qualified to operate the System. The Issuer further agrees that such administrative personnel shall be employed in sufficient numbers to ensure that the System will be operated in a prudent and efficient manner, following procedures generally accepted within the public utilities industry in the United States of America.

Section 8.11. Rules and Regulations. The Issuer will establish and maintain such rules and regulations for the use of the System as may be necessary to assure maximum occupancy and use thereof.

Section 8.12. Performance of Duties and Covenants. The Issuer will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the Issuer by the Constitution and laws of the State and by the provisions of this Ordinance.

Section 8.13. Tax Covenants.

(a) The Issuer covenants that (i) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds, and (ii) it will not use or permit the use of any

proceeds of Bonds or any other funds of the Issuer, or take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The Issuer will also adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future law, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

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

(c) The Issuer covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any Treasury Regulations applicable to the Bonds from time to time. The Issuer specifically covenants to pay or cause to be paid to the United States the required amounts of rebatable arbitrage at the times when due, if any.

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

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

(i) the Issuer is a governmental unit under Nebraska law with general taxing powers;

(ii) none of the Bonds is a private activity bond as defined in Section 141 of the Code;

(iii) 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer;

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

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

(f) The Authorized Officers, or each individually, may designate the Bonds as “qualified tax-exempt obligations” under Section 265(b)(3) of the Code in accordance with **Section 8.13(f)(i)** hereof and represent that:

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

(ii) the Issuer (including all subordinate entities thereof) will not issue an aggregate principal amount of tax-exempt obligations (other than private activity bonds that are not “qualified 501(c)(3) bonds” and certain refunding bonds) during the current calendar year, including the Bonds, in excess of \$10,000,000, without first obtaining an opinion of nationally recognized counsel in the area of municipal finance that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

Any Authorized Officer is hereby authorized to take such other action as may be necessary to make effective the designation in this **Section 8.13(f)**.

(g) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to Article XI of this Ordinance or any other provision of this Ordinance, until no Bonds are Outstanding.

(h) The Issuer adopts the Post-Issuance Tax Compliance Procedures attached to this Ordinance as Exhibit B to ensure that all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds that are intended to be tax-exempt are met. The Issuer designates the Treasurer as the “responsible person” for implementing such procedures. The Issuer reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as it may determine. The Issuer also reserves the right to change such policies and procedures from time to time, without notice.

Section 8.14. Continuing Disclosure.

(a) The Issuer (i) authorizes and directs any Authorized Officer to execute and deliver, on the date of the issuance of the Bonds, a Continuing Disclosure Undertaking (the “**Undertaking**”) in such form that satisfies the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (“**Rule 15c2-12**”) and is acceptable to the Original Purchaser and Bond Counsel and (ii) covenants that it will comply with and carry out all of the provisions of the Undertaking. Notwithstanding any other provisions of this Ordinance, failure of the Issuer to comply with the Undertaking will not be considered a default under this Ordinance or the Bonds; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Section and the Undertaking. For purposes of this Section, “Beneficial Owner” means any person who (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any

Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of any Bonds for federal income tax purposes.

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

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

Section 9.01. Senior Lien Bonds. So long as any of the Bonds remain Outstanding, the Issuer will not issue any additional bonds or incur or assume any other debt obligations appearing as liabilities on the balance sheet of the Issuer for the payment of moneys determined in accordance with generally accepted accounting principles, including capital leases as defined by generally accepted accounting principles, payable out of the net income and revenues of the System or any part thereof which are superior to the Bonds.

Section 9.02. Parity Lien Bonds. The Issuer covenants and agrees that so long as any of the Bonds remain Outstanding, it will not issue any additional Parity Bonds payable out of the net income and revenues of the System or any part thereof which stand on a parity or equality with the Bonds unless the following conditions are met:

(a) The Issuer shall not be in default in the payment of principal of or interest on any Bonds or any Parity Bonds at the time outstanding or in making any payment at the time required to be made into the respective funds and accounts created by and referred to in this Ordinance or any Parity Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default); and

(b) The Issuer shall obtain a certificate of a Consultant showing either of the following:

(i) The annual Net Revenues Available for Debt Service derived by the Issuer from the operation of the Systems, for the two fiscal year(s) immediately preceding the issuance of Parity bonds shall have been equal to at least 125% of the Maximum Annual Debt Service required to be paid out of said revenues in any succeeding fiscal year on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the Issuer, including the Parity Bonds proposed to be issued. In determining the Net Revenues Available for Debt Service for the purpose of this clause, the Consultant may adjust said Net Revenues Available for Debt Service by adding thereto, if the Issuer has made any increase in rates for the use and services of the Systems and such increase has not been in effect during all of the two fiscal year(s) immediately preceding the issuance of Parity Bonds, the amount, as estimated by

the Consultant, of the additional Net Revenues Available for Debt Service which would have resulted from the operation of the Systems during said two preceding fiscal year(s) had such rate increase been in effect for the entire period; or

(ii) The annual Net Revenues Available for Debt Service projected to be derived by the Issuer from the operation of the Systems for the two fiscal year(s) immediately following the fiscal year in which the improvements to the Systems, the cost of which is being financed by such additional bonds, are to be in commercial operation, shall be equal to at least 125% of the Maximum Annual Debt Service required to be paid out of said revenues in any succeeding fiscal year following commencement of operation of such System improvements, on account of both principal (at maturity or upon mandatory redemption) and interest becoming due with respect to all System Revenue Bonds of the Issuer, including the Parity Bonds proposed to be issued. In determining the projected Net Revenues Available for Debt Service for the purpose of this clause, the Consultant may adjust said net revenues by adding thereto any estimated increase in Net Revenues Available for Debt Service resulting from any increase in rates for the use and services of the Systems which, in the opinion of the Consultant, are economically feasible and reasonably considered necessary based on projected operations of the Systems.

Additional revenue bonds of the Issuer issued under the conditions set forth in this Section shall stand on a parity with the Bonds and shall enjoy complete equality or lien on and claim against the net revenues of the System with the Bonds, and the Issuer may make equal provision for paying said bonds and the interest thereon out of the Revenue Fund and may likewise provide for the creation of reasonable debt service funds and debt service reserve funds for the payment of such additional bonds and the interest thereon out of moneys in the Revenue Fund.

Section 9.03. Junior Lien Bonds and Other Obligations. Nothing in this Section contained shall prohibit or restrict the right of the Issuer to issue additional revenue bonds or other revenue obligations for any lawful purpose in connection with the operation of the facility and benefiting the System and to provide that the principal of and interest on said revenue bonds or obligations shall be payable out of the revenues of the System, provided, at the time of the issuance of such additional revenue bonds or obligations, the Issuer is not in default in the performance of any covenant or agreement contained in this Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default), and provided, further, that such additional revenue bonds or obligations shall be junior and subordinate to the Bonds so that if at any time the Issuer shall be in default in paying either interest on or principal of the Bonds, or if the Issuer is in default in making any payments required to be made by it under the provisions of Sections 6.02(a), (b) and (c) of this Ordinance, the Issuer shall make no payments of either principal of or interest on said junior and subordinate revenue bonds or obligations until said default or defaults be cured. In the event of the issuance of any such junior and subordinate revenue bonds or obligations, the Issuer, subject to the provisions aforesaid, may make provision for paying the principal of and interest on said revenue bonds or obligations out of moneys in the Revenue Fund.

Section 9.04. Refunding Bonds. The Issuer shall have the right, without complying with the provisions of Section 9.02 hereof, to refund any of the Bonds under the provisions of any law

then available, and the refunding bonds so issued, shall enjoy complete equality of pledge with any of the Bonds which are not refunded, if any, upon the revenues of the System; provided, however, that if only a portion of the Bonds are refunded and if said Bonds are refunded in such manner that the refunding bonds bear a higher average rate of interest or become due on a date earlier than that of the Bonds which are refunded, then said Bonds may be refunded without complying with the provisions of Section 9.02 hereof only by and with the written consent of the Registered Owners of a majority in principal amount of the Bonds not refunded.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default. The following constitute “Events of Default” under this Resolution:

- (a) failure by the Issuer to pay any payment of principal of, premium, if any, and interest on the Bonds when due;
- (b) failure by the Issuer to make any other payment required to be made hereunder, and such default shall continue for a period of 15 days;
- (c) failure by the Issuer to observe and perform any other covenant, condition or agreement contained herein on its part to be observed or performed for a period of 30 days after written notice is given to the Issuer specifying such failure and requesting that it be remedied, provided that if the failure stated in such notice cannot be corrected within such 30-day period, no Event of Default shall exist if corrective action is instituted by the Issuer within the applicable period and diligently pursued until the default is corrected, but in no event for longer than 90 days;
- (d) determination that any representation or warranty made by the Issuer herein was untrue in any material respect when made; or
- (e) such other defaults as may be set forth in a Loan Agreement.

Section 10.02. Remedies. The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

- (a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the Constitution and laws of the State;
- (b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust;

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

(d) such other remedies as may be set forth in a Loan Agreement.

Section 10.03. Limitation on Rights of Bondowners. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 10.04. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceeding taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Bondowner, then, and in every such case, the Issuer and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceeding had been brought or taken.

Section 10.05. Default Rate. Upon any Event of Default, the stated interest rate on each Bond shall automatically increase by 4.00% (400 basis points) per annum or as otherwise set forth in a Loan Agreement.

Section 10.06. No Obligation To Levy Taxes. Nothing contained in this Ordinance shall be construed as imposing on the Issuer any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

ARTICLE XI

DEFEASANCE

When any or all of the Bonds or the interest payments thereon have been paid and discharged, then the requirements contained in this Ordinance and the pledge of revenues made hereunder and all other rights granted hereby shall terminate with respect to the Bonds so paid and discharged. Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or

prior to the Stated Maturity or Redemption Date of said Bonds, in trust for and irrevocably appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal or Redemption Price of said Bonds, and/or interest to accrue on such Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds shall be redeemed prior to the Stated Maturity thereof, (a) the Issuer shall have elected to redeem such Bonds, and (b) either notice of such redemption shall have been given, or the Issuer shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to redeem such Bonds in compliance with Section 3.02(a) of this Ordinance. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds or the interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01. Amendments. The rights and duties of the Issuer and the Bondowners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by Ordinance of the Issuer with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay by way of principal of or interest on any Bond;
- (c) permit the creation of a lien on the revenues of the System prior or equal to the lien of the Bonds or Parity Bonds;
- (d) permit preference or priority of any Bonds over any other Bonds; or
- (e) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Any provision of the Bonds or of this Ordinance may, however, be amended or modified by Ordinance duly adopted by the Council of the Issuer at any time in any respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

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

Every amendment or modification of the provisions of the Bonds or of this Ordinance shall be expressed in an ordinance adopted by the Council of the Issuer amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. A certified copy of every such amendatory or supplemental Ordinance, if any, and a certified copy of this Ordinance shall always be kept on file in the office of the City Clerk, and shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental Ordinance or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

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

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

Section 12.02. Notices, Consents and Other Instruments by Bondowners. Any notice, consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

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

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

In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be

protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 12.03. Further Authority. The officers of the Issuer, including the Mayor and City Clerk, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 12.04. Severability. If any Section or other part of this Ordinance, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 12.05. Governing Law. This Ordinance shall be governed by and constructed in accordance with the applicable laws of the State of Nebraska.

Section 12.06. Effective Date; Publication in Pamphlet Form. This Ordinance shall take effect and be in full force from and after its passage by the Council and approval by the Mayor and upon its publication in pamphlet form as provided by law.

PASSED AND APPROVED December 17, 2024.

Robert Kerland

Mayor

ATTEST:

Barbara Deninger
City Clerk



EXHIBIT A TO ORDINANCE
(FORM OF BONDS)

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE (REFERRED TO HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (AS DEFINED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

UNITED STATES OF AMERICA
STATE OF NEBRASKA

Registered
No. R-_____

Registered
\$_____

THE CITY OF SPRINGFIELD, NEBRASKA
SEWER REVENUE BOND
SERIES 2025

Interest Rate

Maturity Date

Dated Date

CUSIP Number

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Springfield, Nebraska, a political subdivision and city of the second class of the State of Nebraska (the "Issuer"), for value received, promises to pay to the registered owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the principal amount shown above on the maturity date shown above, and to pay interest thereon, but solely from the source and in the manner herein specified, at the interest rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months, from the Dated Date shown above or from the most recent interest payment date to which interest has been paid or duly provided for), payable semiannually on _____ and _____ in each year, beginning on _____, 20____, until said principal amount has been paid.

The principal or redemption price of this Bond shall be paid at maturity by check or draft or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the office of _____, _____, Nebraska (the "Paying Agent"). The interest payable on this Bond on any interest payment date shall be paid to the person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such registered owner at the address shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such registered owner or in the case of an interest payment to any registered owner of \$100,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered owner upon written notice given to the Paying Agent by such registered owner not less than 15 days prior

to the Record Date for such interest, containing the electronic transfer instructions, including the bank (which shall be in the continental United States), ABA routing number and account number to which such Registered Owner wishes to have such transfer directed.

This Bond is one of a duly authorized series of bonds of the Issuer designated "Sewer Revenue Bonds, Series 2025," aggregating the principal amount of \$_____ (the "Bonds") under the authority of and in full compliance with the Constitution and laws of the State of Nebraska, including particularly Sections 18-1803 through 18-1805, Reissue Revised Statutes of Nebraska, as amended, and pursuant to an ordinance duly adopted by the governing body of the Issuer (herein called the "Ordinance"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance. The Bonds are being issued by the Issuer for the purpose of constructing certain improvements to the Issuer's revenue producing sewer system (the "System"), [funding a deposit to the Debt Service Reserve Fund] and to pay certain costs of issuing the Bonds.

At the option of the Issuer, Bonds or portions thereof maturing on _____, 20__, and thereafter may be called for redemption and payment prior to maturity on _____, 20__, and thereafter in whole or in part at any time from the Stated Maturities selected by the Issuer (Bonds of less than a full maturity to be selected in multiples of \$5,000 principal amount in such equitable manner as the Paying Agent shall designate) at par plus accrued interest thereon to the redemption date.

[Term Bond Redemption]

Notice of redemption, unless waived, is to be given by the Paying Agent by mailing an official redemption notice by first-class mail at least 30 days prior to the redemption date (or such shorter period as may be acceptable to the-then Registered Owner), to the original purchaser(s) of the Bonds and each Registered Owner of each of the Bonds to be redeemed at the address shown on the Bond Register. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds 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 Issuer defaults in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest.

The Bonds are special obligations of the Issuer payable solely from, and secured as to the payment of principal and interest by a pledge of, the revenues derived from the operation of the System. The Bonds shall not be or constitute a general obligation of the Issuer, nor shall they constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision, limitation or restriction. The taxing power of the Issuer is not pledged to the payment of the Bonds either as to principal or interest. Under the conditions set forth in the Ordinance, the Issuer has the right to issue parity bonds and other obligations payable from the same source and secured by the same revenues as the Bonds; provided, however, that such additional bonds may be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in the Ordinance. [The Bonds are further secured by amounts on deposit in the Debt Service Reserve Fund, as established by the Ordinance.]

The Issuer hereby covenants and agrees with the Registered Owner of this Bond that it will keep and perform all covenants and agreements contained in the Ordinance, and will fix, establish,

maintain and collect such rates, fees and charges for the use and services furnished by or through the System, as will produce revenues sufficient to pay the costs of operation and maintenance of the System, pay the principal of and interest on the Bonds as and when the same become due, and provide reasonable and adequate reserve funds. Reference is made to the Ordinance for a description of the covenants and agreements made by the Issuer with respect to the collection, segregation and application of the revenues of the System, the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer with respect thereto, and the rights of the Registered Owners thereof.

The Bonds are issuable in the form of fully registered Bonds without coupons in the denomination of \$5,000 or any whole multiple thereof.

The Bonds are “qualified tax-exempt obligations” described in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository’s participants, the beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Paying Agent will recognize the Securities Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository, will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Paying Agent will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this

Bond shall be made in accordance with existing arrangements among the Issuer, the Paying Agent and the Securities Depository.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Bonds have existed, happened and been performed in due time, form and manner as required by law, and that before the issuance of the Bonds, provision has been duly made for the collection and segregation of the revenues of the System and for the application of the same as provided in the Ordinance.

IN WITNESS WHEREOF, the City of Springfield, Nebraska, has executed this Bond by causing it to be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of its City Clerk.



THE CITY OF SPRINGFIELD,
NEBRASKA

By *Robert K. Kurland*
Mayor

ATTEST:
Barbara J. Heminger
City Clerk

CERTIFICATE OF AUTHENTICATION

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

Registration Date: _____

_____, as Paying
Agent

By _____
Name _____
Title _____

ASSIGNMENT

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

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

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

Dated: _____

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

Signature Guaranteed By:

Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 C.F.R. 240.17 Ad-15)

By _____
Name _____
Title _____

EXHIBIT B TO ORDINANCE

Post-Issuance Compliance Procedures

General

In connection with the issuance of the Bonds, the Issuer will execute a tax compliance certificate (the “**Tax Certificate**”) that describes the requirements and provisions of the Code that must be followed in order to maintain the tax-exempt status of interest on such bonds. In addition, the Tax Certificate will contain the reasonable expectations of the Issuer at the time of issuance of the Bonds with respect to the use of the gross proceeds of such bonds and the assets to be financed or refinanced with the proceeds thereof. These Procedures supplement and support the covenants and representations made by the Issuer in the Tax Certificate related to specific issues of tax-exempt obligations. In order to comply with the covenants and representations set forth in the Bond documents and in the Tax Certificate, the Issuer tracks and monitors the actual use of the proceeds of the Bonds, the investment and expenditure of the Bond proceeds and the assets financed or refinanced with the proceeds of such bonds over their life.

Designation of Responsible Person

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

Post-Issuance Compliance Requirements

External Advisors/Documentation

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

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

The Issuer shall train and employ or otherwise engage expert advisors (a “**Rebate Analyst**”) to assist in the calculation of arbitrage rebate payable in respect of the investment of Bonds proceeds, unless the Tax Certificate documents provide that arbitrage rebate will not be applicable to the Bonds.

Unless otherwise provided by the Ordinance or other authorizing documents relating to the Bonds, unexpended Bond proceeds shall be held in a segregated account, and the Issuer, pursuant to the terms of the Ordinance, shall manage the investment of Bond proceeds. The Issuer shall prepare regular, periodic statements regarding the investments and transactions involving Bond proceeds.

Arbitrage Rebate and Yield

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

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

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

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

The Issuer shall be responsible for:

- monitoring the use of Bond proceeds and the use of Bond-financed or refinanced assets (*e.g.*, facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Tax Certificate;
- maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of the Bonds, including a final allocation of Bond proceeds as described below under “Record Keeping Requirements”;
- consulting with bond counsel and other legal counsel and advisers in the review of any contracts or arrangements involving use of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Tax Certificate;
- maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under “Record Keeping Requirements”;
- conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discuss any existing or planned use of Bond-financed or refinanced assets, to ensure that

those uses are consistent with all covenants and restrictions set forth in the Tax Certificate; and

- to the extent that the Issuer discovers that any applicable tax restrictions regarding use of Bond proceeds and bond-financed or refinanced assets will or may be violated, consulting promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified bonds, if such counsel advises that a remedial action is necessary.

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

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

Record Keeping Requirements

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

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the Issuer at or in connection with closing of the issue of the Bonds, including any elections made by the Issuer in connection therewith;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, draw requests for Bond proceeds and evidence as to the amount and date for each draw down of Bond proceeds, as well as documents relating to costs paid or reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;
- a copy of all contracts and arrangements involving the use of Bond-financed or refinanced assets;
- copies of all statements and reports, including arbitrage reports, prepared with respect to the Issuer's bonds; and
- a copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including statements, in connection with any investment agreements, and copies of all bidding documents, if any.

EXHIBIT C

Disclosure Policies and Procedures

Purpose of Disclosure Policies and Procedures

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

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

Designation of Issuer Representative; Maintenance of List and Files

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

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

Dissemination Agents

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

Undertakings.

Annual Financial Filings

The Issuer Representative will review the Undertaking related to each outstanding issue of Obligations to determine the financial information required to be included in the Annual Report (i.e., the Issuer's audited financial statements and certain other financial information or operating data with respect to the Issuer, if applicable (the "**Annual Report**")) required to be filed annually with the MSRB using the EMMA system, and the deadline by which such information must be filed. Unless required otherwise by an Undertaking and as permitted by EMMA filing procedures, the Issuer Representative may file identical Annual Reports with respect to each issue of the Issuer's Obligations. The Issuer Representative shall be knowledgeable and familiar with the specific requirements for the filing of a Notice of Failure to File the Annual Report by the date(s) required under the terms of each Undertaking, if applicable.

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

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

Listed Event Filings

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

Reports of Issuer Representative; Record Retention

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

The Issuer Representative shall maintain records with respect to the filings with the MSRB using EMMA, including, but not limited to, EMMA posting receipts showing the dates and nature or contents of

all filings for each issue of Obligations outstanding during each fiscal year. Such records shall be kept for at least 5 years after the respective issue of Obligations is no longer outstanding.

Familiarity with EMMA Submission Process

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

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

Training

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

Review of Offering Document in Connection with Primary Offerings

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

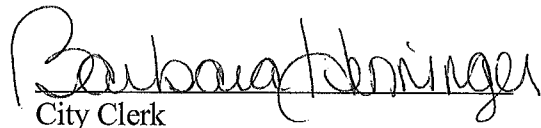
EXHIBIT D

**NOTICE OF PUBLICATION
OF ORDINANCE NO. _____
IN PAMPHLET FORM**

Public Notice is hereby given that at a meeting of the Mayor and City Council of the City of Springfield, Nebraska, held at 7 p.m. on December 17, 2024 in the City Hall located at 170 North 3rd Street, Springfield, Nebraska, there was passed and adopted Ordinance No. 1177 entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE BY THE CITY OF SPRINGFIELD, NEBRASKA OF ONE OR MORE SERIES OF ITS SEWER REVENUE BONDS, SERIES 2025, IN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,000,000; PRESCRIBING THE FORM AND DETAILS OF THE BONDS AND THE COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AUTHORIZING CERTAIN OFFICIALS TO DETERMINE THE PRINCIPAL AMOUNT, THE MATURITIES, THE INTEREST RATES, THE REDEMPTION PROVISIONS, THE FINANCIAL COVENANTS AND OTHER TERMS AND PROVISIONS RELATING TO THE BONDS AND AUTHORIZING THE SALE AND DELIVERY OF THE BONDS TO THE PURCHASER THEREOF; DESIGNATING THE BONDS AS QUALIFIED TAX-EXEMPT OBLIGATIONS; ADOPTING CERTAIN POST ISSUANCE TAX COMPLIANCE AND DISCLOSURE POLICIES AND PROCEDURES WITH RESPECT TO THE BONDS; PROVIDING FOR THE PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM; AND AUTHORIZING CERTAIN ACTIONS AND DOCUMENTS AND PRESCRIBING OTHER MATTERS RELATING THERETO.

Said Ordinance has been published in pamphlet form, and copies of said Ordinance as published in pamphlet form are available for inspection and distribution at the Office of the City Clerk at the City Office.


City Clerk