

EXTRACT OF MINUTES of a regular public meeting of the City Council of the City of Collinsville, Madison and St. Clair Counties, Illinois, held at the City Hall, 125 South Center Street, in said City, at 7:00 p.m., on the 27th day of November, 2017.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the Mayor and the following Council Members answered physically present at said location: _____

The following Council Members were allowed by a majority of the Council Members in accordance with and to the extent allowed by rules adopted by the City Council to attend the meeting by video or audio conference: _____

No Council Member was not permitted to attend the meeting by video or audio conference.

The following Council Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The City Council then discussed and considered an ordinance providing for the issuance of General Obligation Refunding Bonds, in one or more series, and Taxable General Obligation Refunding Bonds, in one or more series, of the City, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

Thereupon, Council Member _____ presented and the following ordinance was discussed in full:

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

(the “*Bond Ordinance*”) which was laid before the City Council and made available to any person requesting one in words and figures as follows.

Council Member _____ moved and Council Member _____ seconded the motion that the Bond Ordinance as presented be adopted.

A discussion of the matter followed. During the discussion, _____ gave a public recital of the nature of the matter, which included a reading of the title of the ordinance and statements (1) that the ordinance provided for the issuance of general obligation refunding bonds and taxable general obligation refunding bonds, each for the purpose of refunding certain heretofore issued and now outstanding obligations of the City, (2) that the bonds are issuable without referendum pursuant to the home rule powers of the City, and (3) that the ordinance provides for the levy of taxes to pay the bonds as set forth in a related bond order executed in connection therewith.

The Mayor directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following Council Members voted AYE: _____

and the following Council Members voted NAY: _____.

WHEREUPON, the Mayor declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the City Clerk to record the same in full in the records of the City Council of the City of Collinsville, Madison and St. Clair Counties, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

City Clerk

ORDINANCE NUMBER _____

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

Adopted by the City Council on the
27th day of November, 2017.

Published in Pamphlet Form by
Authority of said Corporate Authorities
on the _____ day of November, 2017.

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LIST OF EXHIBITS:

A — FORM OF ESCROW AGREEMENT

ORDINANCE NUMBER _____

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

WHEREAS, pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, the City of Collinsville, Madison and St. Clair Counties, Illinois (the “City”), is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS, the City has heretofore issued the following outstanding and validly subsisting and unpaid general obligation bonds:

GENERAL OBLIGATION BONDS, SERIES 2007B

Original Principal Amount: \$1,215,000

Dated: October 31, 2007

Originally Due Serially: December 15, 2008-2021

Amount eligible to be refunded: \$525,000

Outstanding bonds eligible to be refunded are due on December 15 of the years and described as follows:

YEAR	AMOUNT (\$) ORIGINAL BONDS DUE	RATE OF INTEREST (%)
2017	95,000	3.75
2018	100,000	3.75
2019	105,000	3.85
2020	110,000	3.90
2021	115,000	4.00

which bonds are subject to redemption prior to maturity on any date, at the redemption price of par plus accrued interest to the date of redemption (the bonds of such series being the “*Series 2007B Bonds*”); and

WHEREAS, the City has heretofore issued the following outstanding and validly subsisting and unpaid general obligation bonds:

TAXABLE GENERAL OBLIGATION BONDS, SERIES 2009

Original Principal Amount: \$2,700,000

Dated: March 2, 2009

Originally Due Serially or as Term Bonds: December 15, 2010-2028

Amount eligible to be refunded: \$2,075,000

Outstanding bonds eligible to be refunded are due or subject to mandatory redemption on December 15 of the years and described as follows:

YEAR	AMOUNT (\$) ORIGINAL BONDS DUE	RATE OF INTEREST (%)
2017	155,000	4.70
2018	170,000	4.90
2019 ¹	195,000	5.10
2020	210,000	5.10
2021 ²	225,000	5.30
2022	245,000	5.30
2023 ³	125,000	5.45
2024	125,000	5.45
2025 ⁴	145,000	5.65
2026	155,000	5.65
2027 ⁵	155,000	5.95
2028	170,000	5.95

which bonds coming due on and after December 15, 2020 are subject to redemption prior to maturity on December 15, 2018 and any date thereafter, at the redemption price of par plus accrued interest to the date of redemption (the bonds of such series being the “*Series 2009 Bonds*”); and

WHEREAS, for the amounts and maturities of the Series 2007B Bonds and Series 2009 Bonds proposed and eligible to be refunded, interest rates are currently more favorable in the market for municipal bonds than they were at the time said series of bonds were issued, and it is possible to refund all or a portion of the Series 2007B Bonds and the Series 2009 Bonds to achieve a net aggregate dollar and present value savings; and

WHEREAS, pursuant to the Act (as hereinafter defined), the City is authorized to issue its general obligation refunding bonds to accomplish the refunding of certain of the Series 2007B Bonds and to issue its taxable general obligation refunding bonds to accomplish the refunding of

¹ Mandatory redemption of 2020 term bond.

² Mandatory redemption of 2022 term bond.

³ Mandatory redemption of 2024 term bond.

⁴ Mandatory redemption of 2026 term bond.

⁵ Mandatory redemption of 2028 term bond.

certain of the Series 2009 Bonds (collectively, the refunding of those Series 2007B Bonds and Series 2009 Bonds being the “*Refunding*”), all as set forth in the related Bond Order (as hereinafter defined), including payment of related costs of issuance of refunding bonds and of the Refunding; and it is deemed necessary and desirable to provide for the issuance of not to exceed \$475,000 principal amount of general obligation refunding bonds, in one or more series, and not to exceed \$1,950,000 principal amount of taxable general obligation refunding bonds, in one or more series, for such purpose and for the purpose of realizing such net debt service savings; and

WHEREAS, the City Council of the City (the “*Corporate Authorities*”) does hereby determine that it is advisable and in the best interests of the City to authorize the borrowing of not to exceed \$475,000 at this time pursuant to the Act for the purpose of paying the costs of the Refunding of the Series 2007B Bonds, and in evidence of such borrowing, to authorize the issuance of full faith and credit bonds, in one or more series, of the City in such principal amount; and

WHEREAS, the Corporate Authorities do hereby determine that it is advisable and in the best interests of the City to authorize the borrowing of not to exceed \$1,950,000 at this time pursuant to the Act for the purpose of paying the costs of the Refunding of the Series 2009 Bonds, and in evidence of such borrowing, to authorize the issuance of taxable full faith and credit bonds, in one or more series, of the City in such principal amount:

NOW, THEREFORE, Be It Ordained by the City Council of the City of Collinsville, Madison and St. Clair Counties, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Definitions. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the following

meanings, unless, in either case, the context or use clearly indicates another or different meaning is intended:

A. The following words and terms are as defined in the preambles hereto.

City

Corporate Authorities

Refunding

Series 2007B Bonds

Series 2009 Bonds

B. The following words and terms are defined as set forth.

“Act” means the Illinois Municipal Code, as supplemented and amended, and particularly by the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended, and as further supplemented and, where necessary, superseded, by the home rule powers of the City under Section 6 of Article VII of the Illinois Constitution of 1970; and in the event of conflict between the provisions of said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code.

“Bond Counsel” means Chapman and Cutler LLP, Chicago, Illinois, or such firm of attorneys whose opinions are generally acceptable to purchasers in the national market for municipal bonds.

“Bond Funds” means, collectively, the Tax-exempt Bond Fund and the Taxable Bond Fund.

“Bond Moneys” means the Pledged Taxes, any other moneys deposited into the respective Bond Fund and investment income earned in each of said Bond Funds.

“Bond Order” means any Bond Order for the Bonds, to be executed by the Designated Officers, or any two of them as hereinafter provided, and setting forth certain details of the related Series of Bonds, as provided in Section 4 of this Ordinance.

“Bond Register” means the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

“Bond Registrar” means the bond registrar and paying agent for the Bonds, as set forth in the Bond Order.

“Bonds” means, collectively, the Tax-exempt Bonds and the Taxable Bonds.

“Book Entry Form” means the form of the Bonds as fully registered and available in physical form only to the Depository.

“Code” means the Internal Revenue Code of 1986, as amended.

“County Clerks” means the respective County Clerks of The Counties of Madison and of St. Clair, Illinois.

“Depository” means The Depository Trust Company, a New York limited trust company, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“Designated Officers” means any two of the following: the Mayor, Clerk, Treasurer/Finance Director, or Manager of the City, or successors or assigns, or any of them acting together; *provided, however*, that one such officer must be an elected officer.

“Escrow Agent” means the escrow agent for the refunding of the Refunded Bonds, as set forth in the Bond Order.

“Escrow Agreement” means the agreement by which the City orders the redemption of the Refunded Bonds and the deposit with the Escrow Agent of the funds necessary to accomplish

the purpose, as more particularly referred to in Section 15 of this Ordinance and as set forth in *Exhibit A*.

“Interest Payment Date” means a Stated Maturity of interest on the Bonds.

“Ordinance” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 27th day of November, 2017.

“Paying Agent” means the bond registrar and paying agent for the Bonds, as set forth in the Bond Order.

“Pledged Taxes” means the taxes levied on the taxable property within the City to pay principal of and interest on the Bonds as set forth in Section 12 of this Ordinance.

“2007B Prior Project” means the capital facilities financed with the proceeds of the Series 2007B Bonds or with the proceeds of obligations refunded by the Series 2007B Bonds.

“2009 Prior Project” means the capital facilities financed with the proceeds of the Series 2009 Bonds.

“Purchase Price” means, for any Series of the Bonds, the price to be paid by the Purchaser of the Bonds for that Series, to-wit, not less than 97.0% of the par value of the Bonds (net of any original issue discount), plus accrued interest, if any.

“Purchaser” means the purchaser of the Bonds, to-wit, Bernardi Securities, Inc., Chicago, Illinois.

“Record Date” means the 1st day of the month in which any regularly scheduled interest payment date occurs and the 15th day next preceding any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled interest payment date.

“Refunded Bonds” means the portion of the Series 2007B Bonds and the Series 2009 Bonds to be refunded by a Series of the Bonds, as set forth in the related Bond Order.

“Series” means a series of Bonds issued pursuant to this Ordinance as supplemented by a related Bond Order.

“Stated Maturity” when used with respect to any Bond or any interest thereon means the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable, whether by maturity, mandatory redemption, or otherwise.

“Tax-exempt” means, with respect to the Bonds, the status of interest paid and received as excludable from gross income of the owners thereof for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

“Tax-Exempt Bond Fund” means the Tax-exempt Bond Fund established and defined in Section 15 of this Ordinance.

“Tax-exempt Bonds” means the General Obligation Refunding Bonds, Series 20__ [Series Letter Designation], authorized to be issued by this Ordinance, in one or more Series.

“Taxable” means, with respect to the Bonds, the status of interest paid and received thereon as includible in gross income of the owners thereof for federal income tax purposes.

“Taxable Bond Fund” means the Taxable Bond Fund established and defined in Section 15 of this Ordinance.

“Taxable Bonds” means the Taxable General Obligation Refunding Bonds, Series 20__ [Series Letter Designation], authorized to be issued by this Ordinance, in one or more Series.

“Term Bonds” means Bonds which are subject to mandatory redemption prior to maturity by operation of the respective Bond Fund and designated as Term Bonds in the Bond Order for any given Series of Bonds.

“Treasurer” means the City Treasurer/Finance Director or successors or assigns.

C. Certain further words and terms used in various sections are defined therein.

Section 2. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds. It is necessary and in the best interests of the City to undertake the Refunding and to pay all necessary costs thereof, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds, in one or more Series, for such purposes. It is hereby found and determined that such borrowing of money is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 4. Bond Details. For the purpose of providing for the payment of costs of the Refunding of the Series 2007B Bonds, there shall be issued and sold the Tax-exempt Bonds, in one or more Series, in the aggregate principal amount of not to exceed \$475,000. The Tax-exempt Bonds shall be issued on a Tax-exempt basis and shall be designated “*General Obligation Refunding Bonds, Series 20__ [Series Letter Designation]*” or such other name or names properly descriptive of a Series of Tax-exempt Bonds as may be provided in a Bond Order. For the purpose of providing for the payment of costs of the Refunding of the Series 2009 Bonds, there shall be issued and sold the Taxable Bonds, in one or more Series, in the aggregate principal amount of not to exceed \$1,950,000. The Taxable Bonds shall be issued on a Taxable basis and shall be designated “*Taxable General Obligation Refunding Bonds, Series 20__ [Series Letter Designation]*” or such other name or names properly descriptive of a Series of Taxable Bonds as may be provided in a Bond Order. The Bonds shall be in fully registered form and also in Book Entry Form. The Bonds shall be dated as of a date not earlier than December 1, 2017, and not later than their initial date of issuance for such Series (the

“Dated Date”), as shall be set forth in the related Bond Order; each Bond shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively within each Series in such reasonable manner as the Bond Registrar shall determine. The Bonds shall become due within each Series on December 15 of the years and in the amounts as shall be set forth in the related Bond Order; *provided, however*, that the maximum maturity date of the Tax-exempt Bonds shall not extend past the last maturity date of the Series 2007B Bonds being refunded by said Series of Tax-exempt Bonds, and the maximum maturity date of the Taxable Bonds shall not extend past the last maturity date of the Series 2009 Bonds being refunded by said Series of Taxable Bonds. The Bonds shall bear interest at the rates per annum (subject to the right of prior redemption hereinafter stated) as shall be set forth in the Bond Order, *provided, however*, that such rates shall not exceed four percent (4.0%) per annum for the Tax-exempt Bonds and five percent (5.0%) per annum for the Taxable Bonds. The Bonds shall be in denominations of \$5,000 or integral multiples thereof (but no single such bond shall represent principal maturing on more than one date). Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually on June 15 and December 15 of each year, commencing not earlier than June 15, 2018, as shall be set forth in the related Bond Order, and at the respective rates percent per annum provided, until the principal thereof shall be paid or duly provided for.

So long as the Bonds are held in Book Entry Form, interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed by the Treasurer, the Bond Registrar, and the Depository; in the event the Bonds should ever become available in physical form to registered owners other than the Depository, interest on each Bond shall be paid by check or draft of the Bond Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person

in whose name such Bond is registered at the close of business on the applicable Record Date, and mailed to the address of such registered owner as it appears on the Bond Register or at such other address as may be furnished in writing to the Bond Registrar. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of or redemption price due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office of the Bond Registrar maintained for such purpose, or at successor Bond Registrar or locality.

Section 5. Book Entry Provisions. The Bonds of each Series shall be initially issued in Book Entry Form with a separate single fully registered Bond for each of the maturities of such Series of Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of “Cede & Co.”, or any successor thereto, as nominee of the Depository. All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of Cede & Co., as nominee of the Depository. The Treasurer, as representative of the City, and the Paying Agent and Bond Registrar are authorized to execute and deliver on behalf of the City, and as such agent for the City, such letters to or agreements with the Depository as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”). Without limiting the generality of the authority given with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of the Depository, none of the City, the Treasurer, the Paying Agent or the Bond

Registrar shall have any responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the City, the Treasurer, the Paying Agent and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the applicable record date, the name “*Cede & Co.*” in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the City determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the City, the Paying Agent and Bond Registrar, and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the City determines that it is in the best interests of the City or of the beneficial owners of the Bonds that they be able to obtain

certificated Bonds, the City shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of the Depository. The City may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the City, or such depository's agent or designee, but if the City does not select such alternate book-entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

Section 6. Execution; Authentication. Each Series of the Bonds shall be executed on behalf of the City by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

Section 7. Redemption. A. MANDATORY REDEMPTION. If so provided in the Bond Order relative to same, any of the Bonds of a Series may be issued as Term Bonds and be subject to mandatory redemption, by operation of the respective Bond Fund, on December 15 of the years and in the amounts as shall be set forth in such related Bond Order, at a redemption price of par (without premium) plus accrued interest to the date fixed for redemption.

If the City purchases Term Bonds of a Series and of any maturity and cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds of their Series so redeemed or purchased shall be deducted from the mandatory redemption requirement as provided for Term Bonds of their Series and of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of payment on the Term Bonds of their Series and as due at maturity or subject to mandatory redemption in any year as the City shall at such time determine.

If the City purchases Term Bonds of a Series and of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds of their Series so redeemed or purchased shall be deducted from the amount of such Term Bonds of their Series and as due at maturity or subject to mandatory redemption requirement in any year as the City shall at such time determine.

B. OPTIONAL REDEMPTION. As designated in the Bond Order relative to same, Bonds of any Series may be made subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part, on any date specified, and if in part, in any order of maturity (and, if applicable, in any order of mandatory redemption payments) as selected by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of not to exceed 102% of the principal amount redeemed, plus accrued interest to the date fixed for redemption. As provided in the related

Bond Order, some portion or all of the Bonds of any Series may be made not subject to optional redemption.

Section 8. Redemption Procedure. The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows.

1. *Redemption Notice.* For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed to redeem the Term Bonds without any further order or direction from the City whatsoever. For an optional redemption, the City shall, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount and maturities of Bonds to be redeemed.

2. *Selection of Bonds within a Maturity.* For purposes of any redemption of less than all of the Bonds of a single Series and maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection (1) upon or prior to the time of the giving of official notice of redemption, or (2) in the event of a refunding or defeasance, upon advice from the City that certain Bonds have been refunded or defeased and are no longer Outstanding as defined.

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

redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, 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 such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office designated for that purpose of the Bond Registrar.

4. *Conditional Redemption.* Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City,

state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

5. *Bonds Shall Become Due.* Official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, subject to the stated condition in paragraph (4) immediately preceding, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

6. *Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver.* Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the

Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice, so long as the Bonds are held in book entry form, notice may be given as provided in the Representation Letter, and the giving of such notice shall constitute a waiver by DTC and the book entry owner, as registered owner, of the foregoing notice. After giving proper notification of redemption to the Bond Registrar, as applicable, the City shall not be liable for any failure to give or defect in notice.*

7. *New Bond in Amount Not Redeemed.* Upon surrender for any partial redemption of any Bond of a Series, there shall be prepared for the registered owner a new Bond or Bonds of like tenor and Series, of Authorized Denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

8. *Effect of Nonpayment upon Redemption.* If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall become due and payable on demand, as aforesaid, but, until paid or duly provided for, shall continue to bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

9. *Bonds to Be Cancelled; Payment to Identify Bonds.* All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, *the Bonds* being redeemed with the proceeds of such check or other transfer.

10. *Additional Notice.* The City agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange

Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however*, that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the City (unless a separate agreement shall be made), (3) not be a condition precedent of a valid redemption or a part of the Bond contract, and (4) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the City with respect to *the Bonds*, which may contain other provisions relating to notice of redemption of Bonds.

11. *Bond Registrar to Advise City.* As part of its duties hereunder, the Bond Registrar shall prepare and forward to the City a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

Section 9. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. The City shall cause the Bond Register to be kept at the principal office maintained for the purpose by the Bond Registrar, which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or

an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like Series and tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, that the principal amount of Bonds of each Series and each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such Series and such maturity less the amount of such Bonds which have been paid.

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

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 10. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend “See Reverse Side for Additional Provisions” shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[FORM OF BOND - FRONT SIDE]

REGISTERED
No. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTIES OF MADISON AND ST. CLAIR
CITY OF COLLINSVILLE
[TAXABLE] GENERAL OBLIGATION REFUNDING BOND, SERIES 20__ [SERIES LETTER
DESIGNATION]

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: ____% Date: December 15, _____ Date: _____, 2017 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the City of Collinsville, Madison and St. Clair Counties, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the "*City*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above ([without right of][subject to right of] prior redemption), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 15 and December 15 of each year, commencing _____, 2018, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the principal office maintained for the purpose by _____, having trust offices in

_____, _____, as paying agent (the “*Bond Registrar*” or “*Paying Agent*”).

Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the applicable Record Date. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the City and the Bond Registrar for so long as this Bond is held by The Depository Trust Company, New York, New York, the Depository, or nominee, in Book Entry Form as provided for same.

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

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the City of Collinsville, Madison and St. Clair Counties, Illinois, by its City Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

Mayor, City of Collinsville
Madison and St. Clair Counties, Illinois

ATTEST:

City Clerk, City of Collinsville
Madison and St. Clair Counties, Illinois

[SEAL]

Date of Authentication: _____, 2017

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the [Taxable] General Obligation Refunding Bonds, Series 20__, having a Dated Date of _____, 2017, of the City of Collinsville, Madison and St. Clair Counties, Illinois.

_____,
as Bond Registrar

By _____
Authorized Officer

Bond Registrar and Paying Agent:

_____, _____

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$_____ issued by the City for the purpose of paying costs of the Refunding of the Series [2007B] [2009] Bonds, and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (as supplemented by the related Bond Order authorized therein and executed in connection therewith, the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, (such code and powers being the “*Act*”), and with the Ordinance, which has been duly passed by the City Council of the City, approved by the Mayor, and published, in all respects as by law required.

This Bond is subject to provisions relating to registration, transfer and exchange; and such other terms and provisions relating to security and payment as are set forth in the Ordinance, to which reference is hereby expressly made, and to all the terms of which the Registered Owner hereof is hereby notified and shall be subject.

[Term Bond provisions, as needed.]

[The Bonds coming due on and after December 15, 20__, are subject to redemption prior to maturity at the option of the City on December 15, 20__, and any date thereafter, from any available monies, in whole or in part, and if in part, in such principal amounts and from such maturities as the City shall determine, and within any maturity by lot, at a redemption price of par plus accrued interest, upon the terms and conditions and as otherwise provided in the Ordinance.]

[ADD INSURANCE LEGEND HERE, AS NEEDED]

ASSIGNMENT

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

--

Here insert Social Security Number,
Employer Identification Number or
other Identifying Number

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

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

Dated: _____

Signature guaranteed: _____

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

Section 11. Security for the Bonds. The Bonds are a general obligation of the City, for which the full faith and credit of the City are hereby irrevocably pledged, and are payable from the levy of taxes on all of the taxable property in the City, without limitation as to rate or amount.

Section 12. Tax Levy; Abatement. A. TAX LEVY. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there is hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual taxes (the “*Pledged Taxes*”), such levy shall be fully set forth in one or more Bond Orders.

The Pledged Taxes and other moneys on deposit in each Bond Fund and allocable to any of the Series of the Bonds shall be applied solely to pay principal of and interest on such Series of Bonds. Interest on or principal of the Bonds coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

B. ABATEMENT. Each year, upon a determination made by the Corporate Authorities that there are or will be sufficient funds lawfully available for the purpose of paying all or a portion of the interest on and principal of the Bonds during such year or the following year, and so long as the Corporate Authorities have budgeted for the payment of said interest and principal from such funds, the Corporate Authorities may direct the abatement of the Pledged Taxes levied for such year or following year, as may be applicable. This determination and direction for abatement may, but need not be, made a part of the annual budget and appropriation proceedings for the City. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerks in a timely manner to effect such abatement.

A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerks in a timely manner to effect such abatement.

Section 13. Filing with County Clerks. Promptly, as soon as this Ordinance becomes effective, and upon the execution of the first Bond Order, a copy hereof, certified by the City Clerk of the City, shall be filed with the County Clerks, along with such first Bond Order and, in due course, and as may be applicable, any further Bond Orders. Thereupon, the County Clerks shall in and for each of the years provided, ascertain the rate percent required to produce the aggregate Pledged Taxes (the sum of all Bond Orders) levied in each of said years and subject to abatement as provided in Section 12 of this Ordinance; and said County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general purposes of the City; and, subject to abatement as stated hereinabove, in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general purposes for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 14. Sale of Bonds. A. The Designated Officers are hereby authorized to proceed, without any further official authorization or direction whatsoever from the Corporate Authorities, to sell and deliver Bonds in various Series as herein provided, pursuant to the Bond Orders. The Designated Officers shall be and are hereby authorized and directed to sell the Bonds to the Purchaser at not less than 97.0% of the par value of each Series of the Bonds (net of any original issue premium or discount); *provided, however*, that the following conditions shall also be met:

(1) The aggregate compensation to the Purchaser, not including other costs or expenses incurred and approved by the City and paid directly upon delivery of such Series of Bonds, shall not exceed 1.0% of the public offering price of such Series of Bonds.

(2) The municipal advisor for the issuance of the Bonds (the "*Municipal Advisor*") shall provide advice (in the form of written certificate or report) that the terms of the Bonds of such Series are fair and reasonable in light of current conditions in the market for either Tax-exempt or Taxable obligations such as the Bonds of such Series.

(3) The net present value savings derived from any Refunding of Series 2007B (as shown in a written certificate or report delivered by the Municipal Advisor), shall not be less than 2.0% of the face amount of the Series 2007B Bonds in fact so refunded by each respective Series of Tax-exempt Bonds.

(4) The net present value savings derived from any Refunding of Series 2009 (as shown in a written certificate or report delivered by the Municipal Advisor), shall not be less than 2.0% of the face amount of the Series 2009 Bonds in fact so refunded by each respective Series of Taxable Bonds.

Nothing in this Section shall require the Designated Officers to sell the Bonds if in their judgment the conditions in the bond markets shall have markedly deteriorated from the time of adoption hereof, but the Designated Officers shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance shall have been met. Incidental to any sale of a Series of the Bonds, the Designated Officers shall find and determine that no person holding any office of the City either by election or appointment, is in any manner financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in the agreement with the Purchaser for the purchase of the Bonds.

B. Upon the sale of the Bonds, the Designated Officers and any other officers or administrators of the City as shall be appropriate shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, one or more Bond Orders, Preliminary Official Statements, Official Statements, Bond Purchase Agreements, and closing documents; such certifications, tax returns, and documentation as may be required by Bond Counsel. The Preliminary Official Statement relating to the Bonds, such document to be in substantially the form now or to be on file with the City Clerk and available to the Corporate Authorities and to members of the interested public, is hereby in all respects authorized and approved; and the proposed use by the Purchaser of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is also hereby authorized and approved. The Bond Purchase Agreement for the sale of the Bonds to the Purchaser, such document to be in substantially the form now on file with the City Clerk and available to the Corporate Authorities and to members of the interested public, is hereby in all respects authorized and approved. The Designated Officers are hereby authorized to execute

each Bond Purchase Agreement, their execution to constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein. Upon the sale of each Series of the Bonds, the Designated Officers so acting shall prepare a Bond Order for same, which shall include the pertinent details of sale as provided herein, and which shall enumerate the levy of taxes to pay the Bonds, and such shall in due course be entered into the records of the City and made available to the Corporate Authorities. *The authority to sell the Bonds pursuant to any Bond Order as herein provided shall expire on May 25, 2018.*

Section 15. Creation of Funds and Appropriations.

A. There is hereby created the “*General Obligation Refunding Bonds, Series 20__ [Series Letter Designation], Bond Fund*” (the “*Tax-exempt Bond Fund*”), which shall be the fund for the payment of principal of and interest on the Tax-exempt Bonds of all Series. There is hereby created the “*Taxable General Obligation Refunding Bonds, Series 20__ [Series Letter Designation], Bond Fund*” (the “*Taxable Bond Fund*”), which shall be the fund for the payment of principal of and interest on the Taxable Bonds of all Series. Accrued interest, if any, received upon delivery of a Series of the Bonds shall be deposited into the respective Bond Fund and be applied to pay first interest coming due on such Series of the Bonds.

B. The Pledged Taxes shall either be deposited into the respective Bond Fund and used solely and only for paying the principal of and interest on said Series of the Bonds or be used to reimburse a fund or account from which advances to such Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in each Bond Fund shall be retained in each Bond Fund for payment of the principal of or interest on such Series of the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. The City hereby pledges, as

equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes on deposit in the respective Bond Fund for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Corporate Authorities to transfer certain interest income or investment profit earned in the respective Bond Fund to other funds of the City, as described in the preceding sentence.

C. The amount of proceeds of the Tax-exempt Bonds of each Series, as is necessary, together with such money in the debt service fund for the Series 2007B Bonds being refunded as may be advisable for the purpose, shall be used to provide for the refunding of the Series 2007B Bonds being refunded, including the payment of such expenses as may be designated, and the amount of proceeds of the Taxable Bonds of each Series, as is necessary, together with such money in the debt service fund for the Series 2009 Bonds being refunded as may be advisable for the purpose, shall be used to provide for the refunding of the Series 2009 Bonds being refunded, including the payment of such expenses as may be designated, all pursuant to the provisions of one or more Escrow Agreements, substantially in the form attached hereto as *Exhibit A*, made a part hereof by this reference, and hereby approved; the officers appearing signatory to any Escrow Agreement are hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding. The Purchaser, the Escrow Agent, and Municipal Advisor, be and the same are each hereby authorized to act as agent for the City in the purchase of the Government Securities or other investments described and set forth in the Escrow Agreement. Subject only to the delivery of the Bonds, the Refunded Bonds are hereby called for redemption on the date and upon the terms and provisions as provided in the Bond Order and the Escrow Agreement as relates thereto.

D. The sum necessary, as determined by the Designated Officers, of the principal proceeds of each Series of the Tax-exempt Bonds shall be deposited into a separate and segregated fund for each such Series of Tax-exempt Bonds, hereby created, to be known as the “Tax-exempt General Obligation Refunding Bonds, Series 20__ [Series Letter Designation] Expense Fund” (the “*Tax-exempt Bond Expense Fund*”) and shall be disbursed by the Purchaser at the delivery of such Series of the Tax-exempt Bonds or thereafter be used by the Treasurer to pay costs of issuance of such Series of the Tax-exempt Bonds in accordance with normal City disbursement proceeds. Any funds remaining to the credit of the Tax-exempt Bond Expense Fund on the date which is six months following the date of delivery of such Series of the Tax-exempt Bonds shall be transferred by the Treasurer to the Tax-exempt Bond Fund. The sum necessary, as determined by the Designated Officers, of the principal proceeds of each Series of the Taxable Bonds shall be deposited into a separate and segregated fund for each such Series of Taxable Bonds, hereby created, to be known as the “*Taxable General Obligation Refunding Bonds, Series 20__ [Series Letter Designation] Expense Fund*” (the “*Taxable Bond Expense Fund*”) and shall be disbursed by the Purchaser at the delivery of such Series of the Taxable Bonds or thereafter be used by the Treasurer to pay costs of issuance of such Series of the Taxable Bonds in accordance with normal City disbursement procedures. Any funds remaining to the credit of the Taxable Bond Expense Fund on the date which is six months following the date of delivery of such Series of the Taxable Bonds shall be transferred by the Treasurer to the Taxable Bond Fund.

E. The remaining proceeds of any Series of Bonds, if any, shall be deposited into the respective Bond Fund.

Section 16. Registered Form. The City recognizes that Section 149 of the Code requires the Tax-exempt Bonds to be issued and to remain in fully registered form in order to be

and remain Tax-exempt. In this connection, the City agrees that it will not take any action to permit the Tax-exempt Bonds to be issued in, or converted into, bearer or coupon form.

Section 17. Further Tax Covenants. The City agrees to comply with all provisions of the Code which, if not complied with by the City, would cause the Tax-exempt Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, municipal advisors, attorneys and other persons to assist the City in such compliance.

Section 18. Qualified Tax Exempt Obligations. (A) If affirmed in a Bond Order for a Series of Tax-exempt Bonds, the following shall apply in connection with the Tax-exempt Bonds so issued. The Designated Officer may designate each of the Tax-exempt Bonds as a “*qualified tax-exempt obligation*” for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the Designated Officers may certify that (i) none of the Tax-exempt Bonds will be at any time a “private activity bond” (as defined in Section 141 of the Code), (ii) as of the date of the Bond Order and in such calendar year, the City has not authorized or issued any tax-exempt obligations of any kind in such calendar year other than the Tax-exempt Bonds, nor have any tax-exempt obligations of any kind been authorized or issued on behalf of the City, and (iii) not more than \$10,000,000 of obligations of any kind (including

the Tax-exempt Bonds) issued by or on behalf of the City during such calendar year will be designated for purposes of Section 265(b)(3) of the Code.

(B) The City is not subject to Control by any entity, and there are no entities subject to Control by the City.

(C) On the date of the Bond Order, the Designated Officers will affirm that, the City does not reasonably anticipate that for such calendar year it will issue any Section 265 Tax-Exempt Obligations (other than the Tax-exempt Bonds) or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. “*Section 265 Tax-Exempt Obligations*” are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, *except for* private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code, and except for bonds issued to currently refund bonds in an amount not greater than the par amount of the bonds so refunded. The City will not issue or permit the issuance on behalf of it or by any entity subject to Control by the City (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations that exceed the aggregate amount of \$10,000,000 during such calendar year unless it first obtains an opinion of an attorney or a firm of attorneys of whose opinions are generally acceptable to purchasers of Tax-exempt bonds (“*103 Counsel*”) to the effect that such issuance will not adversely affect the treatment of the Tax-exempt Bonds as “qualified tax-exempt obligations” for the purpose and within the meaning of Section 265(b)(3) of the Code.

Section 19. Opinion of Counsel Exception. The City reserves the right to use or invest moneys in connection with the Tax-exempt Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 16 through 18 of this Ordinance, *provided* it shall first have received an opinion from Bond Counsel (or, in the event that Bond Counsel is unable or unwilling to provide such opinion, then from another attorney or a firm of attorneys of nationally

recognized standing as bond counsel) to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax-exempt status for the Tax-exempt Bonds.

Section 20. Rights and Duties of Bond Registrar and Paying Agent. If requested by the Bond Registrar or the Paying Agent, or both, any officer of the City is authorized to execute standard forms of agreements between the City and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent hereunder. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar and Paying Agent by acceptance of duties hereunder agree:

- (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;

- (b) as to the Bond Registrar, to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential to the extent permitted by law;

- (c) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;

- (d) as to the Bond Registrar, to furnish the City at least annually a certificate with respect to Bonds canceled and/or destroyed;

- (e) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds;

The City Clerk of the City is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

Section 21. Taxes Previously Levied. The taxes previously levied to pay principal of and interest on the Refunded Bonds, to the extent such principal and interest is provided for from

the proceeds of the Bonds or otherwise as hereinabove described, shall be abated. The filing of a certificate of abatement with the County Clerks shall constitute authority and direction for said County Clerks to make such abatement. Any of such taxes which have been collected or cannot yet be abated shall be applied either to the payment of amounts due on the respective series of Refunded Bonds or the respective Series of Bonds.

Section 22. Defeasance. Any Bond or Bonds which (a) are paid and canceled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Paying Agent or similar institution having trust powers to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this Section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

Section 23. Continuing Disclosure Undertaking. Any Designated Officer is hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in substantially the same form as previously executed by the City. When such Continuing Disclosure Undertaking is executed and delivered on behalf of the City, it will be binding on the City and the officers,

agents, and employees of the City, and the same are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing Disclosure Undertaking as executed and delivered. Notwithstanding any other provisions hereof, the sole remedies for failure to comply with such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause to the City to comply with its obligations thereunder.

Section 24. Bond Insurance. In the event the payment of principal of and interest on the Bonds is insured pursuant to a municipal bond insurance policy (a “*Municipal Bond Insurance Policy*”) issued by a bond insurer (a “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Bond Insurer when holding Bonds, amendment hereof, or other terms, as approved by the President of the Board on advice of counsel, his approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 25. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 26. Superseder. All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

ADOPTED: November 27, 2017

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED: November 27, 2017

Mayor, City of Collinsville,
Madison and St. Clair Counties, Illinois

Published in pamphlet form by authority of the City Council on November 27, 2017.

ATTEST:

City Clerk, City of Collinsville
Madison and St. Clair Counties, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF MADISON)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Collinsville, Madison and St. Clair Counties, Illinois (the “City”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the “*Corporate Authorities*”) thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 27th day of November, 2017, insofar as the same relates to the adoption of an ordinance entitled:

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

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

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

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this
27th day of November, 2017.

City Clerk

[SEAL]

CITY CLERK TO ATTACH AGENDA

STATE OF ILLINOIS)
) SS
COUNTY OF MADISON)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Collinsville, Madison and St. Clair Counties, Illinois (the “*City*”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the City and of the City Council (the “*Corporate Authorities*”) thereof.

I do further certify that on the ____ day of November, 2017, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of an ordinance of the City providing for the issuance of General Obligation Refunding Bonds and Taxable General Obligation Refunding Bonds, of the City and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City this ____ day of November, 2017.

[SEAL]

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF MADISON)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Madison, Illinois, and as such officer I do hereby certify that on the ____ day of December, 2017, there was filed in my office a properly certified copy of an ordinance passed by the City Council of the City of Collinsville, Madison and St. Clair Counties, Illinois, on the 27th day of November, 2017, and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Madison, Illinois, this ____ day of December, 2017.

County Clerk of The County of
Madison, Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF ST. CLAIR)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of St. Clair, Illinois, and as such officer I do hereby certify that on the ____ day of December, 2017, there was filed in my office a properly certified copy of an ordinance passed by the City Council of the City of Collinsville, Madison and St. Clair Counties, Illinois, on the 27th day of November, 2017, and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$475,000 General Obligation Refunding Bonds, in one or more series, and not to exceed \$1,950,000 Taxable General Obligation Refunding Bonds, in one or more series, of the City of Collinsville, Madison and St. Clair Counties, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds, and authorizing the execution of one or more escrow agreements and bond orders in connection therewith.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of St. Clair, Illinois, this ____ day of December, 2017.

County Clerk of The County of St. Clair,
Illinois

[SEAL]