

FILEDORDINANCE NUMBER F-0259

JUL 08 1998

AN ORDINANCE providing for the issuance of Taxable General Obligation Bonds, Series 1998A, of the City of Wheaton, DuPage County, 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.


 DuPage County Clerk

WHEREAS, the City Council (the "*Corporate Authorities*") of the City of Wheaton, DuPage County, Illinois (the "*City*"), have heretofore determined that it is necessary and advisable for the public health, safety, welfare, and convenience of residents of the City that the City undertake a redevelopment project and have heretofore approved a redevelopment plan (the "*Plan*") and designated a redevelopment project area (the "*Project Area*") for that portion of the City known as the Downtown Wheaton Redevelopment Project Area, and have further adopted tax increment allocation financing and established a special tax allocation fund (the "*Fund*") for the Project Area, all as authorized by the Tax Increment Allocation Redevelopment Act, as amended (the "*TIF Act*"); and

WHEREAS the City has heretofore issued and there are now outstanding certain Taxable General Obligation Bonds, Series 1995B (the "*Prior Bonds*"); and

WHEREAS, the City Council (the "*Corporate Authorities*") has heretofore and it hereby is determined that it is advisable and necessary and in the best interests of the City that a portion (the "*Refunded Bonds*") of the Prior Bonds be refunded in order to achieve a debt service savings and to restructure the indebtedness evidenced by the Prior Bonds (the "*Refunding*"); and

WHEREAS, pursuant to Division 6 of Article VII of the 1970 Constitution of the State of Illinois the City is a home rule unit, and as such the City is authorized to issue its full faith and credit obligations without first submitting the question of issuing such obligations to referendum approval; and

WHEREAS, pursuant to the TIF Act, as supplemented by the Local Government Debt Reform Act, as amended, the City may rely upon its home rule powers to issue general obligation bonds and further secure said bonds by pledging the monies on deposit in and to the credit of the Fund to the payment of said obligations; and

WHEREAS, the Corporate Authorities do hereby determine that it is advisable and in the best interests of the City to borrow \$2,005,000 at this time for the purpose of paying the cost of the Refunding and, in evidence of such borrowing, issue its full faith and credit tax increment allocation bonds in the principal amount of \$2,005,000:

NOW, THEREFORE, Be It Ordained by the City Council of the City of Wheaton, DuPage County, 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:

"Act" means, collectively, Division 6 of Article VII of the 1970 Constitution of the State of Illinois, as supplemented by the Tax Increment Allocation Redevelopment Act of the State of Illinois, as supplemented and amended, and specifically as supplemented by the Local Government Debt Reform Act and the other Omnibus Bond Acts, as supplemented and amended.

"Additional Bonds" means any bonds issued in the future on a parity with and sharing ratably and equally in the Incremental Taxes with the Bonds.

"Bond" or *"Bonds"* means one or more, as applicable, of the Taxable General Obligation Bonds, Series 1998A, authorized to be issued by this Ordinance.

"Bond Counsel" means Chapman and Cutler, Chicago, Illinois.

"Bond Fund" means the Principal and Interest Account expressly continued in Section 13 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 LaSalle National Bank, Chicago, Illinois, and successors or assigns.

"City" means the City of Wheaton, DuPage County, Illinois.

"Corporate Authorities" means the City Council of the City.

"County" means The County of DuPage, Illinois.

"County Clerk" means the County Clerk of the County.

"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 Officer" means the Mayor, Clerk, or Treasurer of the City, or successors or assigns.

"Escrow Agent" means LaSalle National Bank, Chicago, Illinois.

"Escrow Agreement" means that certain escrow agreement by and between the City and the Escrow Agent and dated as of July 1, 1998, as hereinafter provided.

"Full Faith and Credit Taxes" means the unlimited ad valorem taxes levied by and under this Ordinance on all of the taxable property in the City, sufficient to pay all principal of and interest on the Bonds when due.

"Government Obligations" means direct, full faith and credit obligations of the United States of America.

"Incremental Taxes" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Project Area over and above the Total Initial Equalized Assessed Value of each such piece of property, all as determined by the County Clerk in accord with Section 11-74.4-9 of the Act.

"Interest Requirement" means, for any Bonds and for any Bond Year, the aggregate amount of interest payable on such Bonds and any Additional Bonds during such Bond Year.

"Ordinance" means this Ordinance, numbered as set forth on the title page hereof and passed by the Corporate Authorities on the 6th day of July, 1998.

"Outstanding" or *"outstanding"* when used with reference to any Bond or Additional Bonds means a Bond or Additional Bonds which is outstanding and unpaid; *provided, however*, such term shall not include Bonds or Additional Bonds (i) which have matured and for which moneys are on deposit with proper paying agents or are otherwise sufficiently available to pay all principal thereof and interest thereon or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of, redemption premium, if any, and interest on such Bonds or Additional Bonds.

"Paying Agent" means LaSalle National Bank, Chicago, Illinois, and successors or assigns.

"Plan" means the redevelopment plan heretofore approved by the Corporate Authorities for the Project Area, as amended or supplemented from time to time.

"Pledged Taxes" means the Series B Full Faith and Credit Taxes and the Incremental Taxes together.

"Principal Requirement" means, for any Bonds and for any Bond Year, the aggregate principal amount of the Bonds and any Additional Bonds having a Stated Maturity during such Bond Year.

"Project Area" means the Downtown Wheaton Redevelopment Project Area heretofore designated by the Corporate Authorities in and for the City.

"Purchase Price" means the amount of \$1,988,960, paid by the Purchaser for the Bonds.

"Purchaser" means Bernardi Securities, Inc., Chicago, Illinois.

"Qualified Investments" means any investments as may be from time to time authorized for City monies under Illinois law.

"Record Date" means the fifteenth day of the calendar month next preceding any regularly scheduled interest payment date, and for any interest payment date occasioned by the redemption of Bonds on other than a regularly scheduled interest payment date, the fifteenth day prior to said redemption date.

"Refunded Bonds" means that portion of the \$3,000,000 original principal amount Taxable General Obligation Bonds, Series 1995B, heretofore issued by the City and now outstanding and identified in the Escrow Agreement as the Refunded Bonds.

"Refunding" means the advance refunding of the Refunded Bonds so identified in the preambles hereto.

"Special Tax Allocation Fund" or *"Fund"* means the Special Tax Allocation Fund for the Downtown Wheaton Redevelopment Project Area, which is a special tax allocation fund for the Project Area heretofore established pursuant to Section 11-74.4-8 of the Act and continued and further described by Section 13 of this Ordinance.

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

"Tax Year" means, for any year for which 1998A Full Faith and Credit Taxes are herein levied, the year in which such 1998A Full Faith and Credit Taxes are to be extended for collection.

"Total Initial Equalized Assessed Value" means the total initial equalized assessed value of the taxable real property in the Project Area as determined by the County Clerk in accordance with Section 11-74.4-9 of the Act.

"Treasurer" means the Treasurer of the City.

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, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds. It is hereby found and determined that

such borrowing of money is for a proper public purpose or purposes, is in the public interest, and is authorized pursuant to the Act.

Section 4. Bond Details. For the purpose of providing for the payment of a part of the costs of the Refunding, and to pay all related costs and expenses incidental thereto, there shall be issued and sold the Bonds in the aggregate principal amount of \$2,005,000. The Bonds shall each be designated "Taxable General Obligation Bond, Series 1998A"; be dated July 1, 1998 (the "Dated Date"); and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form, shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar, and shall become due and payable serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows (subject, however, to the right of prior redemption as hereinafter stated):

| YEAR | AMOUNT (\$) | RATE (%) |
|------|-------------|----------|
| 2003 | 15,000 | 6.00 |
| 2004 | 15,000 | 6.00 |
| 2005 | 15,000 | 6.05 |
| 2006 | 15,000 | 6.10 |
| 2007 | 15,000 | 6.15 |
| 2008 | 215,000 | 6.15 |
| 2009 | 240,000 | 6.15 |
| 2010 | 265,000 | 6.15 |
| 2011 | 310,000 | 6.15 |
| 2014 | 900,000 | 6.20 |

Each Bond shall bear interest from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June

1 and December 1 of each year, commencing on December 1, 1998. Interest on each Bond shall be paid by check or draft of the Paying Agent, 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 Record Date, or as otherwise agreed with the Depository. The principal of and redemption premium, if any, due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Paying Agent maintained for the purpose in the City of Chicago, Illinois, or at successor Paying Agent and locality.

Section 5. Book Entry Provisions; Execution; Authentication. **A. Book Entry Provisions.** The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the 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.

B. Execution. 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. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Redemption. The Bonds due on December 1, 2014, are term bonds (the "Term Bonds") and are subject to mandatory redemption by operation of the Principal and Interest Account, at a redemption price of par plus accrued interest to the date fixed for redemption, to be selected by the Bond Registrar by lot in any reasonable manner, on December 1 of the years and in the amounts as follows:

| YEAR | AMOUNT (\$) |
|------|-------------|
| 2012 | 305,000 |
| 2013 | 300,000 |

with \$295,000 payable at Stated Maturity on December 1, 2014.

Whenever Term Bonds are redeemed at the option of the City as hereinafter provided, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of further sinking fund installments or the amount due at Stated Maturity, as shall be determined by the City in the proceedings authorizing such optional redemption, or, in the absence of such determination, shall be credited against the unsatisfied balance of the applicable sinking fund installment next ensuing, and with respect to which notice of redemption has not yet been given.

On or prior to the 60th day preceding any sinking fund installment date, the City may purchase Term Bonds at such prices as the City shall determine. Any Term Bond so purchased shall be canceled and the principal amount thereof shall be credited against the

unsatisfied balance of the next ensuing sinking fund installment of the Term Bonds of the same Stated Maturity as the Term Bonds so purchased.

The Bonds maturing on December 1, 2009, and thereafter, are also subject to redemption prior to maturity at the option of the City, in whole or in part, from any available funds, and if in part, in such principal amounts and from such maturities as determined by the City and within any maturity by lot as selected by the Bond Registrar as hereinafter provided, on December 1, 2008, and on any date thereafter, at a redemption price of par plus accrued interest to the date fixed for redemption.

The City shall, at least 45 days prior to the 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 maturities and principal amounts of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date 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 promptly notify the City and the Paying Agent 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 registered or certified 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 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 principal corporate trust office of the Paying Agent.

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

Such additional notice and information as shall be agreed upon with the Depository shall be provided so long as the Bonds are held by the Depository.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price), such Bonds or portions of Bonds shall cease

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

Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent 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. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

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

Additional further notice shall be given by the Bond Registrar on behalf of the City as set out below, but no defect in said further notice nor any failure to give all or any portion

of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

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

Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now including Depository Trust Company of New York, New York, the Midwestern Securities Trust Company of Chicago, Illinois, and Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services, chosen in the discretion of the Bond Registrar, that disseminate notice of redemption of obligations such as the Bonds.

Each further notice of redemption shall be published one time in a financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 30 days prior to the date fixed for redemption.

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.

As part of their respective duties hereunder, the Bond Registrar and Paying Agent shall prepare and forward to the City a statement as to notice given with respect to each redemption together with copies of the notices as mailed and published.

Section 7. Registration of Bonds; Persons Treated as Owners. The City shall cause the Bond Register to be kept at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, 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 corporate trust office of 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 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 or the giving of notice of redemption of Bonds to the opening of business on the relevant interest payment or redemption date or to transfer or exchange any Bond all or a portion of which has been called for redemption.

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*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for 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 to any registered owner of Bonds 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 8. Security. The City hereby pledges the Incremental Taxes and the 1998A Full Faith and Credit Taxes to secure the Bonds. The Bonds, together with the interest and any premium thereon, are payable from the collection of the Incremental Taxes and the amounts on deposit in the various funds and accounts of the Special Tax Allocation Fund as hereinafter provided and are further secured by the full faith and credit of the City and the City's levy of the 1998A Full Faith and Credit Taxes.

Section 9. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however*, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then the second paragraph of the front side of the Bond and the

legend "See Reverse Side for Additional Provisions" shall be omitted and paragraphs on the reverse side of the Bond shall be inserted immediately after the first paragraph on the front side.

[Form of Bond - Front Side]

REGISTERED
NO.REGISTERED
\$

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF DUPAGE
CITY OF WHEATON
TAXABLE GENERAL OBLIGATION BOND
SERIES 1998A

See Reverse Side for
Additional Provisions

| | | | |
|----------|----------|--------------------|-------|
| Interest | Maturity | Dated | |
| Rate: | Date: | Date: July 1, 1998 | CUSIP |

Registered Owner:

| | |
|------------------|---------|
| Principal Amount | Dollars |
|------------------|---------|

KNOW ALL PERSONS BY THESE PRESENTS that the City of Wheaton, DuPage County, 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, 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 1 and December 1 of each year, commencing December 1, 1998, until the Principal Amount is

paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may and shall become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the principal corporate trust office of LaSalle National Bank, Illinois, as bond registrar and paying agent (the "*Bond Registrar*"). 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 Record Date and 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 as otherwise agreed with the Depository for so long as this Bond is held by the Depository in book-entry only 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.

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 Wheaton, DuPage County, 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 Wheaton
DuPage County, Illinois

Attest:

City Clerk, City of Wheaton
DuPage County, Illinois

[SEAL]

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Ordinance and is one of the Taxable General Obligation Bonds, Series 1998A, having a Dated Date of July 1, 1998, of the City of Wheaton, DuPage County, Illinois.

Bond Registrar and Paying Agent:
LaSalle National Bank, Illinois

LaSalle National Bank,
as Bond Registrar

By _____
Authorized Officer

[Form of Bond - Reverse Side]

This bond and each bond of the series of which it forms a part (the "*Bonds*") are issued pursuant to Division 6 of Article VII of the 1970 Constitution of the State of Illinois, as supplemented by Division 74.4 of Article 11 of the Illinois Municipal Code, as supplemented and amended, and particularly as supplemented by the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended (collectively, the "*Act*"). The Bonds are being issued to pay a portion of the cost of refunding in advance of maturity certain Taxable General Obligation Bonds, Series 1995B (the "*Refunded Bonds*"), heretofore issued by the City to pay certain redevelopment project costs in and for the Downtown Wheaton Redevelopment Project Area of the City (the "*Project Area*"), all as more fully described in proceedings adopted by the City Council of the City (the "*Corporate Authorities*") and in an ordinance authorizing the issuance of the Bonds adopted by the Corporate Authorities on June 15, 1998 (the "*Bond Ordinance*"), to all the provisions of which the holder by acceptance of this Bond assents. The principal of and premium, if any, and interest on the Bonds are payable from (i) unlimited ad valorem taxes levied on all of the taxable property in the City sufficient to pay when due all principal of and interest on the Bonds (the "*1998A Full Faith and Credit Taxes*"), (ii) ratably and equally with certain heretofore issued and now outstanding bonds (the "*Prior Bonds*") the (a) Incremental Taxes (as hereinafter defined) and (b) the amounts on deposit in and to the credit of the various funds and accounts of the special tax allocation fund heretofore created for the Project Area pursuant to the Act (the "*Special Tax Allocation Fund*"). Under the Bond Ordinance, the "*Incremental Taxes*" constitute the ad valorem taxes, if any, arising from taxes levied by any and all taxing districts or municipal corporations having the power to tax real property upon taxable real property in the Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real

property in the Project Area over and above the "initial equalized assessed valuation" of each such piece of property as provided in the Act. Under the Bond Ordinance, the Incremental Taxes and the 1998A Full Faith and Credit Taxes constitute, collectively, the "*Pledged Taxes*." Additional Bonds may be issued pursuant to the terms of the Bond Ordinance, provided, however, that no Additional Bonds shall be secured by the 1998A Full Faith and Credit Taxes but shall share ratably and equally with the Bonds and the Prior Bonds solely as to the pledge of the Incremental Taxes. For the prompt payment of this Bond, both principal and interest as aforesaid, at maturity, the Pledged Taxes, including the full faith and credit of the City, are hereby irrevocably pledged.

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, 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 allocation of the Incremental Taxes and the collection of the 1998A Full Faith and Credit Taxes and for depositing the Incremental Taxes into the Special Tax Allocation Fund, and further, that the City will properly account for the Pledged Taxes and will comply with all of the covenants and maintain the funds and accounts as provided by the Ordinance. The 1998A Full Faith and Credit Taxes on deposit in and to the credit of 1998A Full Faith and Credit Taxes Account shall be used first and are pledged for paying the principal of, interest on, and premium, if any, on the Bonds.

The Bonds maturing on December 1, 2014, are term bonds and are subject to mandatory redemption on December 1 of the years 2012 to 2013, inclusive, in the amounts and as provided in the Bond Ordinance.

The Bonds due on December 1, 2009, and thereafter are also subject to redemption prior to maturity, at the option of the City, from any available funds, in whole or in part on any date on or after December 1, 2008, and if in part, in such principal amounts and from such maturities as determined by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the date of redemption.

Unless waived by the Registered Owner of Bonds to be redeemed, notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by registered or certified 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. 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. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and

from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. 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. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

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 the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Bond Registrar in Chicago, Illinois, 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 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 or the giving of notice of redemption of the Bonds to the opening of business on the relevant interest payment or redemption date or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The City, the Bond Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the City, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

PURSUANT TO VARIOUS PROVISIONS OF SECTIONS 103, 141, 148 AND 149 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, INTEREST ON THE BONDS IS NOT EXEMPT FROM THE GROSS INCOME OF THE HOLDERS THEREOF FOR FEDERAL INCOME TAXATION PURPOSES. THE HOLDER OF THIS BOND SHOULD TREAT THE SAME AS SUBJECT TO FEDERAL INCOME TAXATION.

ASSIGNMENT

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

(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 10. 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 direct annual taxes (the "1998A Full Faith and Credit Taxes") in the amounts as follows:

FOR THE YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF:

| | | |
|------|------------|---|
| 1998 | \$ -0- | for interest to and including December 1, 1999 [net of cash on hand] |
| 1999 | -0- | for interest |
| 2000 | -0- | for interest |
| 2001 | -0- | for interest |
| 2002 | 138,690.00 | for principal and interest |
| 2003 | 137,790.00 | for principal and interest |
| 2004 | 136,890.00 | for principal and interest |
| 2005 | 135,982.50 | for principal and interest |
| 2006 | 135,067.50 | for principal and interest |
| 2007 | 334,145.00 | for principal and interest |
| 2008 | 345,922.50 | for principal and interest |
| 2009 | 356,162.50 | for principal and interest |
| 2010 | 384,865.00 | for principal and interest |
| 2011 | 360,800.00 | for principal and interest |
| 2012 | 336,890.00 | for principal and interest |
| 2013 | 313,290.00 | for principal and interest |

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 1998A Full Faith and Credit Taxes. The City and its officers will comply with all present and future applicable laws in order to assure that the 1998A Full Faith and Credit Taxes may be levied, extended and collected as provided herein and deposited into the "1998A Full Faith and Credit Taxes Account" hereby created, which account shall be held by the City as a trust fund for the benefit of the registered owners of the Bonds and shall be held segregated and apart from other funds of the City. In the event that the 1998A Full Faith and Credit Taxes, or any of them, are ever extended for collection, such taxes shall be immediately transmitted by the City upon receipt for deposit into the 1998A Full Faith and Credit Taxes Account and shall be used solely and only to pay the Principal Requirement and the Interest Requirement on the Bonds. Monies to the credit of the 1998A Full Faith and

Credit Taxes Account shall be used first and are pledged solely and only for paying the principal of and interest and applicable premium on the Bonds.

Interest or principal coming due at any time when there are insufficient funds on hand from the 1998A Full Faith and Credit Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the 1998A Full Faith and Credit Taxes herein levied; and when the 1998A Full Faith and Credit Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

Whenever other funds from any lawful source are made available to pay principal of and interest on the Bonds, the Corporate Authorities shall, by proper proceedings, direct the deposit of the same into the Bond Fund and further shall direct the abatement of the 1998A Full Faith and Credit Taxes by the amount so deposited. Additionally, whenever the Incremental Taxes shall have been determined by the Corporate Authorities to be sufficient to pay principal of and interest on the Bonds, by proper proceedings the Corporate Authorities shall direct the abatement of the 1998A Full Faith and Credit Taxes. Proper notification of any such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 11. Filing with County Clerk. Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the City Clerk of the City, shall be filed with the County Clerk, and said County Clerk shall in and for each of the years 1998 to 2013, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied in each of said years and in said County; and said County Clerk shall (to the extent said tax has not been abated as provided herein) extend the same for collection on the tax books in connection with any other taxes that may be levied in said years in and by the City for general corporate purposes of the City; and in said years such annual tax

shall be levied and collected by and for and on behalf of the City in like manner as provided by law for the levy and collection of taxes for general corporate purposes for said years, without limit as to either rate or amount, and in addition to and in excess of all other taxes.

Section 12. Sale of Bonds. The Bonds shall be executed by the officials of the City, as hereinabove provided, as soon as may be after this Ordinance becomes effective, and shall be deposited with the Treasurer and, after due authentication by the Bond Registrar, shall be delivered by said Treasurer to the Purchaser, upon receipt of the Purchase Price therefor; the contract for the sale of the Bonds heretofore entered into is in all respects ratified, approved and confirmed, it being hereby determined that said contract is in the best interests of the City and that no person holding an 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 said contract for the purchase of the Bonds. The Designated Officers are hereby authorized to execute, without further official action or direction by the Corporate Authorities, such offering memoranda or documents and closing documents as shall be required to effectuate the delivery of the Bonds.

Section 13. Special Tax Allocation Fund and Accounts. The Special Tax Allocation Fund is hereby expressly continued. All of the Incremental Taxes, any amounts received from the sale or lease of property acquired or constructed and paid for from proceeds of the Bonds, and any other revenues from any source whatsoever, including, specifically, any payments to the City made in connection with the Refunding by any private user or nongovernmental person, designated to pay principal of, interest on and premium, if any, on the Bonds shall be set aside as collected and be immediately transmitted by the Treasurer for deposit into the Special Tax Allocation Fund which is a trust fund established for the purpose

of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance. The Bonds are secured equally and ratably with the Series A Bonds by a pledge of all of the Incremental Taxes on deposit in the Special Tax Allocation Fund, and such pledge is irrevocable until the Bonds have been paid in full or until the obligations of the City are discharged under this Ordinance.

In accordance with the provisions of the Act, the Incremental Taxes are to be paid to the Treasurer by the officers who collect or receive the Incremental Taxes. Whenever the Treasurer receives any of the Incremental Taxes he or she shall promptly transmit the same for deposit into the Special Tax Allocation Fund. The moneys on deposit in the Special Tax Allocation Fund shall be used solely and only for the purpose of carrying out the terms and conditions of this Ordinance and shall be deposited as hereinafter provided to the following accounts within the Special Tax Allocation Fund:

(a) *The Principal and Interest Account.* The Treasurer shall first credit to and deposit into the Principal and Interest Account the Incremental Taxes and, except as hereinafter provided, such moneys shall be used solely and only for the purpose of paying principal of and interest on the Bonds as the same become due upon maturity, together with any fees in connection therewith.

If, upon any Accounting, there are funds in the Principal and Interest Account in excess of the Principal Requirement and the Interest Requirement, such funds shall first be transferred to the General Account as provided below.

(b) *The General Account.* All moneys remaining in the Special Tax Allocation Fund, after crediting the required amounts to the account hereinabove provided for, shall be credited to the General Account. Moneys on deposit in the General Account shall be transferred first, if necessary, to remedy any deficiencies in

any prior account in the Special Tax Allocation Fund; and, thereafter, subject to the provisions of any agreement hereafter executed by the City and relating to the use thereof, shall be used by the City for one or more of the following purposes, without any priority among them:

- (i) for the purpose of paying any Project Costs; or
- (ii) for the purpose of redeeming any Bonds or Additional Bonds;
- (iii) for the purpose of purchasing any Bonds or Additional Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or
- (iv) for the purpose of refunding, advance refunding or pre-paying any Bonds or Additional Bonds; or
- (v) for the purpose of establishing such reserves, specifically including such debt service reserve or redemption accounts, as may be deemed necessary by the Corporate Authorities, it being the express intent of the Corporate Authorities to reserve unto the City the right to establish such reserve or reserves in order to assure that the 1998A Full Faith and Credit Taxes may be abated in each Tax Year while there are any Outstanding Bonds;
- (vi) for the purpose of distributing such Incremental Taxes to the taxing districts or municipal corporations having the power to tax real property in the Project Area in accordance with the Act or to the City pursuant to any redevelopment agreement; or
- (vii) for the purpose of paying principal of, or premium, if any, or interest on any obligation of the City issued to pay redevelopment project costs for the Project Area whether or not secured by a pledge of the monies to the credit of the Special Tax Allocation Fund;
- (viii) for the purpose of reimbursing the City for any transfer of general corporate funds of the City for purposes relating to the Plan or the Project, including but not limited to funds disbursed for the payment of fees and expenses of the Bond Registrar or any other Project Costs or funds advanced to abate the 1998A Full Faith and Credit Taxes and whether or not such reimbursement occurs in the relevant Tax Year for which such advance was made; or

(ix) for any other purpose related to the redevelopment plan for the Project Area pursuant to the Act.

(c) *Investments.* The moneys on deposit in the Special Tax Allocation Fund and the various accounts therein may be invested by the Treasurer from time to time in Qualified Investments. With no further official action or direction of the Corporate Authorities any such investments may be sold by the Treasurer from time to time as moneys may be needed for the purposes for which the Special Tax Allocation Fund and such accounts have been created. In addition, the Treasurer shall sell such investments when necessary to remedy any deficiency in the Special Tax Allocation Fund or such accounts created therein. All investment earnings shall be attributed to the account within the Special Tax Allocation Fund for which the investment was made.

Section 14. General Covenants. The City covenants and agrees with the registered owners of the Bonds that, so long as any Bonds remain outstanding and unpaid:

(a) The City will punctually pay or cause to be paid the principal of, interest on and premium, if any, to become due in respect of the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof and hereof.

(b) The City will pay and discharge, or cause to be paid and discharged, any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Taxes or any part thereof, or upon any funds in the Special Tax Allocation Fund, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

(c) The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Project Area, the Series B Taxable TIF Project and the Pledged Taxes and will timely file such records and reports with the State as may be required pursuant to the TIF Act. Such books of record and accounts shall at all times during business hours be subject to the inspection of the holders of not less than ten percent (10%) of the aggregate principal amount of Bonds then outstanding, or their representatives authorized in writing.

The City will cause to be prepared within a reasonable period after the close of each fiscal year of the City so long as any of the Bonds are outstanding complete audited financial statements with respect to the preceding fiscal year showing the Pledged Taxes received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the Project Area, including the balances in all funds and accounts relating to the Bonds and the Project Area as of the end of such fiscal year. The City will furnish a copy of such statements to the State and any other information the State shall require as, if and when required under the TIF Act.

(d) The City will preserve and protect the security of the Bonds and the rights of the Bondholders, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

(e) The City will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this

Ordinance and for the better assuring and confirming unto the holders of the Bonds of the rights and benefits provided in this Ordinance.

(f) As long as any Bonds are outstanding, the City will continue to deposit the Incremental Taxes into the Special Tax Allocation Fund. The City covenants and agrees with the purchaser of the Bonds and with the registered owners thereof that so long as any 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 collect the Incremental Taxes. The City and its officers will comply with the Act and with all present and future applicable laws in order to assure that such taxes may be collected as provided herein and deposited into the Special Tax Allocation Fund.

Section 15. Creation of Funds and Appropriations. The sum necessary from the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the "*Expense Fund*" to be held by the City and used to pay expenses of issuance of the Bonds. Disbursements shall be made by the Treasurer from time to time from such fund as necessary.

The sum of principal proceeds of the Bonds as is necessary, together with accrued interest on the Bonds and such money in the debt service funds for the Refunded Bonds as may be advisable for the purpose, shall be used to provide for the Refunding, and the payment of such expenses as may be designated, pursuant to the provisions of an Escrow Agreement with the Escrow Agent as is designated, all in accordance with the provisions of an Escrow Agreement, substantially in the form attached hereto as EXHIBIT A to this Ordinance, made a part hereof by this reference, and hereby approved; the officers appearing signatory to such 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.

Section 16. Additional Bonds. The City reserves the right to issue Additional Bonds from time to time for the purposes authorized in the Plan, without limit.

Section 17. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 18. Supplemental Ordinances. With the consent of the registered owners of not less than 66% in aggregate principal amount of the Bonds at the time outstanding, the City, by the Corporate Authorities may pass an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided that no such modification or amendment shall extend the maturity or reduce the interest rate on or otherwise alter or impair the obligation of the City to pay the principal, interest or redemption premium, if any, at the time and place and at the rate and in the currency provided therein of any Bond without the express consent of the registered owner of such Bond, or permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds, or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification, or deprive the registered owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the taxes pledged thereto without the consent of the registered owners of all the Bonds (as the case may be) then outstanding.

Section 19. Rights and Duties of Bond Registrar. If requested by the Bond Registrar, any Designated Officer is authorized to execute the Bond Registrar's standard

form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder. In addition to the terms of such agreement or agreements and subject to modification thereby, the Bond Registrar by acceptance of duties hereunder agrees:

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

(b) 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) to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer;

(d) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(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.

Section 20. Defeasance. Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with a bank or trust company authorized to keep trust accounts to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited pursuant to an irrevocable escrow or trust agreement with a bank or trust company authorized to keep trust accounts to pay, taking into account investment earnings on such obligations, all principal of and interest on Bonds when due at maturity or as called for

redemption shall cease to have any lien on or right to receive or be paid from the Pledged Taxes, the Special Tax Allocation Fund, or the 1998A Full Faith and Credit Taxes Account 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.

Section 21. Continuing Disclosure. Any Designated Officer is hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in substantially the form attached hereto as EXHIBIT B, to effect compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. 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 22. Taxes Previously Levied. The Refunding is a "crossover refunding." Accordingly, the taxes previously levied to pay principal of the Refunded Bonds, to the extent such principal is provided for from the Escrow Account under the Escrow Agreement as hereinabove described, shall be abated. The filing of a certificate of abatement with the County Clerk shall constitute authority and direction for said County Clerk to make such abatement.

Section 23. 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 and shall be immediately thereafter in full force and effect.

Section 24. Superseder and Effective Date. 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.

AYES: Councilman Gresk; Mayor Pro Tem Eckhoff; Councilman Johnson;
Councilwoman Johnson; and Councilman Mork.

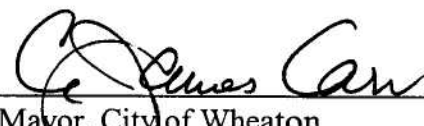
NAYS: None.

ABSENT: Mayor Carr and Councilwoman Davenport.

Motion Carried Unanimously

ADOPTED: July 6, 1998

APPROVED: July 6, 1998

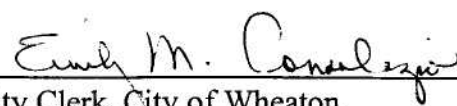


Mayor, City of Wheaton
DuPage County, Illinois

RECORDED In City Records: July 6th, 1998.

PUBLISHED in pamphlet form by authority of the City Council and immediately effective on July 7th, 1998.

Attest:



City Clerk, City of Wheaton
DuPage County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of DuPage, Illinois, and as such officer I do hereby certify that at _____ p.m. on the 8th day of July, 1998, there was filed in my office a properly certified copy of an ordinance, passed by the City Council of the City of Wheaton, DuPage County, Illinois, on the 6th day of July, 1998, and entitled:

AN ORDINANCE providing for the issuance of Taxable General Obligation Bonds, Series 1998A, of the City of Wheaton, DuPage County, 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 that the same has been deposited in 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 DuPage, Illinois, at Chicago, Illinois, this 8th day of July, 1998.

County Clerk of The County of DuPage, Illinois

[SEAL]