
ORDINANCE NUMBER F-0374

AN ORDINANCE providing for the issuance of General Obligation Bonds, Series 1999, 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.

Adopted by the City Council on the
19th day of July, 1999.

TABLE OF CONTENTS

SECTION	HEADING	PAGE
PREAMBLES		1
SECTION 1.	DEFINITIONS	2
SECTION 2.	INCORPORATION OF PREAMBLES	4
SECTION 3.	DETERMINATION TO ISSUE BONDS.....	4
SECTION 4.	BOND DETAILS.....	4
SECTION 5.	BOOK ENTRY PROVISIONS	6
SECTION 6.	EXECUTION; AUTHENTICATION.....	8
SECTION 7.	OPTIONAL REDEMPTION	8
SECTION 8.	REDEMPTION PROCEDURE.	9
SECTION 9.	REGISTRATION AND EXCHANGE OR TRANSFER OF BONDS; PERSONS TREATED AS OWNERS	12
SECTION 10.	FORM OF BOND.....	14
SECTION 11.	SECURITY FOR THE BONDS	20
SECTION 12.	TAX LEVY; ABATEMENT	20
SECTION 13.	FILING WITH COUNTY CLERK	21
SECTION 14.	SALE OF BONDS.....	22
SECTION 15.	CREATION OF FUNDS AND APPROPRIATIONS.	22
SECTION 16.	REIMBURSEMENT.....	24
SECTION 17.	NOT PRIVATE ACTIVITY BONDS.	25
SECTION 18.	REGISTERED FORM.....	25
SECTION 19.	FURTHER TAX COVENANTS.....	25

SECTION 21.	OPINION OF COUNSEL EXCEPTION.....	28
SECTION 22.	RIGHTS AND DUTIES OF BOND REGISTRAR AND PAYING AGENT	28
SECTION 23.	DEFEASANCE.....	29
SECTION 26.	PUBLICATION OF ORDINANCE.....	30
SECTION 26.	SUPERSEDER AND EFFECTIVE DATE.....	31

ORDINANCE NUMBER F-0374

AN ORDINANCE providing for the issuance of General Obligation Bonds, Series 1999, 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.

WHEREAS the City of Wheaton, DuPage County, Illinois (the "City") has a population in excess of 25,000 as determined by the last official census, and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of 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 Council of the City (the "Corporate Authorities") have heretofore and it hereby is determined that it is advisable, necessary and in the best interests of the City and its residents that the City undertake certain capital improvements to its public infrastructure, including, but not limited to, the construction, acquisition and installation of a new public works facility and certain street, roadway and drainage improvements, including, specifically, reconstruction of Weisbrook Road, reconstruction of the Manchester Road Bridge and the acquisition of land for water retention and open space purposes (together with all necessary land and rights in land, professional, legal, engineering, electrical, financial and other services, costs of borrowing, reserves, capitalized interest, if any, and other related costs, the "1999 Capital Improvement Project"); and

WHEREAS, the estimated costs of the 1999 Capital Improvement Project are not less than \$10,000,000 and investment earnings thereon; and

WHEREAS, the City has insufficient funds on hand and lawfully available to pay the costs of the 1999 Capital Improvement Project, and it will be necessary to borrow said amount of \$10,000,000 to pay the same, and in evidence of such borrowing to issue general obligation bonds of the City in the amount of \$10,000,000 (the "Bonds"); and

WHEREAS, the Corporate Authorities have heretofore and it hereby is determined that it is advisable and necessary that such indebtedness be incurred in accordance with the Act as hereinafter defined, and without submitting the question of incurring such indebtedness to the electors of the City for their approval:

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:

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

Bonds

1999 Capital Improvement Project

City

Corporate Authorities

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

"Act" means the Illinois Municipal Code, as supplemented and amended, and also 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" or *"Bonds"* means one or more, as applicable, of the Bonds authorized to be issued by this Ordinance.

"Bond Fund" means the Bond Fund established and defined in Section 15 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 Bank National Association, having principal corporate trust offices in Chicago, Illinois, or successor.

"County Clerk" means the County Clerk of The County of DuPage, Illinois.

"Code" means the Internal Revenue Code of 1986, as amended.

"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 the Mayor, City Clerk, Director of Finance, or City Manager of the City, or successors or assigns.

"Ordinance" means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 19th day of July, 1999.

"Paying Agent" means LaSalle Bank National Association, having principal corporate trust offices in Chicago, Illinois, or successor.

"Purchase Price" means the purchase price paid for the Bonds as hereinafter authorized, to-wit, \$10,197,978.92, being par plus a premium of \$269,868.00 and less an underwriter's discount of \$71,889.08, plus accrued interest.

"Purchaser" means Robert W. Baird & Co. Incorporated, Milwaukee, Wisconsin.

"*Record Date*" means the 15th day of the month next preceding any regularly scheduled interest payment date 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.

"*Tax-exempt*" means, with reference to the Bonds, the status of interest paid and received thereon as not includable in the gross income of the owners thereof for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.

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

Section 2. Incorporation of Preambles. The Corporate Authorities hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and does 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 1999 Capital Improvement Project and to pay all necessary costs thereof, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds 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 costs of the 1999 Capital Improvement Project, there shall be issued and sold the Bonds in the principal amount of \$10,000,000. The Bonds shall each be designated "*General Obligation Bond, Series 1999*." The Bonds shall be dated August 1, 1999 (the "*Dated Date*"); and shall also bear the date of authentication thereof. The Bonds shall be in fully registered book-entry form (hereinafter "*Book Entry 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 (subject to prior redemption) on December 1 of the years and in the amounts and bearing interest at not in excess of the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
2003	400,000	6.375
2004	300,000	6.375
2005	300,000	6.375
2006	300,000	6.375
2007	700,000	6.375
2008	500,000	6.375
2009	1,250,000	4.750
2010	1,250,000	4.850
2011	1,250,000	4.900
2012	1,250,000	4.950
2013	1,250,000	5.000
2014	1,250,000	5.050

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, 1999. 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 applicable Record Date, and mailed to the registered owner of the Bond as shown in the Bond Registrar or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with the Depository while the Bonds remain in book-entry only form as hereinafter provided. The principal of the Bonds shall be payable in lawful money of the United

States of America upon presentation thereof at the principal corporate trust office maintained for the purpose of the Paying Agent or at successor Paying Agent and locality.

Section 5. 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.

Section 6. Execution; Authentication. 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. Optional Redemption. The Bonds coming due on and after December 1, 2010, are subject to redemption at the option of the City on December 1, 2008, 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 to the date fixed for redemption.

Section 8. Redemption Procedure. 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 first class 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.

Such additional notice as may be agreed upon with the Depository shall also be given as long as any Bonds are held by the Depository.

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.

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, 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 canceled and destroyed by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice, 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, 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 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 corporate trust office maintained for the purpose of 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 corporate trust office maintained for the purpose 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 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 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 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
COUNTY OF DUPAGE
CITY OF WHEATON
GENERAL OBLIGATION BOND, SERIES 1999

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: Date: December 1, _____ Date: August 1, 1999 CUSIP: _____

Registered Owner: CEDE & Co.

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 (subject to right of prior redemption as hereinafter stated), 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, 1999, 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 corporate trust office

maintained for the purpose of LaSalle Bank National Association, having principal corporate trust offices in the City of Chicago, Illinois, as paying agent (the "*Paying Agent*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by said LaSalle Bank National Association at said location, as bond registrar (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 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.

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.

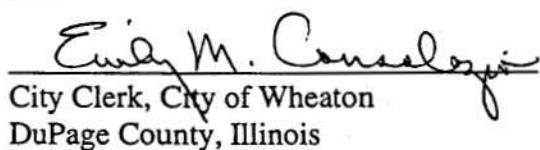
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the City of 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.



James Carr
Mayor, City of Wheaton
DuPage County, Illinois

ATTEST:



Emily M. Connelley
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 General Obligation Bonds, Series 1999, having a Dated Date of August 1, 1999, of the City of Wheaton, DuPage County, Illinois.

LA SALLE BANK NATIONAL
ASSOCIATION
as Bond Registrar

By _____
Authorized Officer

Bond Registrar and Paying Agent:

LaSalle Bank National Association
Chicago, Illinois

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the "Bonds") in the aggregate principal amount of \$10,000,000 issued by the City for the purpose of paying costs of the 1999 Capital Improvement Project, and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (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.

The Bonds coming due on and after December 1, 2010, are subject to redemption prior to maturity at the option of the City on December 1, 2008, 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 Bond Ordinance.

The City has designated this Bond a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code, of 1986, as amended.

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. 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"):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR SUM OF :	
1999	\$ 704,166.67	for interest to and including December 1, 2000
2000	528,125.00	for interest
2001	528,125.00	for interest
2002	928,125.00	for principal and interest
2003	802,625.00	for principal and interest
2004	783,500.00	for principal and interest
2005	764,375.00	for principal and interest
2006	1,145,250.00	for principal and interest
2007	900,625.00	for principal and interest
2008	1,618,750.00	for principal and interest
2009	1,559,375.00	for principal and interest
2010	1,498,750.00	for principal and interest
2011	1,437,500.00	for principal and interest
2012	1,375,625.00	for principal and interest
2013	1,313,125.00	for principal and interest

The Pledged Taxes and other moneys on deposit in the Bond Fund shall be applied to pay principal of and interest on the Bonds.

Interest or principal 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 herein levied; 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.

In the event that funds from any lawful source may be made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Pledged Taxes, the Corporate Authorities shall, by proper proceedings, direct the deposit of such other funds into the Bond Fund, and further shall direct the abatement of the Pledged Taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

Section 13. Filing with County Clerks. 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 1999 to 2013, inclusive, ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years and subject to abatement as provided in said section 12; and said County Clerk 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. The Bonds shall be executed as in this Ordinance provided as soon after the passage hereof as may be, shall be deposited with the City Treasurer, and shall be delivered to the Purchaser upon the payment of the Purchase Price. The contract for the sale of the Bonds to the Purchaser is hereby in all respects ratified, approved and confirmed, it being hereby declared that no person holding any office of the City, either by election or appointment, is in any manner financially interested, either directly in his own name or indirectly in the name of any other person, association, trust or corporation, in such contract.

Upon the sale of the Bonds, the Designated Officers and any other officers 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, a Preliminary Official Statement, Official Statement, an Official Bid Form, and closing documents.

The distribution of the Preliminary Official Statement relating to the Bonds presented before this meeting is hereby in all respects authorized and approved, and the proposed use by the Underwriters 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 hereby approved.

Section 15. Creation of Funds and Appropriations.

A. There is hereby created the "General Obligation Bonds, Series 1999, Bond Fund" (the "Bond Fund"), which shall be the fund for the payment of principal of and interest on the

Bonds. Accrued interest and premium, if any, received upon delivery of the Bonds shall be deposited into the Bond Fund and be applied to pay first interest coming due on the Bonds.

At the time of the delivery of the Bonds, a temporary advance shall be made by the City Treasurer from the General Corporate Fund of the City to the Bond Fund; the amount of such advance shall be the amount necessary to pay interest due on the Bonds up to and including December, 1999. At the time that the taxes levied to pay such interest are collected (first installment of 1999), the amount so advanced from the General Corporate Fund shall be repaid.

B. The Pledged Taxes shall either be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the 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 the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on 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 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 Bond Fund to other funds of the City, as described in the preceding sentence.

C. From the principal proceeds of the Bonds, the sum necessary, as determined by the Designated Officers, shall be used to pay costs of the 1999 Capital Improvement Project and to that end shall be deposited into a separate and segregated account of the City, hereby created, and to be known as the "*1999 Capital Improvement Project Fund*" (the "*Project Fund*"). Monies on deposit in and to the credit of the Project Fund shall be disbursed from time to time as

needed by the Director of Finance of the City, without further official action or direction of the Corporate Authorities, in accordance with normal City procedures for disbursements of corporate funds for capital projects. Upon the completion of the 1999 Capital Improvement Project, as certified to the Designated Officers by the architect or engineer in responsible charge of the 1999 Capital Improvement Project, remaining funds, if any, on deposit in and to the credit of the Project Fund shall be transferred by the Director of Finance of the City, without further official action of or direction by the Corporate Authorities, to the Bond Fund. Monies on deposit in and to the credit of the Project Fund may be invested by the Director of Finance of the City in any investments lawful under Illinois law for City funds, without further official action of or direction by the Corporate Authorities.

D. Accrued interest, and capitalized interest, if any, received upon the sale of the Bonds shall be deposited in the Bond Fund or the Project Fund, as the Designated Officers, or any two of them, shall direct. The sum necessary, as determined by the Designated Officers, of the principal proceeds of the Bonds shall be deposited into a separate and segregated fund, hereby created, to be known as the "*Expense Fund*" (the "*Expense Fund*") and shall be used by the Director of Finance of the City to pay costs of issuance of the Bonds in accordance with normal City disbursement procedures. Any funds remaining to the credit of the Expense Fund on the date which is six months following the date of delivery of the Bonds shall be transferred by the Director of Finance of the City to the Bond Fund.

Section 16. Reimbursement. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the Capital Improvement Project or expenditures for which an intent to reimburse it as properly declared under Treasury Regulations Section 1.150-2.

Section 17. Not Private Activity Bonds. None of the Bonds is a "private activity bond" as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

- A. No portion of the 1999 Capital Improvement Project will be used, directly or indirectly, by any nongovernmental person for any private business use.
- B. No direct or indirect payments are to be made on any Bond with respect to any private business use by any person other than a state or local governmental unit.
- C. None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.
- D. No user of the 1999 Capital Improvement Project, other than the City or another governmental unit, will use or has used the same on any basis other than the same basis as the general public; and no person other than the City or another governmental unit will be a user or has been a user of the 1999 Capital Improvement Project as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract, or (iii) any other arrangement.

Section 18. Registered Form. The City recognizes that Section 149 of the Code requires the 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 Bonds to be issued in, or converted into, bearer or coupon form.

Section 19. 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 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,

B. Including the Bonds, the City (including any entities subordinate thereto) has not and does not reasonably expect to issue in excess of \$10,000,000 in Tax-exempt obligations during calendar year 1999.

C. Including the Bonds, not more than \$10,000,000 of obligations issued by the City (including any entities subordinate thereto) during the calendar year 1999 have been to date or will be designated by the City for purposes of said Section 265(b)(3).

Section 21. Opinion of Counsel Exception. The City reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 16 through 20 herein, *provided* it shall first have received an opinion from an 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 Bonds.

Section 22. 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 23. 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 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 Pledged Taxes 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.

covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the Bonds; (c) to consult with such 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, financial advisors, attorneys and other persons to assist the City in such compliance.

The City further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits" (the "*Rebate Requirement*") to the United States:

A. Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.

B. Relating to applicable exceptions, the City Treasurer or the Mayor is hereby authorized to make such elections under the Code as either such officer shall deem reasonable and in the best interests of the City. If such election may result in a "penalty in lieu of rebate" as provided in the Code, and such penalty is incurred (the "*Penalty*"), then the City shall pay such Penalty.

C. The Designated Officers shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a "1999 General Obligation Bonds Rebate [or Penalty, if applicable] Fund" (the "*148 Compliance Fund*") for the Bonds, and such officers shall further, not less frequently than annually, cause to be transferred to the 148 Compliance Fund the amount determined to be the accrued liability under the Rebate Requirement or Penalty. Said Designated Officers shall cause to be paid to the U.S., without further order or direction from the Corporate Authorities, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

D. Interest earnings in the Bond Fund are hereby authorized to be transferred, without further order or direction from the Corporate Authorities, from time to time as required, to the 148 Compliance Fund for the purposes herein provided; and proceeds of the Bonds and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only as appropriated by the Corporate Authorities.

The City also certifies and further covenants with the Purchaser and registered owners of the Bonds from time to time outstanding that moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

Section 20. Qualified Tax Exempt Obligations. The City further recognizes the provisions of Section 265(b)(3) of the Code which provide that a "qualified tax-exempt obligation" as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, as amended, for certain purposes. The City hereby designates each of the Bonds as may be from time to time outstanding for purposes of said Section 265(b)(3) as a "qualified tax-exempt obligation" as provided therein.

In support of such designation, the City certifies, represents and covenants as follows:

A. None of the Bonds is a "private activity bond" as defined in Section 141(a) of the Code.

Section 24. Continuing Disclosure Undertaking. Any Designated Officer is hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in substantially the form attached hereto as EXHIBIT A, 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 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 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.

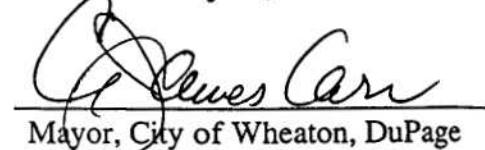
ADOPTED: July 19, 1999

AYES: Councilman Mork, Councilwoman Davenport, Councilman Gresk, Mayor Carr, Councilman Johnson

NAYS: None

ABSENT: Councilman Eckhoff, Councilwoman Johnson

APPROVED: July 19, 1999



Mayor, City of Wheaton, DuPage
County, Illinois

Published in pamphlet form by authority of the City Council on July 20, 1999.

ATTEST:

Emily M. Consalvo

City Clerk, City of Wheaton
DuPage County, Illinois