
ORDINANCE NUMBER F-0994

AN ORDINANCE providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, of the City of Wheaton, DuPage County, Illinois, authorizing the execution of a bond order 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 24th day of January, 2005.

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This Table of Contents is for convenience only and is not a part of the Ordinance.

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WHEREAS

A. By virtue of its population, the City of Wheaton, DuPage County, Illinois (the "City"), 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.

B. 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.

C. The City has heretofore issued the following outstanding and validly subsisting and unpaid general obligations:

GENERAL OBLIGATION BONDS, SERIES 1998

Original Principal Amount: \$4,750,000.

Dated June 15, 1998.

Originally Due Serially December 1, 2001, through 2015.

Amount possibly to be refunded: \$4,280,000.

Series 1998 Bonds Due December 1 as follows:

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YEAR	AMOUNT (\$)	RATE (%)	AMOUNT ELIGIBLE TO BE REFUNDED (\$)
2005	100,000	4.35	100,000
2006	110,000	4.35	110,000
2007	125,000	4.35	125,000
2008	150,000	4.375	150,000
2009	200,000	4.40	200,000
2010	300,000	4.45	300,000
2011	400,000	4.50	400,000
2012	455,000	4.55	455,000
2013	650,000	4.60	650,000
2014	1,000,000	4.625	1,000,000
2015	1,000,000	4.65	1,000,000

of which bonds (the "*Series 1998 Bonds*"), those to be refunded (the "*Refunded 1998 Bonds*") mature on and after December 1, 2007, and are subject to redemption on their December 1, 2006, call date at the redemption price of par plus accrued interest.

GENERAL OBLIGATION BONDS, SERIES 1999

Original Principal Amount: \$10,000,000.

Dated August 1, 1999.

Originally Due Serially December 1, 2003, through 2015.

Amount possibly to be refunded: \$6,250,000.

Series 1998 Bonds Due December 1 as follows:

YEAR	AMOUNT (\$)	RATE (%)	AMOUNT ELIGIBLE TO BE REFUNDED (\$)
2005	300,000	6.375	300,000
2006	300,000	6.375	300,000
2007	700,000	6.375	700,000
2008	500,000	6.375	500,000
2009	1,250,000	4.75	1,250,000
2010	1,250,000	4.85	1,250,000
2011	1,250,000	4.90	1,250,000
2012	1,250,000	4.95	1,250,000
2013	1,250,000	5.00	1,250,000
2014	1,250,000	5.05	1,250,000

of which bonds (the "*Series 1999 Bonds*"), those to be refunded (the "*Refunded 1999 Bonds*") and, together with the Refunded 1998 Bonds, the "*Refunded Bonds*") mature on and after December 1, 2009, and are subject to redemption on their December 1, 2008, call date at the redemption price of par plus accrued interest.

D. The Series 1998 Bonds were issued pursuant to the Tax Increment Allocation Redevelopment Act, as amended (the "*TIF Act*"), to pay certain redevelopment project costs that had been approved by the Corporate Authorities in a redevelopment plan (the "*Plan*") and project (the "*Project*") for that portion of the City known as the Downtown Wheaton Redevelopment Project Area (the "*Project Area*") heretofore designated under the TIF Act and are secured, ratably and equally with certain other outstanding obligations of the City (the "*Prior TIF Bonds*"), by the hereinafter defined Incremental Taxes, which are derived from the Project Area. Incidental to the issuance of the Prior TIF Bonds and the Series 1998 Bonds the City expressly reserved the right to issue "Additional Bonds" without limit which are secured by the Incremental Taxes.

E. The City Council (the "*Corporate Authorities*") has considered and determined that interest rates available in the bond market are currently more favorable for the City than they were at the time when the Refunded Bonds were issued and that it is possible, proper and advisable to provide for the timely refunding, if such favorable rates continue, of the Refunded Bonds, and to provide for the payment and redemption thereof as same become due and at their respective earliest dates of redemption, to the end of taking advantage of the debt service savings which may result from such lower interest rates (which refunding may hereinafter be referred to as the "*Refunding*").

F. Pursuant to the Act as hereinafter defined, the City is authorized to issue general obligation bonds to accomplish the Refunding and it is deemed necessary and desirable to

provide for the issuance of not to exceed \$11,500,000 principal amount general obligation bonds for such purpose and for the purpose of realizing such net debt service savings from the Refunding.

G. The Corporate Authorities hereby determine that it is advisable and in the best interests of the City to borrow not to exceed \$11,500,000 at this time pursuant to the Act for the purpose of paying the costs of the Refunding and, in evidence of such borrowing, issue its full faith and credit bonds in a principal amount not to exceed \$11,500,000.

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.

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

Series 1998

Bonds

City

Corporate Authorities

Plan

Prior TIF Bonds

Project

Project Area

Refunded Bonds

Refunding

TIF Act.

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

"Accounting" means the annual accounting of the Special Tax Allocation Fund to be conducted pursuant to Section 13D of this Ordinance by the Director of Finance each year on or before the last date the Bond Taxes can be abated

"Act" means, collectively, the Illinois Municipal Code, as supplemented and amended, including, with reference to the 2005 TIF Bonds, the TIF Act; 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.

"Additional Bonds" means bonds, notes or other obligations issued subsequent to the Bonds and ratably and equally secured by the Special Tax Allocation Fund with the Prior TIF Bonds and the 2005 TIF Bonds. Additional Bonds shall not be secured by any portion of the Bond Taxes.

"Bond" or *"Bonds"* means one or more, as applicable, of the not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, authorized to be issued by this Ordinance.

"Bond Fund" means the Bond Fund established and defined in Section 16 of this Ordinance.

"Bond Moneys" means the Bond Taxes and any other moneys deposited into the Bond Fund and investment income earned in the Bond Fund.

"Bond Order" means the Bond Order and Notification of Sale as authorized to be executed by the Designated Representatives of the City in Section 15 of this Ordinance and by which the final terms of the Bonds will be established.

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"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, Chicago, Illinois, as bond registrar and paying agent for the Bonds, or successors or assigns.

"Bond Taxes" means the taxes levied on the taxable property within the City to pay principal of and interest on the Bonds as made in Section 13A hereof.

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

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

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

"Designated Officials" means the Mayor acting jointly with the City Comptroller or City Clerk.

"Escrow Agent" means LaSalle Bank National Association, Chicago, Illinois, as escrow agent, or successors and assigns.

"Escrow Agreement" means the agreement by and between the City and the Escrow Agent as authorized in Section 16 hereof and set forth as *Exhibit A*.

"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 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 TIF Act.

"Ordinance" means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 24th day of January, 2005.

"Paying Agent" means LaSalle Bank National Association, Chicago, Illinois, as bond registrar and paying agent for the Bonds, or successors or assigns.

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

"Special Tax Allocation 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 TIF Act and continued and further described in Section 13C of this Ordinance.

"Tax-exempt" means, with respect to the Bonds, the status of interest paid and received thereon as not includible in the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest will be taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations.

"Term Bonds" means Bonds subject to mandatory redemption by operation of the Bond Fund and designated as term bonds in the Bond Order.

"2005 TIF Bonds" means that portion of the Bonds so identified in the Bond Order and issued to pay the costs of the Refunding of the Refunded 1998 Bonds.

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 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 provide for the Refunding to achieve a net debt service savings, 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 necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public

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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 such costs, there shall be issued and sold the Bonds in the principal amount of not to exceed \$11,500,000. The Bonds shall each be designated "*General Obligation Refunding Bond, Series 2005*" or such other name or names or series designation as may be appropriate and as stated in the Bond Order. The Bonds, if issued, shall be issued in an amount not to exceed \$11,500,000, shall be dated such date (not prior to February 1, 2005, and not later than August 1, 2005) as set forth in the Bond Order, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) as shall be set forth in the Bond Order, and in such principal amounts as shall be set forth therein; *provided, however*, that the *sum* of the principal of and interest on such portion of the Bonds allocated to the refunding of the Refunded Bonds due (or subject to mandatory redemption) in any given annual period from December 2 to the following December 1 (a "*Bond Year*") shall not exceed the *sum* of the principal of and interest on the Prior Bonds during the same period, *plus*, in each year, the sum of \$5,000. The Bonds may be issued in one or more series as may be specified in the Bond Order or Bond Orders. Each Bond shall bear interest, at a rate not to exceed six percent (6.00%) per annum, 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 June 1, 2005 or December 1, 2005, or as otherwise provided in the Bond Order or Bond Orders.

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 (the "*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. The Record Date shall be the 15th day of the month next preceding any regular or other interest payment date occurring on the 1st day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the 1st day of a month. The principal of or redemption price due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal office of the Paying Agent maintained for such purpose in the City of Wheaton, Illinois, or at successor Paying Agent and locality.

Section 5. Global Book-Entry System. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds as provided in Section 4 hereof, and the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns ("*DTC*"). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, Comptroller and Clerk of the City are hereby authorized to execute and deliver on behalf of the City such letters to or agreements with DTC and the Bond Registrar as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*").

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With respect to the Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*DTC Participant*") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC 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 (iii) the payment to any DTC 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. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest

with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of Bond certificates and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At the time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a global book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate global book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 11 hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

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. 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 7. Term Bonds, Mandatory Redemption and Covenants. The Bonds may be subject to mandatory redemption (as Term Bonds) as provided in the Bond Order; *provided, however,* that in such event the amounts due as provided for under such mandatory redemption shall be the amounts used to satisfy the test set forth in Section 4 of this Ordinance for the maximum amounts of principal due on the Bonds in any given period. Bonds designated as Term Bonds shall be made subject to mandatory redemption by operation of the Bond Fund at a price of not to exceed par and accrued interest, without premium, on a given date of the years and in the amounts as shall be determined in the Bond Order or Bond Orders. The City covenants that it will redeem any Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds and levy taxes accordingly.

Section 8. Optional Redemption. The Bonds shall also be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part on any date, not longer than ten and one-half (10-1/2) years from the Dated Date, as provided in the Bond Order or Bond Orders, and if in part, in such order of maturities (and, if applicable, order of mandatory redemption payments) as shall be specified in the Bond Order, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, at a redemption price (expressed as a percentage of the principal amount being redeemed) of not to exceed 103% of par plus accrued interest to the date fixed for redemption, as provided in the Bond Order or Bond Orders. Notwithstanding any other provision of this Ordinance, a Bond Order may provide for non-callable Bonds for the first ten and one-half (10-1/2) years.

Section 9. Term Bonds Purchase or Redemption. If the City redeems pursuant to optional redemption as hereinabove provided or purchases Term Bonds of any maturity and cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the City shall determine. If the City redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the City shall determine.

Section 10. Redemption Procedure. For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed without further authorization or direction to provide for such redemption. For optional redemptions, 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. In the event of an optional redemption of less than all of a given maturity of Term Bonds, the City shall also notify the Bond Registrar of the allocation of the amount to be redeemed to the mandatory redemption requirements for such Term Bonds. 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, however*, 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 the full name of the Bonds to be redeemed and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Paying Agent maintained for such purpose.

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 cancelled and destroyed by the Bond Registrar and shall not be reissued.

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 11. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. The City shall cause the Bond Register to be kept at the principal office of the Bond Registrar maintained for the purpose, or at a successor Bond Registrar or locality which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to

prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar maintained for the purpose, 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 or during the period of 15 days preceding the giving of notice of redemption of Bonds 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*, 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, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 12. 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.

REGISTERED
No. _____

REGISTERED
\$ _____

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: Date: December 1, _____ Date: _____, 2005 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount: Dollars

-19-

F- 0944

registration books of the City maintained by _____, in the City of _____, Illinois, as bond registrar (the "*Bond Registrar*"), at the close of business on the applicable Record Date (the "*Record Date*"). The Record Date shall be the 15th day of the month next preceding any regular or other interest payment date occurring on the first day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the first day of a month. 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 Cede & Co., as nominee, or successor, 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.

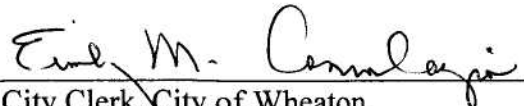
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

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.



Mayor, City of Wheaton
DuPage County, Illinois

ATTEST:



City Clerk, City of Wheaton
DuPage County, Illinois

[SEAL]

Date of Authentication: _____, _____

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Refunding Bonds, Series 2005, having a Dated Date of _____, 2005, of the City of Wheaton, DuPage County, Illinois.

as Bond Registrar

By _____

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$_____ issued by the City for the purpose of paying the costs of refunding certain outstanding bonds of the City (the "*Refunded Bonds*"), 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, collectively, 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.

A portion of the Refunded Bonds was issued pursuant to the Act as supplemented specifically by the Tax Increment Allocation Redevelopment Act, as amended (the "*TIF Act*") (said portion being the "*Refunded 1998 Bonds*"). The Refunded 1998 Bonds are secured, ratably and equally with certain outstanding obligations of the City, by a pledge of the Incremental Taxes (as defined in the Ordinance). That portion of the Bonds (being the "*2005 TIF Bonds*") issued to refund the Refunded 1998 Bonds is also secured, ratably and equally with the Series 1998 Bonds and said prior obligations, by the Incremental Taxes.

Subject to the provisions relating to this Bond remaining in book-entry only form, this 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 Ordinance. Upon surrender for transfer or exchange of this Bond at the principal office maintained for the purpose by the Bond Registrar in the City of _____, 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 for an interest payment to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The Bonds may be subject to optional redemption, and the holder of this Bond shall refer to the provisions of the Ordinance for the terms and provision for notice of 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.

F-0944

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 13. Security for the Bonds; Tax Levy; 2005 TIF Bonds Allocated; Special Tax Allocation Fund; Abatement of Bond Taxes. The Bonds are general obligations of the City for which its full faith and credit and the hereinafter levied Bond Taxes are hereby irrevocably pledged. The 2005 TIF Bonds are further secured, ratably and equally with the Prior TIF Bonds and the Series 1998 Bonds as herein provided, by the Incremental Taxes and the funds on deposit in and to the credit of the Special Tax Allocation Fund, which are hereby irrevocably pledged.

A. BOND TAXES. 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 (the "*Bond Taxes*"). Such levy shall be fully set forth in the Bond Order for the Bonds; and if there shall be more than one series of the Bonds, the levy for each such series shall be set forth in the Bond Order therefore.

The Bond Taxes and other moneys (excepting proceeds of the Bonds) on deposit (collectively, the "*Bond Moneys*") in the Bond Fund shall be applied to pay principal of and interest on the Bonds as follows:

A. Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity or as redeemed pursuant to mandatory redemption from the Bond Fund, or

B. On or before September 10 in each calendar year preceding a December 1 mandatory redemption date in the successive calendar year, Bond Moneys up to the amount of the redemption requirement on such mandatory redemption date plus interest due on Term Bonds on such date may be applied (1) to the purchase of Term Bonds of the maturity for which such mandatory redemption requirement was established at prices

(including commissions and charges, if any) not exceeding par and accrued interest to such December 1 or (2) to the redemption of such Bonds, without premium, pursuant to optional redemption provisions applicable thereto. Upon the purchase or redemption of Term Bonds of any maturity pursuant to this paragraph (B), an amount equal to the principal amount of such Bonds or applicable portion thereof so purchased or redeemed shall be deducted from the next mandatory redemption requirement thereafter to become due on such Bonds and any excess over the amount of such requirement shall be deducted from the future requirement for such Bonds as the City shall determine.

Interest or principal coming due at any time when there are insufficient funds on hand from the Bond Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Bond Taxes herein levied; and when the Bond 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 Bond Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

B. 2005 TIF BONDS ALLOCATED. A portion of the Bonds in the aggregate principal amount as set forth in the Bond Order (the "2005 TIF Bonds") are hereby deemed (i) to be secured by the allocable amount of Bond Taxes as set forth in the Bond Order, (ii) to be issued to pay the costs of the Refunding of the Refunded 1998 Bonds and (iii) to be further secured by the Special Tax Allocation Fund as hereinafter provided. It is hereby expressly determined that the portion of the Bond Taxes allocable to the 2005 TIF Bonds and to be annually abated with

Incremental Taxes as hereinafter provided shall be as set forth in a Schedule to be included in the Bond Order, it being the express intent of the Corporate Authorities that no portion of the Incremental Taxes shall be used to pay any principal of and interest on Bonds other than the 2005 TIF Bonds, all in accordance with the TIF Act.

C. SPECIAL TAX ALLOCATION FUND. The Special Tax Allocation Fund is hereby expressly continued and shall constitute a segregated and separate trust fund for the benefit of the registered owners of the Series 1998 Bonds and the 2005 TIF Bonds, in the priorities of lien as hereinafter provided, and such pledge is irrevocable until the 2005 TIF Bonds have been paid in full or until the obligations of the City relating to the 2005 TIF Bonds are discharged under this Ordinance. All of the Incremental Taxes, any amounts received from the sale of property acquired or constructed and paid for from proceeds of the Series 1998 Bonds, and any other revenues from any source whatsoever designated to pay principal of, interest on and premium, if any, on the 2005 TIF Bonds shall be set aside as collected and be immediately transmitted by the Comptroller 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 2005 TIF Bonds are secured, ratably and equally with the Series 1998 Bonds and certain other prior obligations, by a pledge of all of the Incremental Taxes on deposit in the Special Tax Allocation Fund, and such pledge is irrevocable until the 2005 TIF 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 TIF Act, the Incremental Taxes are to be paid to the City Treasurer by the officers who collect or receive the Incremental Taxes. Whenever the City 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:

1. *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 2005 TIF Bonds and Additional Bonds as the same become due upon maturity or as called for redemption, 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 Interest Requirement, such funds shall be transferred to the General Account as provided below.

2. *The General Account.* All moneys remaining in the Special Tax Allocation Fund, after crediting the required amounts to the accounts 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:

a. for the purpose of paying any redevelopment project costs as permitted under the TIF Act and approved in the Plan; or

b. for the purpose of redeeming any 2005 TIF Bonds or any Additional Bonds;

c. for the purpose of purchasing any 2005 TIF 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

d. 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 relevant Bond Taxes may be abated in each year while there are any outstanding 2005 TIF Bonds;

e. for the purpose of distributing such Incremental Taxes to the taxing districts or municipal corporations, including the City, having the power to tax real property in the Project Area in accordance with the TIF Act or to the City pursuant to any redevelopment agreement; or

f. 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;

g. 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 redevelopment project costs or funds advanced to abate the Bond Taxes and whether or not such reimbursement occurs in the relevant year in which such advance was made; or

h. for any other purpose related to the redevelopment plan for the Project Area pursuant to the TIF Act.

3. *TIF Covenants.* The City covenants and agrees with the registered owners of the 2005 TIF Bonds that, so long as any 2005 TIF Bond remains outstanding and unpaid:

a. 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 Incremental Taxes or any part thereof, or upon any funds in the Special Tax Allocation Fund. 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.

b. 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, the Area and the Incremental 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 2005 TIF 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 2005 TIF Bonds are outstanding complete audited financial statements with respect to the preceding fiscal year showing the Incremental Taxes received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the Area, including the balances in all funds and accounts relating to the 2005 TIF Bonds and the 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.

c. As long as any 2005 TIF Bond remains outstanding, the City will continue to deposit the Incremental Taxes into the Special Tax Allocation Fund. The City covenants and agrees with the Purchasers and registered owners of the 2005 TIF Bonds that so long as any 2005 TIF Bond remains 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 TIF 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

D. ABATEMENT OF BOND TAXES. Bond Taxes may be abated as follows:

1. *Abatement of Bond Taxes Allocable to 2005 TIF Bonds.* Not less than annually, and not later than the last date on which the City is authorized to abate the Bond Taxes, the Director of Finance shall conduct an Accounting to determine the amount then on deposit in and to the credit of the Special Tax Allocation Fund and available for abatement of that portion of the Bond Taxes hereinabove allocated to pay the 2005 TIF Bonds. The Corporate Authorities shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the Bond Taxes by the amount so deposited.

2. *Abatement of Remainder of Bond Taxes.* Whenever other funds from any lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Bond Taxes, the Corporate Authorities shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the Bond Taxes by the amount so deposited.

3. *Procedures Applicable to All Abatements of Bond Taxes.* A certified copy or other notification of any such proceedings abating Bond Taxes shall be filed with the County Clerk in a timely manner to effect such abatement. In the alternative, the Corporate Authorities may, by proper proceedings, authorize a procedure for the deposit of such funds into the Bond Fund by duly authorized officers of the City, which procedure may be self-executing, and may further, accordingly, authorize such officers to abate the Bond Taxes by the amount so deposited from time to time by certificate to the County Clerk, which certificate upon filing shall be full authority for the County Clerk to effect such abatement.

The Corporate Authorities hereby covenant, warrant and represent that no portion of the moneys on deposit in and to the credit of the Special Tax Allocation Fund will be used to abate principal of or interest on any Bonds other than the 2005 TIF Bonds.

Section 14. 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 the County Clerk shall in and for each of the years required ascertain the rate percent required to produce the aggregate tax herein provided to be levied as set forth in a Bond Order for each of the years; and the 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 other taxes 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 taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 15. Sale of Bonds; Bond Order; Bond Series. The Designated Officials are hereby authorized to proceed, without any further authorization or direction whatsoever from the

Corporate Authorities, to sell and deliver the Bonds upon the terms as prescribed in this Section, pursuant to one or more Bond Orders. Each series of Bonds shall be sold and delivered to the Purchaser at the price of not less than 98% of the par value of the principal amount thereof, plus accrued interest to the date of delivery. Such sale shall be made upon the advice (in the form of a written certificate or report) of the Purchasers, that the net interest cost rate on such series of Bonds, calculated in accordance with customary market practice, does not exceed six percent (6.00%) and that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets. As an additional limitation on the sale of the Bonds, each such certificate or report (as hereinabove described) must set forth that the Refunding will provide a present value debt service savings to the City resulting from the issuance of Bonds to refund each maturity, or part of a maturity, of the Refunded Bonds which are chosen to be refunded, which report shall demonstrate that the City will realize a minimum net present value savings of 2% of the debt service on the Refunded Bonds being refunded. The Designated Officials may choose all or any lesser portion of the Refunded Bonds eligible to be refunded, in such manner as will provide such savings. Nothing in this Section shall require the Designated Officials to sell any of the Bonds if in their judgment, aided by the Purchasers, the conditions in the bond markets shall have deteriorated from the time of adoption thereof or the sale of all or any portion of the Bonds shall for some other reason not be deemed advisable, but the Designated Officials shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance and the conditions of this Section shall have been met. As a further exercise of this authority, the Designated Officials may sell the Bonds in more than one series; and, in such event, shall be authorized to change the name of the Bonds for each such series so that such series may properly be identified separately. Further, in such event, the provisions for registration, redemption and exchange of Bonds shall be read as applying to Bonds only of each series, respectively, and not

as between series. Upon the sale of the Bonds or any series of the Bonds, the Designated Officials 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, the Bond Order, Preliminary Official Statement, Official Statement, Bond Purchase Contract (as hereinafter defined), and closing documents. The Designated Officials must find and determine in the Bond Order that no person holding any office of the City either by election or appointment, is in any manner financially interested either directly, in his or her own name, or indirectly in the name of any other person, association, trust or corporation in said Bond Purchase Contract with the Purchaser for the purchase of the Bonds. The distribution of the Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Purchaser of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved. The Designated Officials shall execute a bond purchase contract for the sale of the Bonds to the Purchaser (the "*Bond Purchase Contract*") in the form approved by the attorney for the City. Upon the sale of the Bonds, the Designated Officials shall prepare the Bond Order, which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the City and made available to the Corporate Authorities at the next public meeting thereof. The Designated Officials shall also file with the County Clerk the Bond Order or like document including a statement of taxes. The authority granted in this Ordinance to the Designated Officers to sell Bonds as provided herein shall expire on August 31, 2005.

The Designated Officials are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, said final Official Statement and the Bonds.

Section 16. Creation of Funds and Appropriations.

A. There is hereby created the "*General Obligation Refunding Bonds, Series 2005, 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 or be deposited into the Escrow Account as set forth in the Escrow Agreement.

B. The Bond 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 Bond 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 Bond Taxes 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. The sum of principal proceeds of the Bonds as is necessary, together with 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, in customary form as provided by Bond Counsel and approved by the Corporation Counsel; 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. The City expressly authorizes the use of the Government Obligations in the Escrow Account as may be set forth in the Escrow Agreement.

Section 17. General Arbitrage Covenants. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the City is treated as the "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the Tax-exempt status of the Bonds.

The Corporate Authorities hereby authorize the officials of the City responsible for issuing the Bonds, the same being the Mayor, Treasurer, Director of Finance and Clerk of the City, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds

will be Tax-exempt. In connection therewith, the City and the Corporate Authorities further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (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 their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 18. Registered Form. The City recognizes that Section 49(a) 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. 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) to give notice of redemption of Bonds as provided herein;
- (d) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer;
- (e) as to the Bond Registrar, to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) 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 20. Taxes Previously Levied. The taxes previously levied to pay principal of and interest on the Refunded Bonds, to the extent such principal and interest is provided for from the proceeds of the Bonds or 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 the County Clerk to make such abatement.

Section 21. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (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 U.S. funds and direct U.S. Treasury 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 Bond Moneys or Bond 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 Tax-exempt status of the Bonds; and

payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 22. Continuing Disclosure Undertaking. The Mayor or Comptroller of the City is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in substantially the same form as customarily entered into by the City, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the City shall approve, the official's execution thereof to constitute conclusive evidence of the approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered 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 the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the 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 the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 23. Call of Refunded Bonds. In accordance with the redemption provisions of the bond ordinance authorizing the Refunded Bonds, the City by the Corporate Authorities does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds for redemption and payment prior to maturity on their earliest call date therefore as set forth in the Escrow Agreement.

Section 24. Purchase of the Government Securities. The Escrow Agent, the Purchasers, and Chapman and Cutler LLP, Chicago, Illinois, be and the same are each hereby authorized to

act as agent for the City in the purchase of the Government Obligations described and set forth in the Escrow Agreement.

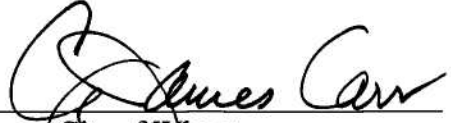
Section 25. Additional Bonds. The City hereby expressly reserves the right to issue Additional Bonds without limit for any purpose authorized under the TIF Act and to issue bonds, notes, or other obligations having a subordinate lien in the Incremental Taxes without limit.

Section 26. 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 27. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

F- 0944

Section 28. 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.


 Mayor, City of Wheaton
 DuPage County, Illinois

ATTEST:


 City Clerk, City of Wheaton
 DuPage County, Illinois

Roll Call Vote

Ayes: Councilman Mork
 Councilman Mouhelis
 Councilman Bolds
 Councilwoman Corry
 Councilman Johnson
 Mayor Carr
 Councilwoman Johnson

Nays: None

Absent: None

Motion Carried Unanimously

Passed: January 24, 2005
 Published: January 25, 2005

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Wheaton, DuPage County, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "*Corporate Authorities*") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 24th day of January, 2005, insofar as the same relates to the adoption of an ordinance entitled:

AN ORDINANCE providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, 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.

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

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Corporate Authorities on a day other than a Saturday, Sunday or holiday on which governmental entities in the State of Illinois are closed and at least 48 hours in advance of the holding of said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of said agenda as so posted being attached to this Certificate as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, except as said Act and said Code may be validly superseded by the home rule powers of the City, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the adoption of said ordinance.

F-0944

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this
26th day of January, 2005.

Cindy M. Connelley
City Clerk

[SEAL]

[City Clerk to Attach Agenda]

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Wheaton, DuPage County, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the City and of the City Council (the "*Corporate Authorities*") thereof.

I do further certify that on the 25th day of January, 2005, there was published in pamphlet form, by authority of the Corporate Authorities, a true, correct and complete copy of an ordinance of the City providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, of the City and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City this 26th day of January, 2005.



City Clerk

[SEAL]

FILED

FEB 23 2005


DuPage County Clerk

WHEATON CITY COUNCIL SPECIAL MEETING

MONDAY, JANUARY 24, 2005 – 7:00 P.M.

WHEATON CITY HALL, COUNCIL CHAMBERS,
303 W. WESLEY STREET, WHEATON, ILLINOIS

A G E N D A

- I. Call to Order and Roll Call
- II. A Resolution Approving Bond Underwriting Services for the General Obligation Refunding Bonds, Series 2005 Issuance
- III. An Ordinance Providing for the Issuance of Not to Exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, of the City of Wheaton, DuPage County, Illinois, Authorizing the Execution of a Bond Order and Providing for the Levy and Collection of a Direct Annual Tax for the Payment of the Principal of and Interest on Said Bonds
- IV. Adjournment

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 on the 25th day of January, 2005, 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 24th day of January, 2005, and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, 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, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of DuPage, Illinois, this 23RD day of January, 2005.


County Clerk of The County
of Wheaton, Illinois

[SEAL]

FILED

EXTRACT OF MINUTES of the special meeting of the City Council of the City of Wheaton, DuPage County, Illinois, held at the City Hall, in said City, at 7:00 p.m., on Monday, the 24th day of January, 2005.

FEB 23 2005

Legality
DuPage County Clerk

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

Upon the roll being called, the following City Council Members at said location answered present: Mayor C. James Carr, Councilman Alan Bolds, Councilwoman Liz Corry, Councilman David Johnson, Councilwoman Linda W. Johnson, Councilman Robert Mork and Councilman Tom Mouhelis

The following were absent: None

The City Council then discussed a proposed bond refunding for the City and considered an ordinance providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, of the City, authorizing the execution of a bond order and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

AN ORDINANCE providing for the issuance of not to exceed \$11,500,000 General Obligation Refunding Bonds, Series 2005, of the City of Wheaton, DuPage County, Illinois, authorizing the execution of a bond order and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

(the "Bond Ordinance").

City Council Member Robert Mork moved and City Council Member David Johnson seconded the motion that the Bond Ordinance as presented be adopted.

A City Council discussion of the matter followed. During the City Council discussion, the City Manager gave a public recital of the nature of the matter, which included a reading of the title of the ordinance and statements (1) that the ordinance provided for the issuance of general

obligation bonds for the purpose of paying the costs of refunding certain outstanding general obligation bonds of the City, (2) that the bonds are issuable without referendum pursuant to the home rule powers of the City, (3) that the ordinance provides for the levy of taxes to pay the bonds, and (4) that the ordinance provides many details for the bonds, including tax-exempt status covenants, provision for terms and form of the bonds, and appropriations.

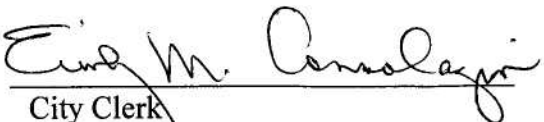
The Mayor directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following City Council Members voted AYE: Councilman Mork, Councilman Mouhelis, Councilman Bolds, Councilwoman Corry, Councilman Johnson, Mayor Carr and Councilwoman Johnson

and the following City Council Members voted NAY: None

WHEREUPON, the Mayor declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the City Clerk to record the same in full in the records of the City Council of the City of Wheaton, DuPage County, Illinois.

Upon motion duly made and carried, the meeting adjourned.


City Clerk