

## COUNCIL WORKSHOP ITEM

**ITEM:** Refinancing 1996 Library Expansion Bonds  
**DATE:** March 5, 2003  
**PREPARED BY:** David Van Vooren, Deputy Village Manager – Administration  
**PURPOSE:** Refinance existing debt to reduce annual payments

### **DISCUSSION:**

With the unprecedented interest rate market, Staff has had several conversations with Mr. Allan Ambrose, Managing Director Northern Trust to determine if the interest rate conditions are conducive to refinancing the 1996 General Obligation Bonds and reduce the annual debt service requirement. Mr. Ambrose has completed a series of analysis and has determined that the Village could realize a potential savings of about 2.5%. In all refinancing issues the actual savings is based upon the actual rate obtain in the market on the day the Village chooses to sell/refinance the existing debt.

Understanding that the interest rate market is volatile and that it takes the Village between 30 and 60 days to prepare the necessary document to go to the market and based upon the time delay we could loss the opportunity to realize the greatest savings. Mr. Ambrose is proposing to have the Council approve an Ordinance that would stipulate under what conditions (net present value savings) the Village Manager would be authorized to execute the bond sale. In general terms said ordinance is entitled a “parameters ordinance” and establishes a minimum acceptable level of savings that must be obtained in order to complete the sale. In proceeding in this manner the Village reduces the time lag for the authorization and execution of the sale which is one of the unknowns in most bond refinancing and sets the minimum threshold.

One item the Council should discuss is the minimum acceptable savings in order to trigger the sale. The sample ordinance shows a net present value savings of about 2.5% however the ordinance stipulates a 2% minimum. This is referenced in the Bond Ordinance under the purchase price which currently states 98%. Mr. Ambrose will be at the meeting to discuss the interest rate market and where he sees the rates heading and with this information the Council can adjust the threshold limit if it so desires. All costs associated with the sale of the bonds are included in the refinancing and the net savings so indicate.

As a further point of clarification the debt service for these bonds are funded from property taxes and therefore any savings to the annual debt service requirements will reduce the library bonds tax levy for all property owners.

### **ATTACHMENT:**

Bond Ordinance 2003 General Obligation Refinancing as prepared by Chapman and Cutler

**RECOMMENDATION:**

Staff recommends that the Village Council approve the refinancing ordinance and establish the parameters for the bond sale.



EXTRACT OF MINUTES of a regular public meeting of the Council of the Village of Downers Grove, DuPage County, Illinois, held at the Village Hall, in said Village, at 6:30 p.m., on the 11th day of March, 2003.

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

Upon the roll being called, Brian Krajewski, the Mayor, and the following Commissioners answered present: \_\_\_\_\_

The following were absent: \_\_\_\_\_

The Council then discussed a refunding for the Village and considered an ordinance providing for the issuance of General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, 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.

Thereupon, Commissioner \_\_\_\_\_ presented the following ordinance:

AN ORDINANCE providing for the issuance of not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, DuPage County, Illinois, authorizing the execution of a bond order and an escrow agreement in connection therewith 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*") which was before the Council in words and figures as follows.

Commissioner \_\_\_\_\_ moved and Commissioner \_\_\_\_\_ seconded the motion that the Bond Ordinance as presented be adopted.

A discussion of the matter followed.

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 Commissioners voted AYE: \_\_\_\_\_  
\_\_\_\_\_

and the following Commissioners voted NAY: \_\_\_\_\_ .

WHEREUPON, the Mayor declared the motion carried and the ordinance adopted.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

\_\_\_\_\_  
Village Clerk

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ORDINANCE NUMBER 2003-\_\_

AN ORDINANCE providing for the issuance of not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, DuPage County, Illinois, authorizing the execution of a bond order and an escrow agreement in connection therewith and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

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Adopted by the Council on the 11th  
day of March, 2003.

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**ORDINANCE NUMBER 2003-\_\_**

AN ORDINANCE providing for the issuance of not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, DuPage County, Illinois, authorizing the execution of a bond order and an escrow agreement in connection therewith 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 Village of Downers Grove, DuPage County, Illinois (the "*Village*") 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 Village 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, the Village has heretofore determined that it is necessary and advisable for the public health, safety, welfare, and convenience of residents of the Village that the Village renovate and expand the Village's public library (the "*Prior Project*"); and

WHEREAS, the Village has heretofore issued and there are now outstanding certain General Obligation Bonds, Series 1996, which were issued to pay costs of the Prior Project (the "*Prior Bonds*"); and

WHEREAS, the Prior Bonds were issued in the original aggregate principal amount of \$8,175,000, of which bonds in the aggregate principal amount of \$6,840,000 remain outstanding and unpaid; and

WHEREAS, the Prior Bonds are subject to redemption on January 1, 2006, and any date thereafter, in whole or in part, from any available monies, at a redemption price of par plus accrued interest to the date fixed for redemption; and



WHEREAS, the Council of the Village (“*Council*”) has heretofore and it hereby is determined that it is advisable and necessary and in the best interests of the Village that some or all (said Prior Bonds being the “*Refunded Bonds*”) of the Prior Bonds be refunded in advance of maturity (the “*Refunding*”) in order to achieve a debt service savings and to restructure the indebtedness evidenced by the Prior Bonds; and

WHEREAS the specific Refunded Bonds will be determined in an escrow agreement as hereinafter authorized to be executed by and on behalf of the Village; and

WHEREAS the estimated cost to the Village of the Refunding is the sum of \$6,650,000 plus any estimated available amount of interest earnings on said sum prior to its expenditure; and

WHEREAS there are insufficient funds on hand and available to pay the costs of the Refunding, and it is necessary for that purpose that a sum to pay such costs be borrowed at this time, and in evidence of such indebtedness, general obligation bonds of the Village be issued in the principal amount of not to exceed \$6,650,000, and 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 Village for their approval:

NOW THEREFORE Be It Ordained by the Council of the Village of Downers Grove, 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.

Council

Prior Bonds

Prior Project  
Refunded Bonds  
Refunding  
Village

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 Village 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 not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, authorized to be issued by this Ordinance.

“*Bond Fund*” means the Bond Fund established and defined in Section 16 of this Ordinance.

“*Bond Order*” means that written Bond Order and Direction to Levy Taxes to be executed by the Designated Officers and setting forth certain detail of the Bonds as hereinafter provided.

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

“*Bond Registrar*” means the Treasurer/Director of Financial Services of the Village, or designee, or such entity having trust powers as shall be so identified in the Bond Order..

“*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, Village Clerk, Village Treasurer/Director of Financial Services, and Village Manager, or designee, or successors or assign.

*“Escrow Agent”* means that institution having trust powers so identified in the Bond Order as escrow agent.

*“Escrow Agreement”* means that certain escrow agreement by and between the Village and the Escrow Agent and providing for the Refunding, as hereinafter provided.

*“2003 Full Faith and Credit Taxes”* means the unlimited ad valorem taxes levied by and under this Ordinance on all of the taxable property in the Village, sufficient to pay all principal of and interest on the Bonds when due.

*“Ordinance”* means this Ordinance, numbered as set forth on the title page hereof, and passed by the Council on the 11th day of March, 2003.

*“Paying Agent”* means the Village Treasurer/Director of Financial Services, or designee, or such entity having trust powers as shall be so identified in the Bond Order.

*“Purchase Price”* means the price paid by the Purchaser for the Bonds which shall be not less than 98% of par (net of original issue discount, if any).

*“Purchaser”* means The Northern Trust Company, Chicago, Illinois.

*“Record Date”* means the 15th day of the month next preceding any regular or other interest payment date and 15 days preceding any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled interest payment date.

*“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 is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations and in computing the “branch profits tax” imposed on certain foreign corporations.

“*Treasurer*” means the Village Treasurer/Director of Financial Services, or designee, or successors or assigns.

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

*Section 2. Incorporation of Preambles.* The Council 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 Village to undertake the Refunding and to pay all necessary costs thereof, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds 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 such costs, there shall be issued and sold the Bonds in the principal amount of not to exceed \$6,650,000. The Bonds shall each be designated “*General Obligation Refunding Bond, Series 2003*”; shall be dated such date as shall be set forth in the Bond Order, which date shall be not later than September 15, 2003 (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 right of prior redemption if so

provided in the Bond Order as hereinafter stated) on January 1 ( or such other date as shall be set forth in the Bond Order) of the years and in the amounts and bearing interest at not in excess of the rates percent per annum as shall be set forth in the Bond Order, *provided, however*, that no Bond shall mature on a date which is later than 30 years from its Dated Date or bear interest at a rate per cent per annum which is in excess of six percent (6.00%).

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 January 1 and July 1 of each year, commencing on January 1, 2003, or such other dates as shall be set forth in the Bond Order. 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. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office 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 Village, and the Paying Agent

and Bond Registrar are authorized to execute and deliver on behalf of the Village, and as such agent for the Village, 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 Village, 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 Village, 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 Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the Village, the Paying Agent and Bond Registrar, and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the Village determines that it is in the best interests of the Village or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village 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 Village 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 Village, or such depository’s agent or designee, but if the Village 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 Village by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village.

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 Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

*Section 7. Redemption.* Any of the Bonds may be issued as term bonds subject to mandatory redemption by operation of the Bond Fund and as otherwise provided in the Bond Order.

If so provided in the Bond Order, subject to redemption prior to maturity at the option of the Village, from any available moneys on and after any date, in whole or in part, and if in part in such principal amounts and from such maturities as the Village shall determine and within any maturity by lot, at such redemption price as shall be set forth in the Bond Order, *provided, however,* that no Bond shall bear a redemption price in excess of 103% of principal amount redeemed plus accrued interest to the date fixed for redemption.

*Section 8. Redemption Procedure.* The Village 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 Village 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 Village 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 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 Village 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 Village 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 may be given by the Bond Registrar on behalf of the Village 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 Village 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 Village shall cause the Bond Register to be kept at the office of the Bond Registrar, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village is authorized to prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village 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 office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village 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 Village 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 Village 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  
VILLAGE OF DOWNERS GROVE  
GENERAL OBLIGATION REFUNDING BOND, SERIES 2003

See Reverse Side for  
Additional Provisions.

Interest                      Maturity                      Dated  
Rate:                      Date: January 1, \_\_\_\_\_                      Date: \_\_\_\_ 1, 2003                      CUSIP: \_\_\_\_\_

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Downers Grove, DuPage County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the "*Village*"), 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 provided), 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 January 1 and July 1 of each year, commencing January 1, 2003, 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 office of the Treasurer/Director of Financial

Services, at 801 Burlington Avenue, in Downers Grove, Illinois, as paying agent and bond registrar (the "*Bond Registrar*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by 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 occurs and 15 days preceding any interest payment date occasioned by a redemption of Bond on other than a regularly scheduled interest payment day. Interest shall be paid by check or draft of the Bond Registrar, 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 Village 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 Village, represented by the Bonds, and including all other indebtedness of the Village, 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 Village 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 Village of Downers Grove, DuPage County, Illinois, by its 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 Village 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.

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Mayor, Village of Downers Grove  
DuPage County, Illinois

ATTEST:

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Village Clerk, Village of Downers Grove  
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 Refunding Bonds, Series 2003, having a Dated Date of \_\_\_\_ 1, 2003, of the Village of Downers Grove, DuPage County, Illinois.

VILLAGE TREASURER/DIRECTOR OF  
FINANCIAL SERVICES,  
as Bond Registrar

By

Bond Registrar and Paying Agent:

Village Treasurer/Director of Financial Services  
Downers Grove, Illinois

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the “*Bonds*”) in the aggregate principal amount of \$\_\_\_\_,000 issued by the Village for the purpose of paying costs of the Refunding, and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (as supplemented by the Bond Order, 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 Village 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 Council of the Village, 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 January 1, 20\_\_, are subject to redemption prior to maturity at the option of the Village on January 1, 20\_\_, and any date thereafter, from any lawfully available monies, in whole or in part, and if in part, in such principal amounts and from such maturities as the Village 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 Village has designated this Bond as a “qualified tax-exempt obligation” under 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

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---

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

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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 Village hereby pledges the 2003 Full Faith and Credit Taxes to secure the Bonds. The Bonds, together with the interest and any premium thereon, are secured by the full faith and credit of the Village and the Village's levy of the 2003 Full Faith and Credit Taxes.

*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 Village, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose in the amounts and for the years as shall be set forth in the Bond Order (the "2003 Full Faith and Credit Taxes"); provided, however, that the 2003 Full Faith and Credit Taxes shall not exceed the following amounts:

FOR THE YEAR	MAXIMUM AMOUNT TO BE LEVIED:
2003	100,000
2004	100,000
2005	485,000
2006	490,000
2007	505,000
2008	520,000
2008	540,000
2010	550,000
2011	575,000

2012	590,000
2013	615,000
2014	640,000
2015	660,000

The 2003 Full Faith and Credit 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 2003 Full Faith and Credit Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the 2003 Full Faith and Credit Taxes herein levied; and when the 2003 Full Faith and Credit Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced.

The Village covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to levy and collect the foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the 2003 Full Faith and Credit 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 2003 Full Faith and Credit Taxes levied herein for the payment of same, the Council shall, by proper proceedings, direct the deposit of such other funds into the Bond Fund, and further shall direct the abatement of the 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 Clerk.* Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the Village Clerk of the Village, shall be filed with the County Clerk; and said County Clerk shall in and for each of the years as set forth in the Bond Order, ascertain the rate percent required to produce the aggregate 2003 Full Faith and Credit Taxes to be levied in each of said years as set forth in the Bond Order; 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 Village for general purposes of the Village; 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 Village 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 Designated Officers are hereby authorized to proceed, without any further official authorization or direction whatsoever from the Council, to sell and deliver the Bonds as herein provided. The Designated Officers as shall be appropriate shall be and are hereby authorized and directed (i) to sell the Bonds to the Purchaser for the Purchase Price at a negotiated sale upon their finding that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets and that the Bonds meet the terms and requirements of this Ordinance and (ii) to approve or execute, or both, the Bond Order and such other documents of sale of the Bonds as may be necessary, including, without limitation, Preliminary (or Deemed Final) Official Statement, Official Statement, and closing documents. The Purchase Price shall be as provided in the Bond Order. The Village Clerk is further directed to make available to the Council a copy of the executed Bond Order at the first regularly scheduled meeting of the Council following the execution of the same, but such action shall be for information purposes only. The Designated Officers are hereby authorized to execute,

without further official action or direction by the Council, such additional documents and closing documents as shall be required to effectuate the delivery of the Bonds.

Upon the sale of the Bonds, the Designated Officers and any other officers of the Village 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, the Escrow Agreement, and closing documents.

The proposed use by the Purchaser of an Official Statement is hereby approved.

*Section 15. Continuing Disclosure Undertaking.* Any Designated Officer is hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in customary form as heretofore executed by the Village and provided by bond counsel, 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 Village, it will be binding on the Village and the officers, agents, and employees of the Village, 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 Village to comply with its obligations thereunder.

*Section 16. Creation of Funds and Appropriations.*

A. There is hereby created the “*General Obligation Refunding Bonds, Series 2003, 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.

B. The 2003 Full Faith and Credit 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 2003 Full Faith and Credit 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 Council, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the 2003 Full Faith and Credit 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 Council to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as described in the preceding sentence.

C. Accrued interest and 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, all in accordance with the provisions of an Escrow Agreement, substantially in the form attached hereto as EXHIBIT A to this Ordinance, made a part hereof by this reference, and hereby approved; the officers appearing signatory to such Escrow Agreement are hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance

with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding.

*Section 17. Reimbursement.* None of the proceeds of the Refunded Bonds will be or was used to pay, directly or indirectly, in whole or in part, for an expenditure that has or had been paid by the Village prior to the date of adoption by the Council of the ordinance authorizing the issuance of the Prior Bonds.

*Section 18. Not Private Activity Bonds.* None of the Bonds or the Prior Bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

A. No direct or indirect payments are to be made on any Bond or were made on any Prior Bond with respect to any private business use by any person other than a state or local governmental unit.

B. None of the proceeds of the Bonds is to be used, and none of the proceeds of the Prior Bonds was used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

C. No user of the Prior Project, other than the Village 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 Village or another governmental unit will be a user or has been a user of the Prior 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 19. Registered Form.* The Village 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 Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.



*Section 20. Further Tax Covenants.* The Village agrees to comply with all provisions of the Code which, if not complied with by the Village, would cause the Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by 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 Village in such compliance.

The Village 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 Village, the Village will meet the Rebate Requirement.

B. Relating to applicable exceptions, the Village 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 Village. 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 Village shall pay such Penalty.

C. The officers of the Village shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a “2003 General Obligation Refunding 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 officers shall cause to be paid to the U.S., without further order or direction from the Council, 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 Council, 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 Village 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 Council.

The Village 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 21. Opinion of Counsel Exception.* The Village 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 17 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 Village is authorized to execute standard forms of agreements between the Village 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 Village 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 Village at least annually a certificate with respect to Bonds canceled and/or destroyed;

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

The Village Clerk of the Village 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 an institution having fiduciary capacity 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 2003 Full Faith and Credit 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.

*Section 24. Taxes Previously Levied.* The taxes previously levied for the year 2002 (collectible in 2003) to pay the Refunded Bonds shall be used to effectuate the Refunding as provided in the Escrow Agreement, or to the extent not needed due to the issuance of the Bonds, shall be deposited into the Bond Fund and used to pay first interest coming due on the Bonds. Taxes levied for the year 2003 (collectible in 2004) and thereafter for the Refunded Bonds shall be used as provided in the Bond Order to effectuate the Refunding or shall be abated. The Designated Officers are hereby expressly authorized to file an abatement certificate with the County Clerk, without further official action of the Board, to effectuate such abatement.

*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 Council.

*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: March 11, 2003

AYES: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

APPROVED: March 11, 2003

\_\_\_\_\_  
Mayor, Village of Downers Grove,  
DuPage County, Illinois

Published in pamphlet form by authority of the Council on March 11, 2003.

ATTEST:

\_\_\_\_\_  
Village Clerk, Village of Downers Grove  
DuPage County, Illinois

**EXHIBIT A**  
**FORM OF ESCROW AGREEMENT**

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 Village Clerk of the Village of Downers Grove, DuPage County, Illinois (the “*Village*”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the Council (the “*Council*”) 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 Council held on the 11th day of March, 2003, insofar as the same relates to the adoption of an ordinance, numbered 2003-\_\_\_, entitled:

AN ORDINANCE providing for the issuance of \$5,485,000 General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, DuPage County, Illinois, authorizing the execution of a bond order and an escrow agreement in connection therewith 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 Council 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 (the “*Agenda*”) was posted at the principal office of the Council and at the location where said meeting was to be held at least 48 hours in advance of holding said meeting; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, that the Agenda described or made specific reference to said ordinance, and that the Council has complied with all of the provisions of said Act and said Code, except as said Act and said Code are validly superseded by the home rule powers of the Village, and with all of the procedural rules of the Council in the adoption of said ordinance.

I do further certify that **I have attached hereto** a true, correct and complete copy of the Agenda.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village  
this 11th day of March, 2003.

[SEAL]

---

Village Clerk



**Village Clerk to Attach the 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 Village Clerk of the Village of Downers Grove, DuPage County, Illinois (the "*Village*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the Village and of the Council (the "*Council*") thereof.

I do further certify that on the 11th day of March, 2003, there was published in pamphlet form, by authority of the Council, a true, correct and complete copy of Ordinance Number 2003-\_\_ of the Village providing for the issuance of not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, of the Village 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 Village Clerk located in the Village.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village this 11th day of March, 2003.

[SEAL]

\_\_\_\_\_  
Village Clerk

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF DUPAGE         )

**CERTIFICATE OF FILING**

I, Willard Helander, 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 \_\_\_\_ day of \_\_\_\_\_, 2003, there was filed in my office a properly certified copy of Ordinance Number 2003-\_\_\_\_, passed by the Council of the Village of Downers Grove, DuPage County, Illinois, on the 11th day of March, 2003, and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$6,650,000 General Obligation Refunding Bonds, Series 2003, of the Village of Downers Grove, DuPage County, Illinois, authorizing the execution of a bond order and an escrow agreement in connection therewith 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, at Waukegan, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2003.

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County Clerk of The County  
of DuPage, Illinois

[SEAL]