

MINUTES of a regular public meeting of the County Board of the County of Franklin, Illinois, held in the Franklin County Campbell Building located at 901 Public Square, Benton, Illinois, in said County, at 6:00 P.M., on the 16th day of August, 2021.

The Chairman called the meeting to order and directed the County Clerk to call the roll.

Upon the roll being called, the following Members answered present: RANDALL CROCKER, JOHN GOSSETT, NEIL HARGIS, MARK KASH, RAY MINOR, JACK WARREN, KEVIN WESTON, BRAD WILSON & J. LARRY MILLER

The following Members were allowed by a majority of the Members of the County Board in accordance with and to the extent allowed by rules adopted by the County Board to attend the meeting by video or audio conference: JOHN GOSSETT

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

The following Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: NONE

The Chairman announced that the County Board would next consider the adoption of an ordinance providing for the issuance of alternate revenue bonds to refund certain outstanding obligations of the County and pay certain costs of issuance of the Bonds, and providing for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

CHAIRMAN J.

Whereupon Member LARRY MILLER presented and read by title an ordinance as follows, a copy of which was provided to each Member of the County Board prior to said meeting and to everyone in attendance at said meeting who requested a copy:

ORDINANCE NO. 2021-04

ORDINANCE authorizing the issuance of General Obligation Refunding Bonds (Alternate Revenue Source), of the County of Franklin, Illinois, in an aggregate principal amount not to exceed \$1,800,000 to refund certain outstanding obligations of the County, and provide for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

Adopted by the County Board on the
16th day of August, 2021.

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ORDINANCE No. 2021-04

ORDINANCE authorizing the issuance of General Obligation Refunding Bonds (Alternate Revenue Source), of the County of Franklin, Illinois, in an aggregate principal amount not to exceed \$1,800,000 to refund certain outstanding obligations of the County, and provide for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

WHEREAS, the County of Franklin, Illinois (the "*County*"), is a non-home rule county and body politic and corporate of the State of Illinois (the "*State*"), duly created under the laws of the State and organized and existing under the Counties Code of the State, as amended from time to time (the "*Counties Code*"), and having the powers, objects and purposes provided by said Counties Code; and

WHEREAS, the Chairman and Members of the Board of the County (the "*Corporate Authorities*") have determined that it is necessary to (1) refund certain of the County's outstanding General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012, dated April 1, 2012 (the "*Refunded Bonds*"), originally issued to refund its outstanding Debt Certificate, Series 2005, dated August 29, 2005, which were initially issued to finance capital improvements within the County (the "*Prior Project*") and (2) pay certain costs of issuance of the Bonds (as such term is hereinafter defined) (the "*Refunding*"), all for the benefit of the inhabitants of the County; and

WHEREAS, the estimated costs of the Refunding, including legal, financial, bond discount, if any, capitalized interest, if any, printing and publication costs, and other expenses (collectively, the "*Costs*"), is not less than \$1,800,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, an amount not to exceed \$1,800,000 of alternate bonds needs to be issued at this time pursuant to the Local Government Debt Reform Act of the State, 30 ILCS 350/1 to 350/18, as supplemented and amended (the "*Debt Reform Act*"); and

WHEREAS, it is necessary and in the best interests of the County that the Refunding be completed and, in order to raise funds required for such purpose, it will be necessary for the County to borrow an aggregate principal amount not to exceed \$1,800,000 and in evidence thereof to issue alternate bonds, being general obligation bonds payable from collections distributed to the County from those taxes imposed by the State pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and Retailer's Occupation Tax Act, each as supplemented and amended, or substitute taxes therefor as provided by the State in the future (the "*Sales Taxes*" or "*Pledged Revenues*"), all in accordance with the Debt Reform Act; and

WHEREAS, if the Pledged Revenues are insufficient to pay the alternate bonds, ad valorem taxes levied against all of the taxable property in the County without limitation as to rate or amount (the "*Pledged Taxes*") are authorized to be extended to pay the principal of and interest on the alternate bonds; and

WHEREAS, the term of the Bonds shall not be longer than the term of the Refunded Bonds and the debt service payable in any year on the Bonds shall not exceed the aggregate debt service payable in such year on the Refunded Bonds; and

WHEREAS, the Refunding constitutes a lawful corporate purpose within the meaning of the Debt Reform Act; and

WHEREAS, the Corporate Authorities hereby determine that the Pledged Revenues will provide in each year an amount not less than 1.25 times debt service of the alternate bonds proposed to be issued in accordance with the Debt Reform Act; and

WHEREAS, such determination is supported by the most recent audit of the County (the “*Audit*”), which Audit has been presented previously to the Corporate Authorities and is on file currently with the County Clerk; and

WHEREAS, the alternate bonds to be issued will be payable from the Pledged Revenues and the Pledged Taxes, both as hereinafter defined; and

NOW THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF THE COUNTY OF FRANKLIN, ILLINOIS, 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 defined as set forth.

“*Act*” means, collectively, the Debt Reform Act, the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.), Section 10 (Intergovernmental Cooperation) of Article VII (Local Government) of the Constitution of the State of Illinois, the Registered Bond Act, and the Bond Authorization Act, each as supplemented and amended.

“*Additional Bonds*” means any Alternate Bonds issued in the future in accordance with the provisions of the Act on parity with and sharing equally in the Pledged Revenues with the Bonds.

“*Alternate Bonds*” means any Outstanding Bonds issued as alternate bonds under and pursuant to the provisions of the Debt Reform Act, and includes, expressly, the Bonds.

“*Bond*” or “*Bonds*” means one or more, as applicable, of the Bonds authorized to be issued by this Ordinance.

“Bond Counsel” means Ice Miller LLP.

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

“Bond Moneys” means all moneys on deposit from time to time in the Bond Fund including investment income earned in the Bond Fund.

“Bond Order” means one or more certificates signed by the Chairman, and attested by the County Clerk and under the seal of the County, setting forth and specifying details for the Bonds, including, as the case may be, but not limited to, identification of a Policy and an Insurer, if any, book-entry only registration, specification of Pledged Taxes, final interest rates, final maturity schedules, optional and mandatory redemption provisions, reoffering premium, original issue discount (*“OID”*) status as *“qualified tax-exempt obligations,”* designation of a Bond Registrar, Paying Agent or other fiscal agent, and designation of series subject to not exceeding the specified aggregate principal amount for the Bonds.

“Bond Registrar/Paying Agent” means an entity as set forth in the Bond Order.

“Bond Year” means each annual period of December 1 to the next November 30, for the Bonds, subject to such lawful elections as the County may make in the Bond Order.

“Business Day” means any day other than a day on which banks in Chicago, Illinois, are required or authorized to close.

“Code” means the Internal Revenue Code of 1986, as amended, and includes related and applicable Income Tax Regulations promulgated by the Treasury Department.

“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 County Board Chairman and the Finance Committee Chairman, or any one of them, or their successors or assigns.

“Fiscal Year” means the twelve-month period beginning on December 1 of the calendar year and ending on the succeeding November 30.

“Insurer” means, if any, the issuer of a Policy securing payment of one or more series of the Bonds.

“Ordinance” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 16th day of August, 2021.

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

“Parity Bonds” means bonds or any other obligations, if any, which share ratably and equally in the applicable Pledged Revenues, as set forth and provided for in any such ordinance or resolution authorizing the issuance of any such Parity Bonds.

“Pledged Revenues” means Sales Taxes, distributed pursuant to applicable law.

“Pledged Taxes” means the taxes authorized to be levied in Section 11 to secure and pay the Bonds.

“Purchaser” shall be (a) pursuant to a competitive sale conducted by Bernardi Securities, Inc., Northfield, Illinois (*“Bernardi”*), the best bidder for the Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Purchasers or Municipal Derivatives sections of the most recent edition of The Bond Buyer’s Municipal Marketplace; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act, or (iii) an *“accredited investor”* as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that the Purchaser as set forth in either (b) or (c) shall be selected only upon receipt by the County of the written recommendation of Bernardi that the sale of the Bonds on a negotiated or private placement basis to the Purchaser is in the best interests of the County because of (i) the pricing of the Bonds by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds; and *further provided*, that the Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with Bernardi if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the County

“Refunding” shall have the meaning above in the recitals to this Ordinance.

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

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

“*Tax-exempt*” means, with reference to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof for federal income tax purposes except to the extent that such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

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

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

Section 3. Determination to Issue Bonds. It is necessary and in the best interests of the County to undertake the Refunding, 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 purposes set forth above, there shall be issued and sold, the Bonds to an aggregate principal amount not to exceed \$1,800,000. The Bonds shall each be designated “*General Obligation Refunding Bond (Alternate Revenue Source), Series 2021.*” The Bonds shall be dated the date of closing (the “*Dated Date*”) and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form, shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. Subject to a bond order (the “*Bond Order*”), the Bonds are hereby authorized to bear interest at a rate not to exceed 4.00% and mature on December 1 of the years

(not later than 2028) (subject to optional or mandatory redemption as set forth in the Bond Order), and in the principal amounts (not to exceed \$245,000 for any year), all as shall be further specified in the Bond Order.

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 the date 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 (the "*United States*"), 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 Register or at such other address furnished in writing by such registered owner. The principal of the Bonds shall be payable in lawful money of the United States upon presentation thereof at the office maintained for the purpose by the Paying Agent or at successor Paying Agent and locality.

Section 5. Execution; Authentication. The Bonds shall be executed in the name of the County by the manual or facsimile signature of its Chairman and the corporate seal of the County, or a facsimile thereof, shall be thereunto affixed, impressed or otherwise reproduced or placed thereon and attested by the manual or facsimile signature of its County Clerk. 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 County 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 6. Registration of Bonds; Persons Treated as Owners. (a) General. The County shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office maintained for the purpose by the Bond Registrar, which is hereby constituted and appointed the registrar of the County. The County is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the County for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the office maintained for such purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the County shall execute and the Bond Registrar shall authenticate, date, and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the County of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date, and deliver such Bond, *provided, however*, the principal amount

of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity, less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of 15 days next preceding mailing of a notice of redemption of any Bonds.

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 County 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.

(b) *Global Book-Entry System.* Unless otherwise set forth in the Bond Order, the Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. 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 ("*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 Board Chairman and the Finance Committee Chairman (the “*Designated Officers*”), and the Bond Registrar are each authorized to execute and deliver, on behalf of the County, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the County 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 County 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 the principal of or interest on the Bonds. The County 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 County's obligations with respect to payment of the 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 evidencing the obligation of the County 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, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the County determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the County, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the County determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the County shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds 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 that time, the County may determine that the Bonds shall be registered in the name

of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the County, or such depository's agent or designee, and if the County does not select such alternate universal 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 4(a) hereof.

Notwithstanding any other provisions 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 name provided in the Representation Letter.

Section 7. Redemption. (a) Optional Redemption. The Bonds due on and after the date, if any, specified in the Bond Order, shall be subject to redemption prior to maturity at the option of the County from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the County (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Order, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption, as provided in the Bond Order.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Order, are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date on December 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Order.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such

Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the County may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the County Board shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The County shall, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the County 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.

Section 8. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the County by mailing the redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the 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 notices of redemption shall state:

- i. the redemption date,
- ii. the redemption price,
- iii. if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- iv. 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,
- v. the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and
- vi. such other information then required by custom, practice, or industry standard,

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the County shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the County, state that said redemption

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

Subject to the provisions for a conditional redemption described above, 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 County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bond for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity and series in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, 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.

Section 9. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth:

[FORM OF BOND]

REGISTERED

REGISTERED

No. _____

\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF FRANKLIN

GENERAL OBLIGATION REFUNDING BOND (ALTERNATE REVENUE SOURCE), SERIES 2021

Interest <u>Rate</u> ____%	Maturity <u>Date</u> December 1, 2021	Original <u>Date</u>	<u>CUSIP</u>
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Registered Owner: CEDE & CO.

Principal Amount: _____ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the County of Franklin, Illinois (the "County"), a municipality, non-home rule unit, and political subdivision of the State of Illinois (the "State"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 1 and December 1 of each year, commencing _____, 2021, 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 (the "United States") upon presentation hereof at the office maintained for the purpose by _____, _____, _____ (the "Paying Agent" or "Bond Registrar"). Payment of installments of interest shall be made to the Registered Owner hereof as shown on the registration books of the County maintained by the Bond Registrar at said location at the close of business on the applicable Record Date. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States, 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 County 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].

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State 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 County, represented by the Bonds, and including all other indebtedness of the County,

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 County 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.

This Bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$_____ issued by the County to (1) refund (collectively, the "*Refunding*") certain outstanding obligations of the County, and (2) pay certain costs of issuance of the Bonds, all as further described and defined in the ordinance authorizing the Bonds (the "*Ordinance*"), payable as to principal and interest payable from (i) collections distributed to the County from those taxes imposed by the State pursuant to the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act and Retailer's Occupation Tax Act, each as supplemented and amended, or substitute taxes therefor as provided by the State in the future, and (ii) ad valorem taxes levied against all of the taxable property in the County without limitation as to rate or amount, all in accordance with the provisions of the Local Government Debt Reform Act of the State, as supplemented and amended (the "*Debt Reform Act*"). The full faith, credit and resources of the County are pledged to the punctual payment of the principal of and interest on the Bonds. This Bond is negotiable, subject to registration provisions, pursuant to the laws of the State.

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 are subject to optional redemption, at a redemption price of par plus accrued interest to the redemption date, on any date.]

[Mandatory Redemption language, as applicable.]

IN WITNESS WHEREOF, the County of Franklin, Illinois, has caused this Bond to be executed in its name and on its behalf by the manual or duly authorized facsimile signature of its Chairman, and its corporate seal, or a facsimile thereof, to be hereunto affixed or otherwise reproduced hereon and attested by the manual or duly authorized facsimile signature of its County Clerk, all as of the Dated Date identified above.

COUNTY OF FRANKLIN, ILLINOIS

By _____
Chairman

[SEAL]

By _____
County Clerk

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 (Alternate Revenue Source), Series 2021, having a Dated Date of _____, 2021, of the County of Franklin, Illinois.

_____, as Registrar

By _____
Authorized Officer

ASSIGNMENT

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

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

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

Dated: _____

Signature guaranteed: _____

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

Section 10. Alternate Bonds; General Obligations; Tax Levy. The Bonds are and constitute Alternate Bonds under the Debt Reform Act, anticipated to be payable from the Pledged Revenues. Under and pursuant to Section 15 of the Debt Reform Act, the full faith and credit of the County are hereby irrevocably pledged to the punctual payment of the principal of, premium, if any, and interest on the Bonds; the Bonds shall be direct and general obligations of the County; and the County shall be obligated to levy ad valorem taxes upon all the taxable property within the County's corporate limits, for the payment of the Bonds and the interest thereon, without limitation as to rate or amount (as previously defined, the "Pledged Taxes").

Pledged Revenues are hereby determined by the Corporate Authorities to be sufficient to provide for or pay in each year to final maturity of the Bonds all of the following: (1) the debt service on all Outstanding revenue bonds payable from Pledged Revenues, (2) all amounts required to meet any fund or account requirements with respect to such Outstanding revenue bonds, (3) other contractual or tort liability obligations, if any, payable from such Pledged Revenues, and (4) in each year, an amount not less than 1.25 times debt service of all (i) Alternate Bonds payable from such Pledged Revenues previously issued and outstanding, and (ii) Alternate Bonds payable from such Pledged Revenues proposed to be issued, including the Bonds. The Pledged Revenues shall be and are hereby determined by the Corporate Authorities to provide in each year an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of Alternate Bonds payable from such revenue sources previously issued and Outstanding, and Alternate Bonds proposed to be issued. Such conditions enumerated need not be met for that amount of debt service (as defined in Section 3 of the Debt Reform Act) provided for by the setting aside of proceeds of bonds or other moneys at the time of the delivery of such bonds. The Pledged Revenues are hereby determined by the Corporate

Authorities to provide in each year all amounts required to meet any fund or account requirements with respect to this Ordinance, any contractual or tort liability obligations, if any, payable from Pledged Revenues, and an amount not less than 1.25 times debt service (as defined in Section 3 of the Debt Reform Act) of all of the Outstanding Bonds, payable from such Pledged Revenues. The determination of the sufficiency of the Pledged Revenues is expected to be supported by reference to the most recent audit of the County, which audit is for a Fiscal Year ending not earlier than eighteen (18) months prior to the time of issuance of the Bonds, and not otherwise a “report” under Section 15 of the Debt Reform Act shall be prepared.

For the purpose of providing the money required to pay the interest on the Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there shall be levied upon all the taxable property within the County’s corporate limits in each year while any of the Bonds shall be Outstanding, and there is hereby levied, in addition to all other taxes levied by the County, the Pledged Taxes in the amounts for each year not to exceed \$276,000 for each levy year, commencing not before 2021 (collected in 2022) and ending not later than 2027 (collected in 2028), as shall be specified in the Bond Order.

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

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

Pursuant to Section 13 of the Debt Reform Act, the moneys deposited or to be deposited into the Bond Fund (as defined herein), including any tax receipts derived from the taxes levied pursuant to this Ordinance, are pledged as security for the payment of the Bonds. While any Bonds remain outstanding and unpaid, the tax levies to be made as provided by this Ordinance shall be for the sole benefit of the owners of the outstanding Bonds and such owners shall have and are granted a security interest in, and a lien upon, all rights, claims and interests of the County arising pursuant to those levies and all present and future proceeds of such levies. The security interest in and lien upon those rights, claims and interests are immediately valid and binding from the time the Bonds are issued, and shall immediately attach to (a) the tax receipts wherever held, (b) amounts held in the Bond Fund and other funds pledged for the benefit of holders of the Bonds, and (c) those rights, claims and interests pledged hereby, without any physical delivery or further act and the lien of such pledge shall be immediately valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County or against the funds, rights, claims or interests pledged hereby irrespective of whether such parties have notice thereof.

The pledge is an agreement between the County and the bondholders to provide security for the Bonds in addition to any statutory lien.

Section 11. Tax Abatement. The County covenants and agrees with the purchaser or purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the County will take no action or fail to take any action which in any way would adversely affect the ability of the County to levy and collect the foregoing tax levy, unless and to the extent there then shall be moneys irrevocably on deposit therefor in the applicable debt service account or accounts established under Section 15 below and in accordance with this

Section. The County and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

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

Section 12. Filing with County Clerk; Certificate of Reduction of Taxes. Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the County Clerk, shall be filed with the office of the County Clerk; and the County Clerk shall in and for each of said years ascertain the rate percent required to produce the aggregate Pledged Taxes hereinbefore provided to be levied in each of said years and subject to abatement as provided in said Section 11; and the 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 County for general purposes of the County; 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 County 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.

The Chairman, County Clerk, and County Treasurer of the Board be and the same are hereby directed to prepare and file with the County Clerk, a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Refunded Bonds and directing the

abatement of the taxes heretofore levied for the years 2021 to 2027, inclusive, to pay the Refunded Bonds, all as provided by the Debt Reform Act.

Section 13. Use of Taxes Heretofore Levied. All proceeds received or to be received from any taxes heretofore levied to pay principal and interest on the Refunded Bonds, including the proceeds received or to be received from the taxes levied for the year 2021 for such purposes, shall be used to pay the principal of and interest on the Refunded Bonds and to the extent that such proceeds are not needed for such purpose because of the establishment of the escrow referred to in Section 15 hereof, the same shall be deposited into the Bond Fund and used to pay principal of and interest on the Bonds in accordance with all of the provisions of this Ordinance.

Section 14. Sale of Bonds. The Bonds shall be executed as in this Ordinance provided as soon after the passage hereof as may be, shall be deposited with the Bond Registrar, and shall be delivered to the Purchaser upon the payment of the price set forth in the Bond Order, the same being not less than 95% of the par amount of the Bonds. The contract for the sale of the Bonds to the Purchaser is hereby in all respects ratified, approved and confirmed, it being hereby declared that no person holding any office of the County, either by election or appointment, is in any manner financially interested, either directly in his own name or indirectly in the name of any other person, association, trust or corporation, in such contract.

Upon the sale of the Bonds, the Designated Officers and any other officers of the County 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 and Official Statement, if applicable, or other disclosure document, and closing documents.

The distribution of any 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.

Section 15. Creation of Funds and Appropriations; Flow of Funds.

A. There is hereby created the “*General Obligation Refunding Bonds (Alternate Revenue Source), Series 2021, 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 Pledged Revenues shall either be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Revenues. 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 County hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Revenues on deposit in the Bond Fund for the 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 County, as described in the preceding sentence.

C. The sum necessary, as determined by the Designated Officers, of the principal proceeds of the Bonds shall be disbursed by the Purchaser to pay costs of issuance upon the delivery of the Bonds or, to the extent not so disbursed by the Purchaser, shall be deposited into a separate and segregated fund, hereby created, to be known as the “*Expense Fund*” and shall be used by the County Clerk or County Treasurer, as applicable, to pay costs of issuance of the Bonds in accordance with normal County disbursement procedures. Any funds remaining to the credit of the Expense Fund on the date which is six months following the date of delivery of the Bonds shall be transferred by the County Clerk or County Treasurer, as applicable, to the Bond Fund.

D. For the purpose of refunding the Refunded Bonds, that portion of principal proceeds of the Bonds not needed to pay Costs is hereby ordered deposited in escrow and invested in non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States or a Treasury money market trust fund, or as set forth in the Bond Order, all pursuant to an Escrow Letter Agreement to be hereafter authorized by the Board for the purpose of paying the principal of and interest on the Refunded Bonds upon redemption, as provided in said Escrow Agreement. (the “*Refunding Fund*”).

In accordance with the redemption provisions of the ordinance authorizing the issuance of the Refunded Bonds, the County by the Board does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds, as provided in the Bond Order.

Section 16. Parity Bonds; Additional Bonds.

A. *Parity Bonds.*

The County reserves the right to issue Parity Bonds without limit, provided that the Pledged Revenues as determined or as adjusted as hereinbelow set out shall be sufficient to

provide for or pay all of the following: (a) all amounts required to meet any fund or account requirements with respect to such Outstanding bonds; (b) other contractual or tort liability obligations then due and payable, if any; and (c) an additional amount not less than 0.25 times the maximum annual debt service on such of the Alternate Bonds as shall remain Outstanding bonds after the issuance of the proposed Parity Bonds. Such sufficiency shall be calculated for each year to the final maturity of such Alternate Bonds which shall remain Outstanding after the issuance of the proposed Parity Bonds. The determination of the sufficiency of Pledged Revenues shall be supported by reference to the County's most recent audit, which audit shall be for a Fiscal Year ending not earlier than eighteen (18) months prior to the time of issuance of the proposed Parity Bonds.

If such audit shows the Pledged Revenues to be insufficient, then the determination of sufficiency may be supported by the report of an independent accountant or feasibility analyst having a national reputation for expertise in such matters, demonstrating the sufficiency of the Pledged Revenues and explaining by what means they will be greater than as shown in the audit.

The reference to and acceptance of an audit, or a report, as the case may be, and the determination of the Corporate Authorities of the sufficiency of the Pledged Revenues shall be conclusive evidence that the conditions of this Section have been met and that the Parity Bonds are properly issued hereunder; and no right to challenge such determination is granted to the registered owners of the Bonds.

B. *Additional Bonds.*

The County reserves the right to issue Additional Bonds from time to time payable from the Pledged Revenues, and any such Additional Bonds shall share ratably and equally in the Pledged Revenues with the Bonds; provided, however, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act.

Section 17. Treatment of Bonds as Debt. The Bonds are general obligations of the County, but the Bonds do not constitute an indebtedness of the County within the meaning of any constitutional or statutory limitation, provided that the levy for debt service on the Bonds is abated annually and not extended. If the levy is extended and Pledged Taxes are received for payment of the Bonds, the amount of Bonds then outstanding will be included in the computation of indebtedness of the County for purposes of all statutory provisions or limitations until such time as an audit of the County shows that debt service on the Bonds has been paid from the Pledged Revenues for a complete Fiscal Year.

Section 18. [Intentionally omitted.]

Section 19. Not Private Activity Bonds. None of the Bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the County certifies, represents and covenants as follows:

- A. No direct or indirect payments are to be made on any Bond with respect to any private business use by any person other than a state or local governmental unit.
- B. None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.
- C. No user of the Prior Project, other than the County or another governmental unit, has used or will use the same on any basis other than the same basis as the general public; and no person other than the County or another governmental unit has been or will be 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 20. Tax Covenants. In order to preserve the exclusion of interest on the Bonds from gross income for federal tax purposes under Section 103 of the Code as existing on the date of

issuance of the Bonds and as an inducement to underwriters of the Bonds, the County represents, covenants and agrees that:

A. No more than 10% of the payment of the principal of or interest on the Bonds will be (under the terms of the Bonds, this Ordinance or any underlying arrangement), directly or indirectly, (i) secured by any interest in property used or to be used for a private business use or payments in respect of such property or (ii) derived from payments (whether or not to the County) in respect of such property or borrowed money used or to be used for a private business use.

B. No more than 5% of the Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No more than 5% of the Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

C. The County reasonably expects, as of the date hereof, that the Bonds will not meet either the private business use test described in paragraph (a) above or the private loan test described in paragraph (b) above during the entire term of the Bonds.

D. Neither the County nor the Corporate Authorities will take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the County or the Corporate Authorities act in any other manner which would adversely affect such exclusion.

E. It shall not be an event of default under this Ordinance if the interest on any Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any

provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.

F. These covenants are based solely on current law in effect and in existence on the date of delivery of the Bonds.

Section 21. Registered Form. The County 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 County agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 22. Covenants of the County. Subject to the terms and provisions contained in this Section, and not otherwise, the County covenants and agrees so long as there are any Outstanding Bonds (as defined herein), as follows:

(a) The County will take all action necessary either to impose, collect, apply or to maintain the right to receive and apply the Pledged Revenues and Pledged Taxes in the manner contemplated by this Ordinance, and such Pledged Revenues shall not be less than as shall be required under Section 15 of the Debt Reform Act to maintain the Bonds as Alternate Bonds.

(b) The County covenants that it will, while any of the Bonds shall remain outstanding, ensure that the Pledged Revenues will be sufficient to provide for or pay each of the following in any given year (1) debt service on all Outstanding revenue bonds payable from such Pledged Revenues, (2) all amounts required to meet any fund or account requirements with respect to such Outstanding revenue bonds, (3) other contractual or tort liability obligations, if any, payable from such Pledged Revenues, and (4) in each year, an amount not less than 1.25 times debt service of all (i) alternate bonds payable from such revenue source previously issued and outstanding and (ii) alternate bonds proposed to be issued (i.e. the Bonds).

(c) The determination of the sufficiency of the Pledged Revenues is expected to be supported by reference to the most recent audit of the County, which audit is for a Fiscal Year ending not earlier than eighteen (18) months previous to the time of issuance of the Bonds.

(d) The County will make and keep proper books and accounts (separate and apart from all other records and accounts of the County), in which complete entries shall be made of all transactions related to the Pledged Revenues, and covenants that within 210 days following the close of each Fiscal Year, it will cause the books and accounts related to the Pledged Revenues to be audited by independent certified public accountants. Such audit will be available for inspection by the registered owners of any of the Bonds. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein, shall, without limiting the generality of the foregoing, include the following:

(i) A balance sheet as of the end of such Fiscal Year, including a statement of the amount held in each of the funds under this Ordinance.

(ii) The amount and details of all Outstanding Bonds.

(iii) The accountant's comments, if any, regarding the manner in which the County has carried out the accounting requirements of this Ordinance (including as to the Alternate Bond status of the Bonds) and has complied with Section 15 of the Debt Reform Act, and the accountant's recommendations for any changes.

(e) The County will keep its books and accounts in accordance with generally accepted accounting principles for local government entities and enterprise funds; provided, however, that the credits to the Bond Fund shall be in cash, and such funds shall be held separate and apart in cash and investments. For the purpose of determining whether sufficient cash and investments are on deposit in such accounts under the terms and requirements of this Ordinance, investments shall be valued at market price on the valuation date thereof, which valuation date shall be not less frequently than annually.

(f) The County will take no action in relation to the Pledged Revenues or the Pledged Taxes which would unfavorably affect the security of the Bonds or the prompt payment of the principal and interest thereon or the 125% coverage required in subsection (b) above to maintain the Bonds as “*alternate bonds*” under Section 15 of the Debt Reform Act.

(g) The owner of any Bond may proceed by civil action to compel performance of all duties required by law and this Ordinance.

Section 23. Further Tax Covenants. The County agrees to comply with all provisions of the Code which, if not complied with by the County, would cause the Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the County agrees (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the County in such compliance.

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

B. Relating to applicable exceptions, the County Clerk or the Chairman is hereby authorized to make such elections under the Code as either such officer shall deem reasonable and in the best interests of the County. 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 County shall pay such Penalty.

C. The Designated Officers shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a “*2021 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 Designated Officers shall cause to be paid to the United States Treasury, without further order or direction from the Corporate Authorities, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

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

The County also certifies and further covenants with the purchaser or purchasers 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 24. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance (the “*Tax Sections*”) which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law (the “*Tax Exemption*”) need not be complied with if the County receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 25. Opinion of Counsel Exception. The County reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 16 through 23 herein, *provided* it shall first have received an opinion from Bond Counsel (or, in the event that Bond Counsel is unable or unwilling to provide such opinion, then from another attorney or a firm of attorneys of nationally recognized standing as bond counsel) to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax-exempt status for the Bonds.

Section 26. Rights and Duties of Bond Registrar and Paying Agent. The Bond Registrar and Paying Agent shall:

- (a) act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;
- (b) maintain a list of Bondholders as set forth herein;

(c) cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer; and

(d) furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 27. Defeasance. Any Bond or Bonds (a) which are paid and canceled, (b) which have matured and for which sufficient sums have been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Paying Agent or similar institution having trust powers to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Pledged Taxes hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the payment, registration, transfer, and exchange are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this Section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

Section 28. Continuing Disclosure Undertaking. Any Designated Officer is hereby authorized to execute and deliver a Continuing Disclosure Undertaking (the “*Undertaking*”), if applicable, in customary form as previously executed by the County and as 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 Undertaking is executed and delivered on behalf of the County, it will be binding on the County and the officers, agents, and employees of the County, 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 Undertaking as executed and delivered. Notwithstanding any other provisions hereof, the sole remedies for failure to comply with such 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 County to comply with its obligations thereunder.

Section 29. Municipal Bond Insurance Policy. In the event the Purchaser certifies to the County that it would be economically advantageous for the County to acquire a Policy for the Bonds, the County hereby authorizes and directs the County Clerk or other Designated Officer to obtain such an insurance policy, as shall be further set forth in the Bond Order. The acquisition of a Policy is hereby deemed economically advantageous if the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on the Bonds if issued with municipal bond insurance is greater than the cost of the premium on the Policy. In the event the payment of principal and interest on the Bonds is insured pursuant to a Policy issued by an Insurer, and as long as such Policy shall be in full force and effect, the County and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Insurer upon payment of the Bonds by the Insurer, amendment hereof, or other terms, as approved by the Chairman on advice of counsel, his or her approval to constitute full and complete acceptance by the County of such terms and provisions under authority of this Section.

Section 30. Publication of Ordinance. A full, true, and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by authority of the Corporate Authorities.

Section 31. Superseder. All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

ADOPTED: This 16th day of August, 2021, pursuant to a roll call vote as follows:

AYES: RANDALL CROCKER, JOHN GOSSETT, NEIL HARGIS, MARK KASH,
RAY MINOR, JACK WARREN, BRAD WILSON + J LARRY MILLER

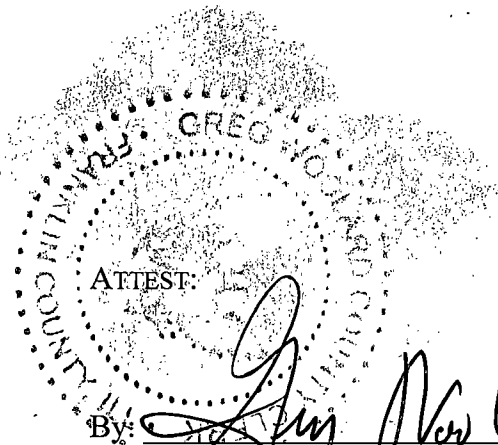
NAYS: KEVIN WESTON

ABSENT: NONE

APPROVED by me this 16th day of August, 2021.

Published in pamphlet form by authority of the County Board on the 16th day of August,
2021.

By: J. Larry Miller
Its: Chairman, the County of Franklin, Illinois



ATTEST:
[Signature]
By: _____
Its: County Clerk, the County of Franklin, Illinois

Member RAY MINOR moved and Member BRAD WILSON seconded the motion that said resolution as presented and read by title by the County Clerk be adopted.

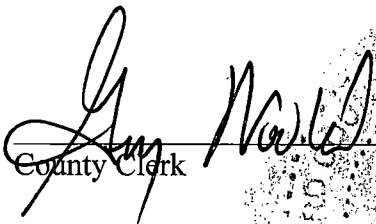
After a full discussion thereof, the Chairman directed that the roll be called for a vote upon the motion to adopt said resolution as read by title.

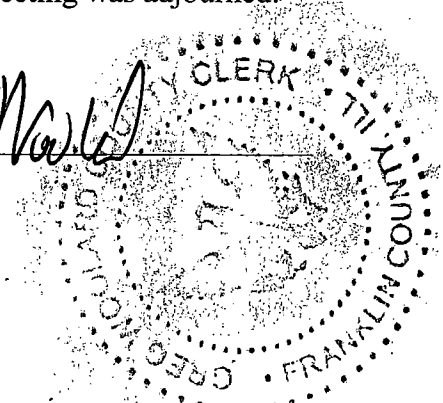
Upon the roll being called, the following Members voted AYE: RANDALL CROCKER,
JOHN GOSSETT, NEIL HARGIS, MARK KASH, RAY MINOR,
JACK WARREN, BRAD WILSON & J. LARRY MILLER
and the following Members voted NAY: KEVIN WESTON

Whereupon the Chairman declared the motion carried and said resolution adopted, approved and signed the same in open meeting and directed the County Clerk to record the same in full in the records of the Corporate Authorities of the County of Franklin, Illinois, which was done.

Other business not pertinent to the adoption of said resolution was duly transacted at said meeting.

Upon motion duly made, seconded, and carried, the meeting was adjourned.


County Clerk



The seal is circular with a dotted border. The text around the border reads "COUNTY CLERK" at the top, "FRANKLIN COUNTY" at the bottom, and "ILLINOIS" on the right side. In the center of the seal, there is a smaller circular emblem with a figure and some text, which is partially obscured by the signature.

STATE OF ILLINOIS)
) SS
COUNTY OF FRANKLIN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of Franklin County, Illinois, and as such official I do further certify that on the 16th day of Aug., 2021, there was filed in my office a duly certified copy of an Ordinance entitled:

ORDINANCE authorizing the issuance of General Obligation Refunding Bonds (Alternate Revenue Source), of the County of Franklin, Illinois, in an aggregate principal amount not to exceed \$1,800,000 to refund certain outstanding obligations of the County, and provide for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

duly adopted by the Chairman and County Board of the County of Franklin, Illinois, on the 16th day of August, 2021, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this 16th day of Aug., 2021.



Greg Woodman

County Clerk of Franklin County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF FRANKLIN)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Franklin, Illinois (the “County”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the County and of the County Board (the “Corporate Authorities”) thereof.

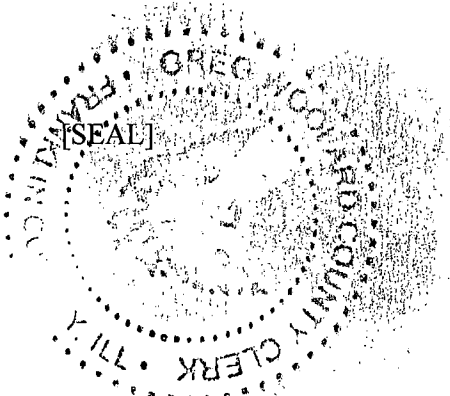
I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 16th day of August, 2021, insofar as the same relates to the adoption of an ordinance entitled:

ORDINANCE authorizing the issuance of General Obligation Refunding Bonds (Alternate Revenue Source), of the County of Franklin, Illinois, in an aggregate principal amount not to exceed \$1,800,000 to refund certain outstanding obligations of the County, and provide for the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

a true, correct, and complete copy of which said resolution 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 resolution were taken openly; that the vote on the adoption of said resolution was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the principal office of the Corporate Authorities and at the location where said meeting was to be held on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting; that said agenda described or made specific reference to said resolution; that a true, correct and complete copy of said agenda as so posted is attached hereto; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Counties Code of the State of Illinois, as amended, 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 resolution.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County this 16th day of August, 2021.



[Handwritten Signature]

County Clerk