
ORDINANCE NO. _____

OF

CITY OF COLUMBIA, MISSOURI

PASSED _____, 2019

AUTHORIZING

\$78,125,000*
WATER AND ELECTRIC SYSTEM REFUNDING REVENUE BONDS
SERIES 2019B

TABLE OF CONTENTS

Page

Title..... 1
Recitals 1

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms 5
Section 102. Authority for Ordinance 11
Section 103. Applicability of Master Ordinance and this Ordinance 11

ARTICLE II

AUTHORIZATION AND SALE OF THE SERIES 2019B BONDS

Section 201. Authorization of the Series 2019B Bonds 12
Section 202. Description of Bonds 12
Section 203. Designation of Paying Agent..... 13
Section 204. Method and Place of Payment of Bonds..... 14
Section 205. Registration, Transfer and Exchange of Bonds 14
Section 206. Execution, Authentication and Delivery of Bonds 15
Section 207. Mutilated, Destroyed, Lost and Stolen Bonds 16
Section 208. Cancellation and Destruction of Bonds Upon Payment 16
Section 209. Preliminary and Final Official Statement 16
Section 210. Sale of Bonds..... 17
Section 211. Book-Entry Bonds; Securities Depository..... 17
Section 212. Authorization of Escrow Instructions 18

ARTICLE III

REDEMPTION OF BONDS

Section 301. Optional Redemption of Bonds 19
Section 302. Selection of Bonds to be Redeemed 19
Section 303. Notice and Effect of Call for Redemption..... 19

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for Bonds 21

ARTICLE V

ESTABLISHMENT AND RATIFICATION OF FUNDS AND ACCOUNTS

Section 501.	Creation of Funds	21
Section 502.	Ratification of Funds and Accounts	22
Section 503.	Administration of Funds and Accounts	22

ARTICLE VI

APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 601.	Disposition of Series 2019B Bond Proceeds and Other Moneys	22
Section 602.	Application of Moneys in the 2019B Costs of Issuance Account	23
Section 603.	System Revenue Fund	23
Section 604.	Application of Moneys in Funds and Accounts	23
Section 605.	Transfer of Funds to Paying Agent.....	25
Section 606.	Payments Due on Saturdays, Sundays and Holidays.....	26
Section 607.	Nonpresentment of Bonds	26
Section 608.	Redemption of Refunded Bonds.....	26
Section 609.	Application of Money in the Escrow Fund.....	26

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

Section 701.	Deposit and Investment of Moneys	27
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ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 801.	Efficient and Economical Operation	27
Section 802.	Continuing Disclosure	27
Section 803.	Rate Covenant.....	28
Section 804.	Reasonable Charges for all Services.....	29
Section 805.	Corporate Existence.....	29
Section 806.	Restrictions on Mortgage or Sale of System	29
Section 807.	Insurance	30
Section 808.	Books, Records and Accounts	30
Section 809.	Annual Budget.....	30
Section 810.	Annual Audit	30
Section 811.	Right of Inspection	30
Section 812.	Performance of Duties and Covenants	31
Section 813.	Parity Bond Certification.....	31
Section 814.	Tax Covenants	31

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

Section 901.	Senior Lien Bonds	32
Section 902.	Parity Bonds and Other Obligations	32
Section 903.	Junior Lien Bonds and Other Obligations	33
Section 904.	Refunding Bonds	33

ARTICLE X

DEFAULT AND REMEDIES

Section 1001.	Acceleration of Maturity Upon Default.....	34
Section 1002.	Other Remedies	34
Section 1003.	Limitation on Rights of Bondowners	34
Section 1004.	Remedies Cumulative.....	35
Section 1005.	No Obligation to Levy Taxes	35
Section 1006.	Exception for Continuing Disclosure.	35

ARTICLE XI

DEFEASANCE

Section 1101.	Defeasance.....	35
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ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201.	Amendments	36
Section 1202.	Notices, Consents and Other Instruments by Bondowners.....	37
Section 1203.	Further Authority	38
Section 1204.	Severability.....	38
Section 1205.	Governing Law	38
Section 1206.	Electronic Storage.....	38
Section 1207.	Effective Date	39

Exhibit A	Form of Series 2019B Bond
Exhibit B	Form of Continuing Disclosure Undertaking
Exhibit C	Preliminary Official Statement
Exhibit D	Letter of Escrow Instructions

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 263-19

AN ORDINANCE

authorizing the issuance of Water and Electric System Refunding Revenue Bonds, Series 2019B, prescribing the form and details of the bonds and the covenants and agreements to provide for the payment and security thereof, and authorizing certain actions and documents and prescribing other matters relating thereto; and fixing the time when this ordinance shall become effective.

WHEREAS, the City of Columbia, Missouri (the “City”), a constitutional charter city and political subdivision duly organized and existing under the constitution and laws of the State of Missouri, and pursuant to Article VI, Section 27 of the Missouri Constitution and Chapter 250 of the Revised Statutes of Missouri, as amended (the “Act”), now owns and operates a revenue-producing municipal water and electric light works system serving the City and its inhabitants and others within its service area (collectively, the “System,” as hereinafter more fully defined); and

WHEREAS, the System is operated as one plant and under one management, and the revenues produced by the water facilities and the revenues produced by the electric facilities are accounted to a common fund; and

WHEREAS, the City has no bonds or other obligations outstanding payable from the Net Revenues (as hereinafter more fully defined) of the System except the following:

<u>Series of Bonds</u>	<u>Dated</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
Water and Electric System Revenue Bonds, 2009 Series A	9/29/2009	\$16,725,000	\$15,170,000
Water and Electric System Revenue Refunding and Improvement Bonds, 2011 Series A	5/17/2011	\$84,180,000	\$67,185,000
Special Obligation Refunding Bonds (Electric Utility Project – Annual Appropriation Obligation), Series 2012D ⁽¹⁾	5/21/2012	\$25,400,000	\$19,325,000
Special Obligation Electric Utility Refunding Bonds (Annual Appropriation Obligation), Series 2012E ⁽²⁾	12/13/2012	\$39,955,000	\$33,385,000
Water and Electric System Revenue Refunding Bonds, 2014 Series A	7/07/2014	\$14,180,000	\$9,195,000
Water and Electric System Refunding and Improvement Revenue Bonds, Series 2015	8/05/2015	\$51,280,000	\$42,515,000

(1) Secured by a subordinate lien on the Net Revenues.

(2) The City intends to make debt service payments from the Net Revenues, however such bonds do not have a lien on the Net Revenues.

WHEREAS, the City is authorized under the provisions of the Act to issue and sell revenue bonds for the purpose of providing funds for acquiring, constructing, extending and improving the System upon obtaining the required voter approval and provided that the principal of and interest on such revenue bonds shall be payable solely from the revenues derived from the operation of the System; and

WHEREAS, the City has, from time to time pursuant to the Act and approval by not less than a majority of the qualified voters of the City voting thereon, issued and sold its revenue bonds for the purpose of paying all or part of the cost of extending and improving the System, with the cost of operation and maintenance of the System and the principal of and interest on said revenue bonds payable solely from the Net Revenues; and

WHEREAS, on March 15, 2004, the City Council of the City passed Ordinance No. 018028 (the “**Master Ordinance**”), which created and established an issue of bonds of the City to be designated “Water and Electric System Revenue Bonds” to be authorized and issued, from time to time, in separate series authorized by ordinance of the City Council; and

WHEREAS, pursuant to the Act, a special bond election was duly held in the City on November 4, 2008, on the question whether to issue Water and Electric System Revenue Bonds in the principal amount of \$38,940,000 (the “**2008 Voted Authority**”) for the purpose of extending, expanding, improving, repairing, replacing and equipping the City-owned waterworks and electric systems, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 39,908 votes for said question to 11,386 votes against said question; and

WHEREAS, on September 29, 2009, the City issued and delivered \$16,725,000 principal amount of Water and Electric System Revenue Bonds, 2009 Series A (the “**Series 2009 Bonds**”), pursuant to Ordinance No. 020419 passed on September 21, 2009 (the “**Series 2009 Ordinance**”), of which \$15,170,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of paying the costs of extending, expanding, improving, repairing, replacing and equipping the System; and

WHEREAS, pursuant to the Act, a special bond election was duly held in the City on April 5, 2011, on the question whether to issue Water and Electric System Revenue Bonds in the principal amount of \$49,500,000 (the “**2011 Voted Authority**”) for the purpose of extending, expanding, improving, repairing, replacing and equipping the City-owned waterworks and electric systems including purchasing the outstanding shares of the Columbia Energy Center, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 8,973 votes for said question to 1,459 votes against said question; and

WHEREAS, on May 17, 2011, the City issued and delivered \$84,180,000 principal amount of Water and Electric System Revenue Refunding and Improvement Bonds, 2011 Series A (the “**Series 2011 Bonds**”), pursuant to Ordinance No. 020954 adopted on May 2, 2011 (the “**Series 2011 Ordinance**”), of which \$77,870,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of (i) refunding a portion of the City’s Water and Electric Revenue Bonds,

2002 Series A, all of which have been paid as of the date of the adoption of this Ordinance and (ii) paying the costs of extending, expanding, improving, repairing, replacing and equipping the System (with the new money portion of the Series 2011 Bonds (\$71,715,000) utilizing the remaining 2008 Voted Authority and all of the 2011 Voted Authority); and

WHEREAS, on May 21, 2012, the City issued and delivered \$25,400,000 principal amount of Special Obligation Refunding Bonds (Electric Utility Project – Annual Appropriation Obligation), Series 2012D (the “**Series 2012D Bonds**”), pursuant to Ordinance No. 021305 passed on May 7, 2012, of which \$19,325,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of refunding all of the City’s Special Obligation Electric Utility Improvement Bonds, Series 2008A, which Series 2012D Bonds are secured by a subordinate lien on the Net Revenues; and

WHEREAS, on December 13, 2012, the City issued and delivered \$39,955,000 principal amount of Special Obligation Electric Utility Refunding Bonds (Annual Appropriation Obligation), Series 2012E (the “**Series 2012E Bonds**”), pursuant to Ordinance No. 021519 passed on December 3, 2012, of which \$33,385,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of refunding all of the City’s Special Obligation Electric Utility Improvement Bonds, Series 2006C. The City intends to make debt service payments on the Series 2012E Bonds from the Net Revenues, however the Series 2012E Bonds do not have a lien on the Net Revenues; and

WHEREAS, on July 7, 2014, the City issued and delivered \$14,180,000 principal amount of Water and Electric System Revenue Refunding Bonds, 2014 Series A (the “**Series 2014 Bonds**”), pursuant to Ordinance No. 022074 adopted on June 2, 2014 (the “**Series 2014 Ordinance**”), of which \$9,195,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of refunding (i) all of the City’s Water and Electric System Revenue Refunding Bonds, 2003 Series A and (ii) all of the City’s Water and Electric System Improvement Revenue Bonds, 2004 Series A; and

WHEREAS, pursuant to the Act, a special bond election was duly held in the City on April 7, 2015, on the question whether to issue Waterworks and Electric System Revenue Bonds in the principal amount of \$63,100,000 (the “**2015 Voted Authority**”) for the purpose of extending, expanding, improving, repairing, replacing and equipping the System, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 7,886 votes for said question to 3,602 votes against said question; and

WHEREAS, on August 5, 2015, the City issued and delivered \$51,280,000 principal amount of Water and Electric System Refunding and Improvement Revenue Bonds, Series 2015 (the “**Series 2015 Bonds**”), pursuant to Ordinance No. 022505 adopted on July 20, 2015 (the “**Series 2015 Ordinance**”), of which \$42,515,000 remains outstanding as of the date of adoption of this Ordinance, for the purpose of (i) refunding all of the City’s Water and Electric System Refunding and Improvement Revenue Bonds, 2005 Series A and (ii) paying the costs of extending, expanding, improving, repairing, replacing and equipping the System; and

WHEREAS, pursuant to the Act, a special bond election was duly held in the City on August 7, 2018, on the question whether to issue Waterworks and Electric System Revenue Bonds in the principal amount of \$42,845,000 (the “**2018 Voted Authority**”) for the purpose of extending, expanding, improving, repairing, replacing and equipping the System, and it was found and determined that a simple majority of the qualified electors of the City voting on the question had voted in favor of the issuance of said revenue bonds for the purpose aforesaid, the vote on said question having been 19,293 votes for said question to 4,358 votes against said question; and

WHEREAS, on May 21, 2019, the City issued and delivered \$15,150,000 principal amount of Water and Electric System Revenue Bonds, Series 2019A (the “**Series 2019A Bonds**”), pursuant to Ordinance No. 023850 adopted on May 6, 2019 (the “**Series 2019A Ordinance**”), all of which remains outstanding as of the date of adoption of this Ordinance, for the purpose of paying the costs of extending, expanding, improving, repairing, replacing and equipping the System; and

WHEREAS, the City desires to refund (i) all of the outstanding Series 2009 Bonds maturing on October 1, 2020 and thereafter (the “**Series 2009 Refunded Bonds**”) and (ii) all of the outstanding Series 2011 Bonds maturing on October 1, 2020 and thereafter (the “**Series 2011 Refunded Bonds**”) and, together with the Series 2009 Refunded Bonds, the “**Refunded Bonds**”) and is authorized under the provisions of Section 108.140(2) and the Act to issue and sell refunding revenue bonds for the purpose of refunding, in whole or in part, its valid outstanding revenue bonds, which refunding revenue bonds may be payable from the same sources as were pledged to the payment of the bonds refunded; and

WHEREAS, the City now finds it necessary and in the best interests of the City to adopt this Ordinance authorizing the issuance of the City’s Water and Electric System Refunding Revenue Bonds, Series 2019B (the “**Series 2019B Bonds**”), to provide funds to (i) refund the Refunded Bonds, (ii) fund a debt service reserve account for the Series 2019B Bonds, and (iii) pay the costs of issuing the Series 2019B Bonds; and

WHEREAS, the Series 2019B Bonds will be issued on a parity with the Series 2014 Bonds, the Series 2015 Bonds and the Series 2019A Bonds (collectively the “**Previously Issued Parity Bonds**”); and

WHEREAS, in the ordinances pursuant to which the Previously Issued Parity Bonds were issued (collectively, the “**Previously Issued Parity Ordinances**”), the City covenanted that no Additional Bonds (other than refunding bonds) or other obligations would be issued on a parity with the Previously Issued Parity Bonds unless Revenues Available for Debt Service (defined below) or estimated Revenues Available for Debt Service, adjusted as provided in the Master Ordinance, for certain 12-month periods described in the Master Ordinance, were not less than 1.25 times the maximum total Debt Service Requirement for any succeeding Fiscal Year on all Parity Bonds which would be Outstanding immediately after the issuance of the proposed Additional Bonds (as such capitalized terms are defined in the Master Ordinance); and

WHEREAS, the City has complied with the provisions of the Previously Issued Parity Ordinances described in the preceding paragraph, and, prior to the issuance of the Series 2019B Bonds, the City will obtain a certificate of an authorized officer of the City evidencing such compliance; and

WHEREAS, the City Council has heretofore determined that it is in the best interest of the City to sell said Series 2019B Bonds at a public sale; and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants that the Series 2019B Bonds be issued and secured in the form and manner as hereinafter provided to provide funds for the purpose described above.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Ordinance shall have the following meanings:

“2019B Bond Account” means the Principal and Interest Account for Water and Electric System Refunding Revenue Bonds, Series 2019B, created in **Section 501** of this Ordinance.

“2019B Bond Reserve Account” means the Reserve Account for Water and Electric System Refunding Revenue Bonds, Series 2019B, created in **Section 501** of this Ordinance.

“2019B Costs of Issuance Account” means the Costs of Issuance Account for Water and Electric System Refunding Revenue Bonds, Series 2019B, created in **Section 501** of this Ordinance.

“2019B Reserve Requirement” means initially \$_____ and thereafter the reserve requirement for the Series 2019B Bonds as redetermined in accordance with **Section 604(c)** hereof.

“Accountant” means an independent certified public accountant or firm of certified public accountants.

“Act” means Article VI, Section 27 of the Missouri Constitution and Chapter 250 of the Revised Statutes of Missouri, as amended.

“Additional Bonds” means any bonds issued as Parity Bonds pursuant to the provisions hereof.

“Beneficial Owner” means any person for which a Participant acquires an interest in any Series 2019B Bond.

“Bond Counsel” means Gilmore & Bell, P.C., St. Louis, Missouri, or any other attorney or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

“Bond Payment Date” means any date on which principal or Redemption Price of or interest on any Series 2019B Bond is payable.

“Bond Register” means the books for the registration, transfer and exchange of Series 2019B Bonds kept at the office of the Paying Agent.

“Bondowner” or **“Owner”** or **“Registered Owner”** or the lower-case forms of such words means the person in whose name a Series 2019B Bond is registered in the registration books maintained by the Bond Registrar.

“Business Day” means a day, other than a Saturday, Sunday or holiday, on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“Cede & Co.” means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee of the Securities Depository with respect to the Series 2019B Bonds.

“City” means the City of Columbia, Missouri, and any successors or assigns.

“City Council” means the City Council of the City.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

“Consulting Engineer” means each independent engineer or engineering firm with experience in designing and constructing electric facilities or waterworks facilities, and retained by the City.

“Continuing Disclosure Undertaking” means the Continuing Disclosure Undertaking dated the date set forth therein and delivered by the City, the form of which is attached to this Ordinance as **Exhibit B**.

“Debt Service Requirement” has the meaning set forth in the Master Ordinance.

“Defaulted Interest” means interest on any Series 2019B Bond which is payable but not paid on any Interest Payment Date.

“Defeasance Obligations” means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in the same rating category as United States Government Obligations or higher by a nationally recognized rating service.

“Depository” means the depository of each fund established under this Ordinance, and any successor depository of such fund hereafter designated by the City from time to time by a Supplemental Ordinance.

“Escrow Agent” means UMB Bank, N.A., St. Louis, Missouri, and any successors or assigns.

“Escrow Fund” means the fund by that name referred to in **Section 501** hereof.

“Escrow Instructions” means the Letter of Escrow Instructions dated October 8, 2019, from the City to the Escrow Agent, in substantially the form attached hereto as **Exhibit D**.

“Escrowed Securities” means the direct, noncallable obligations of the United States of America, as described in the Escrow Instructions.

“Federal Tax Certificate” means the Federal Tax Certificate delivered by the City for the Series 2019B Bonds, which sets forth certain facts, covenants, representations, and expectations relating to the use of Series 2019B Bond proceeds and the use of property financed or refinanced with those proceeds, and the investment of the Series 2019B Bond proceeds and certain other related money in order to comply with the requirements of the Code imposed on the Series 2019B Bonds.

“Fiscal Year” means the fiscal year of the City, currently October 1 to September 30.

“Interest Payment Date” means the Stated Maturity of an installment of interest on any Series 2019B Bond.

“Master Ordinance” means Ordinance No. 018028 adopted on March 15, 2004 (as supplemented and amended), which created and established an issue of bonds of the City to be designated “Water and Electric System Revenue Bonds” to be authorized and issued, from time to time, in separate series authorized by ordinance of the City Council.

“Maturity” when used with respect to any Series 2019B Bond means the date on which the principal of such Series 2019B Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or by call for redemption or otherwise.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, “**Moody’s**” shall be deemed to refer to any other nationally recognized securities rating agency designated in writing by the City.

“Net Revenues” means all Revenues less Operating Expenses.

“Operating Expenses” means the City’s expenses of operating the System, including all costs due under any type of contractual arrangement in respect of power and power entitlements, operation, maintenance, generation, production, transmission, distribution, repairs, replacements, engineering, transportation, administrative and general, audit, legal, financial, pension, retirement, health, hospitalization, insurance, taxes, and other expenses actually paid or accrued, including, without limitation, any expenses of the City applicable to the System, as recorded on its books pursuant to standard governmental accounting practice and any other expenses of the City applicable to the System, as recorded on its books pursuant to standard governmental accounting practice. Operating Expenses shall not include any costs or expenses for new construction, charges for depreciation, voluntary payments in lieu of taxes, payments in respect of any “take or pay” power contract under which no power is available to the City for such payment, or payment of principal or interest on the System Revenue Bonds.

“Ordinance” means this Ordinance as from time to time amended in accordance with the terms hereof.

“Outstanding” means, when used with reference to the Series 2019B Bonds, as of any particular date of determination, all Series 2019B Bonds theretofore issued and delivered hereunder, except the following Series 2019B Bonds:

- (a) Series 2019B Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Series 2019B Bonds deemed to be paid in accordance with the provisions of **Section 1101** hereof; and
- (c) Series 2019B Bonds in exchange for or in lieu of which other Series 2019B Bonds have been registered and delivered hereunder.

“Parity Bonds” means the Previously Issued Parity Bonds and any Additional Bonds or other obligations hereafter issued or incurred pursuant to **Section 902** hereof and standing on a parity and equality with the Series 2019B Bonds with respect to the payment of principal and interest from the Net Revenues of the System.

“Parity Ordinances” means the Previously Issued Parity Ordinances and the ordinance or ordinances under which any additional Parity Bonds are hereafter issued pursuant to **Section 902** hereof.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means UMB Bank, N.A., St. Louis, Missouri, and any successors and assigns.

“Permitted Investments” means any securities or investments that are lawful for the investment of the City’s moneys held in such funds or accounts under the laws of the State of Missouri.

“Person” means any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

“Previously Issued Parity Bonds” means, collectively, the Series 2014 Bonds, the Series 2015 Bonds and the Series 2019A Bonds.

“Previously Issued Parity Ordinances” means, collectively, the Series 2014 Ordinance, the Series 2015 Ordinance and the Series 2019A Ordinance.

“Purchaser” means [*Purchaser*], the original purchaser of the Series 2019B Bonds.

“Rating Agencies” means Moody’s and S&P.

“Record Date” for the interest payable on any Interest Payment Date means the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

“Redemption Date” when used with respect to any Series 2019B Bond to be redeemed means the date fixed for such redemption pursuant to the terms of this Ordinance.

“Redemption Price” when used with respect to any Series 2019B Bond to be redeemed means the price at which such Series 2019B Bond is to be redeemed pursuant to the terms of this Ordinance, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

“Refunded Bonds” means, collectively, the Series 2009 Refunded Bonds and the Series 2011 Refunded Bonds.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Series 2019B Bonds in accordance with **Section 210(b)** hereof.

“Renewal and Replacement Account” means the Renewal and Replacement Reserve Account ratified and confirmed in **Section 502** of this Ordinance.

“Renewal and Replacement Requirement” means, so long as the Previously Issued Parity Bonds are Outstanding, the amount required to be on deposit in the Renewal and Replacement Account pursuant to the Master Ordinance, and thereafter, the amount determined by the City as reasonably necessary for such purposes.

“Revenues” means all income and revenues derived from the ownership and operation of the System, including investment and rental income, net proceeds from business interruption insurance, sales tax revenues which have been annually appropriated by the City or which are limited solely to the payment of improvements to or expenses of the System, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of System facilities to be applied during the period of determination to pay interest on System Revenue Bonds, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

“Revenues Available For Debt Service” means, for any Fiscal Year or period of 12 calendar months, all Net Revenues for such year or period.

“S&P” means S&P Global Ratings, a division of S&P Global Inc., its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated in writing by the City Council.

“Securities Depository” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“Series 2009 Bonds” means the Water and Electric System Revenue Bonds, 2009 Series A, of the City, in the aggregate principal amount of \$16,725,000, authorized and issued pursuant to the Series 2009 Ordinance.

“Series 2009 Ordinance” means Ordinance No. 020419 of the City passed on September 21, 2009, under which the Series 2009 Bonds were issued.

“Series 2009 Refunded Bonds” means the Series 2009 Bonds maturing in 2020 and thereafter, in the aggregate principal amount of \$14,490,000.

“Series 2011 Bonds” means the Water and Electric System Revenue Refunding and Improvement Bonds, 2011 Series A, of the City, in the aggregate principal amount of \$84,180,000, authorized and issued pursuant to the Series 2011 Ordinance.

“Series 2011 Ordinance” means Ordinance No. 020954 of the City passed on May 2, 2011, under which the Series 2011 Bonds were issued.

“Series 2011 Refunded Bonds” means the Series 2011 Bonds maturing in 2020 and thereafter, in the aggregate principal amount of \$64,215,000.

“Series 2012D Bonds” means the Special Obligation Refunding Bonds (Electric Utility Project – Annual Appropriation Obligation), Series 2012D, of the City, in the aggregate principal amount of \$22,885,000, which are secured by a subordinate lien on the Net Revenues.

“Series 2012E Bonds” means the Special Obligation Electric Utility Refunding Bonds (Annual Appropriation Obligation), Series 2012E, of the City, in the aggregate principal amount of \$39,955,000. The City intends to make debt service payments on the Series 2012E Bonds from the Net Revenues, however the Series 2012E Bonds do not have a lien on the Net Revenues.

“Series 2014 Bonds” means the Water and Electric System Revenue Refunding Bonds, 2014 Series A, of the City, in the aggregate principal amount of \$14,180,000, authorized and issued pursuant to the Series 2014 Ordinance.

“Series 2014 Ordinance” means Ordinance No. 022074 of the City passed on June 2, 2014, under which the Series 2014 Bonds were issued.

“Series 2015 Bonds” means the Water and Electric System Refunding and Improvement Revenue Bonds, Series 2015, of the City, in the aggregate principal amount of \$51,280,000, authorized and issued pursuant to the Series 2015 Ordinance.

“Series 2015 Ordinance” means Ordinance No. 022505 of the City passed on July 20, 2015, under which the Series 2015 Bonds were issued.

“Series 2019A Bonds” means the Water and Electric System Revenue Bonds, Series 2019A, of the City, in the aggregate principal amount of \$15,150,000, authorized and issued pursuant to the Series 2019A Ordinance.

“**Series 2019A Ordinance**” means Ordinance No. 023850 of the City passed on May 6, 2019, under which the Series 2019A Bonds were issued.

“**Series 2019B Bonds**” means the Water and Electric System Revenue Bonds, Series 2019B, of the City, authorized and issued pursuant to this Ordinance.

“**Special Record Date**” means the date fixed by the Paying Agent pursuant to **Section 204** hereof for the payment of Defaulted Interest.

“**Stated Maturity**” when used with respect to any Series 2019B Bond or any installment of interest thereon means the date specified in such Series 2019B Bond and this Ordinance as the fixed date on which the principal of such Series 2019B Bond or such installment of interest is due and payable.

“**Subordinate Bonds**” means the Series 2012D Bonds and any other bonds issued on a junior lien basis to the Parity Bonds with respect to the pledge of the Net Revenues.

“**System**” means (i) properties and assets relating to the City’s wholly-owned water and electric system to which legal title is vested in the City and all properties and assets acquired by the City as renewals and replacements, additions and expansion, and improvements thereto, as recorded in the books of the City pursuant to standard governmental accounting practices, and (ii) all renewals and replacements, additions and expansions and improvements thereto paid for or financed in whole or in part from Revenues, proceeds of System Revenue Bonds, Subordinate Bonds or other funds under this Ordinance. System as used in this Ordinance shall not include any facilities for the generation of power and energy financed by the City through the issuance of obligations of the City which shall be secured in part by contracts with other utilities for the sale of the power and energy from such facilities.

“**System Revenue Bonds**” means the Previously Issued Parity Bonds, the Series 2019B Bonds, any Additional Bonds secured on a parity basis by the Net Revenues and any Subordinate Bonds.

“**System Revenue Fund**” means the System Revenue Fund ratified and confirmed in **Section 502** of this Ordinance.

“**United States Government Obligations**” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the same rating category as the United States of America or higher by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the City.

Section 102. Authority for Ordinance. This Ordinance is adopted pursuant to the provisions of the City’s Charter and the Act, and is amendatory and supplemental to, and is authorized, executed and delivered in accordance with, **Article II** and **Article X** of the Master Ordinance.

Section 103. Applicability of Master Ordinance and this Ordinance. Except as otherwise provided in this Ordinance, the provisions of the Master Ordinance are hereby ratified, approved and confirmed and incorporated herein and shall be applicable to the authorization, execution, authentication, issuance, redemption, payment, sale and delivery of the Series 2019B Bonds, the custody and the distribution of the proceeds and the security, payment, redemption and enforcement of payment thereof.

In the event of any inconsistency between this Ordinance and the Master Ordinance, the provisions of the Master Ordinance shall control.

ARTICLE II

AUTHORIZATION AND SALE OF THE SERIES 2019B BONDS

Section 201. Authorization of the Series 2019B Bonds. There is hereby authorized to be issued, sold and delivered a series of Water and Electric System Refunding Revenue Bonds, Series 2019B, of the City in the principal amount of \$78,125,000* (the “**Bonds**” or the “**Series 2019B Bonds**”) for the purpose of providing funds to (i) refund the Refunded Bonds, (ii) make the necessary deposit to the 2019B Bond Reserve Account and (iii) **pay the costs of issuing the Series 2019B Bonds**, as provided in this Ordinance. The Series 2019B Bonds shall be dated as of their date of initial issuance and delivery.

Section 202. Description of Bonds. The Series 2019B Bonds shall consist of fully-registered bonds, numbered from 1 upward, in denominations of \$5,000 or any integral multiple thereof. The Series 2019B Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof. The Series 2019B Bonds shall be dated the date of original issuance and delivery thereof, shall become due in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in **Article III** hereof, and shall bear interest at the rates per annum, as follows:

[Remainder of Page Intentionally Left Blank.]

<u>Stated Maturity (October 1)</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
2020	\$	%
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		

The Series 2019B Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on April 1 and October 1 in each year, beginning on April 1, 2020.

Section 203. Designation of Paying Agent. UMB Bank, N.A., St. Louis, Missouri, is hereby designated as the City’s Paying Agent for the payment of principal of and interest on the Series 2019B Bonds and as bond registrar with respect to the registration, transfer and exchange of Series 2019B Bonds (herein called the “**Paying Agent**”).

The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Bondowner. The Paying Agent may resign upon giving written notice by first class mail to the City and the Bondowners not less than 60 days prior to the date such resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent.

Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and in good standing and doing business under the laws of the United States of America or of the State of Missouri and subject to supervision or examination by federal or state regulatory authority.

The Paying Agent shall be paid its fees and expenses for its services in connection herewith, which fees and expenses shall be paid as other expenses are paid.

Section 204. Method and Place of Payment of Bonds. The principal or Redemption Price of and interest on the Series 2019B Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Series 2019B Bond shall be paid at Maturity by check, electronic transfer or draft to the Person in whose name such Series 2019B Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Series 2019B Bond at the principal corporate trust office of the Paying Agent.

The interest payable on each Series 2019B Bond on any Interest Payment Date shall be paid to the Registered Owner of such Series 2019B Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to such Registered Owner at the address shown on the Bond Register or by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, address, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee may be applicable.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Series 2019B Bond shall cease to be payable to the Registered Owner of such Series 2019B Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Series 2019B Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Series 2019B Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Series 2019B Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Series 2019B Bonds and shall upon the written request of the City at least annually forward a copy or summary of such records to the City.

Section 205. Registration, Transfer and Exchange of Bonds. The City covenants that, as long as any of the Series 2019B Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Paying Agent for the registration, transfer and exchange of Series 2019B Bonds as herein provided. Each Series 2019B Bond when issued shall be registered in the name of the owner thereof on the Bond Register.

Series 2019B Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Series 2019B Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Series 2019B Bond for a new Series 2019B Bond or Series 2019B Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Series 2019B Bond that was presented for transfer or exchange. Series 2019B Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Series 2019B Bonds is exercised, the Paying Agent shall authenticate and deliver Series 2019B Bonds in accordance with the provisions of this Ordinance. The City shall pay the fees and expenses of the Paying Agent for the registration, transfer and exchange of Series 2019B Bonds provided for by this Ordinance and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Series 2019B Bonds. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Series 2019B Bonds.

The City and the Paying Agent shall not be required (a) to register the transfer or exchange of any Series 2019B Bond after notice calling such Series 2019B Bond or portion thereof for redemption has been given or during the period of fifteen days next preceding the first mailing of such notice of redemption; or (b) to register the transfer or exchange of any Series 2019B Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

The City and the Paying Agent may deem and treat the Person in whose name any Series 2019B Bond is registered in the Bond Register as the absolute owner of such Series 2019B Bond, whether such Series 2019B Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Series 2019B Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Series 2019B Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Series 2019B Bonds then Outstanding or any designated representative of such Registered Owners whose authority is evidenced to the satisfaction of the Paying Agent.

Section 206. Execution, Authentication and Delivery of Bonds. The Series 2019B Bonds, including any Series 2019B Bonds issued in exchange or as substitution for the Series 2019B Bonds initially delivered, shall be signed by the manual or facsimile signature of the City Manager, attested by the manual or facsimile signature of the City Clerk, and shall have the official seal of the City affixed thereto or imprinted thereon. In case any officer whose signature appears on any Series 2019B Bond ceases to be such officer before the delivery of such Series 2019B Bond, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Series 2019B Bond may be signed by such persons who at the actual time of the execution of such

Series 2019B Bond shall be the proper officers to sign such Series 2019B Bond although at the date of such Series 2019B Bond such persons may not have been such officers.

The City Manager and City Clerk are hereby authorized and directed to prepare and execute the Series 2019B Bonds as herein specified, and when duly executed, to deliver the Series 2019B Bonds to the Paying Agent for authentication.

The Series 2019B Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Series 2019B Bonds that may be issued hereunder at any one time. No Series 2019B Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon any Series 2019B Bond shall be conclusive evidence that such Series 2019B Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Series 2019B Bonds to or upon the order of the Purchaser of the Series 2019B Bonds upon payment of the Purchase Price to the City.

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds. If (a) any mutilated Series 2019B Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Series 2019B Bond, and (b) there is delivered to the City and the Paying Agent such security or indemnity as may be required by the Paying Agent, then, in the absence of notice to the City and the Paying Agent that such Series 2019B Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Series 2019B Bond, a new Series 2019B Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Series 2019B Bond has become or is about to become due and payable, the Paying Agent, in its discretion may pay such Series 2019B Bond instead of delivering a new Series 2019B Bond.

Upon the issuance of any new Series 2019B Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Series 2019B Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Series 2019B Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Series 2019B Bonds so cancelled and shall file an executed counterpart of such certificate with the City.

Section 209. Preliminary and Final Official Statement. The Preliminary Official Statement, in substantially the form attached hereto as **Exhibit C**, is hereby ratified and approved and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the

Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The City Manager is hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the Official Statement by the Purchaser in connection with the reoffering of the Series 2019B Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Series 2019B Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “SEC”), the City hereby deems the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of such Rule.

The City agrees to provide to the Purchaser within seven business days of the date of the sale of the Series 2019B Bonds sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the SEC and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 210. Sale of Bonds. The City hereby ratifies and confirms the sale of the Series 2019B Bonds to the Purchaser at a purchase price of \$_____ (which is equal to the aggregate principal amount of the Series 2019B Bonds, plus a net original issue premium of \$_____, and less an underwriting discount of \$_____), plus accrued interest, if any. The City shall deliver the Series 2019B Bonds to the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the sale. The Finance Director is hereby authorized to execute the bid submitted by the Purchaser.

Section 211. Book-Entry Bonds; Securities Depository.

(a) The Series 2019B Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2019B Bonds, except in the event the Paying Agent issues Replacement Bonds as provided in subsection (b) hereof. It is anticipated that during the term of the Series 2019B Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Series 2019B Bonds to the Participants until and unless the Paying Agent authenticates and delivers Replacement Bonds to the Beneficial Owners as described in subsection (b).

(b) (1) If the City determines (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Series 2019B Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2019B Bonds, or (2) if the Paying Agent receives written notice from Participants having interests in not less than 50% of the Series 2019B Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Series 2019B Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2019B Bonds, then the Paying Agent shall notify the Owners of such determination or such notice and of the availability of

certificates to Owners requesting the same, and the Paying Agent shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the City, with the consent of the Paying Agent, may select a successor securities depository in accordance with **Section 211(c)** hereof to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Series 2019B Bond is registered in the name of the Securities Depository or its nominee. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Paying Agent, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the City, the Paying Agent or Owners are unable to locate a qualified successor of the Securities Depository in accordance with **Section 211(c)** hereof, then the Paying Agent shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Paying Agent may rely on information from the Securities Depository and its Participants as to the names and addresses of and principal amounts held by the Beneficial Owners of the Series 2019B Bonds. The cost of printing, registration, authentication and delivery of Replacement Bonds shall be paid for by the City.

(c) If the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Paying Agent and the City receive written evidence with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Paying Agent upon its receipt of a Series 2019B Bond or Series 2019B Bonds for cancellation shall cause the delivery of Series 2019B Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 212. Authorization of Escrow Instructions.

(a) The City is hereby authorized to deliver the Escrow Instructions in substantially the form attached to this Ordinance as **Exhibit D** to the Escrow Agent and the City Manager is hereby authorized and directed to execute the Escrow Instructions with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the City. The Escrow Agent is hereby authorized to carry out, on behalf of the City, the duties, terms and provisions of the Escrow Instructions, and the Escrow Agent, the Financial Advisor and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein, including the subscription of any United States Treasury Securities - State and Local Government Series ("SLGS").

(b) The City certifies that any SLGS will be purchased solely from moneys transferred to the Escrow Agent either from the debt service fund maintained by the City for the Refunded Bonds or from the proceeds of the Bonds and not from any amounts received from either (1) the sale or redemption before maturity of any marketable security or (2) the redemption before maturity of any time deposit SLGS (other than a zero-interest SLGS). The City understands that, if it fails to settle on the subscription for SLGS or makes an untimely or unauthorized change to subscription, the Bureau of Public Debt may bar the City from subscribing for SLGS for six months beginning on the earlier of (i) the date the subscription is withdrawn or (ii) the proposed issue date for the SLGS.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Optional Redemption of Bonds. At the option of the City, the Series 2019B Bonds or portions thereof maturing on October 1, 2028 and thereafter may be called for redemption and payment prior to their Stated Maturity on October 1, 2027 and thereafter as a whole or in part at any time at the Redemption Price of 100% of the principal amount thereof plus accrued interest thereon to the Redemption Date.

Section 302. Selection of Bonds to be Redeemed.

(a) The Paying Agent shall call Series 2019B Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Paying Agent at least 45 days prior to the Redemption Date of written instructions from the City specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Series 2019B Bonds to be called for redemption. If any Series 2019B Bonds are refunded more than 90 days in advance of such Redemption Date, any escrow agreement entered into by the City in connection with such refunding shall provide that such written instructions to the Paying Agent shall be given by the escrow agent on behalf of the City not less than 45 days prior to the Redemption Date. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met.

(b) Series 2019B Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. Series 2019B Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount in such equitable manner as the Paying Agent may determine.

(c) In the case of a partial redemption of Series 2019B Bonds at the time Outstanding in denominations greater than \$5,000, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Series 2019B Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Series 2019B Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Series 2019B Bond or the Registered Owner's duly authorized agent shall present and surrender such Series 2019B Bond to the Paying Agent (1) for payment of the Redemption Price and interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the Registered Owner thereof, for a new Series 2019B Bond or Series 2019B Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Series 2019B Bond. If the Registered Owner of any such Series 2019B Bond fails to present such Series 2019B Bond to the Paying Agent for payment and exchange as aforesaid, such Series 2019B Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Section 303. Notice and Effect of Call for Redemption. Unless waived by any Registered Owner of Series 2019B Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 30 days prior to the Redemption Date to each Registered Owner of the Series 2019B Bonds to be redeemed at the address shown on the Bond Register.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Series 2019B Bonds of a maturity are to be redeemed, the identification number, Stated Maturity, and, in the case of partial redemption of any Series 2019B Bonds, the respective principal amounts of the Series 2019B Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Series 2019B Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Series 2019B Bonds are to be surrendered for payment of the Redemption Price.

The failure of any Registered Owner to receive notice given as heretofore provided or any defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Series 2019B Bonds or portions of Series 2019B Bonds that are to be redeemed on that date.

Any notice of optional redemption may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the City that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Series 2019B Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Series 2019B Bonds will not be redeemed.

Official notice of redemption having been given as aforesaid, the Series 2019B Bonds or portions of Series 2019B Bonds to be redeemed shall become due and payable on the Redemption Date at the Redemption Price therein specified, and from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Series 2019B Bonds or portion of Series 2019B Bonds shall cease to bear interest. Upon surrender of such Series 2019B Bonds for redemption in accordance with such notice, the Redemption Price of such Series 2019B Bonds shall be paid by the Paying Agent. 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 Series 2019B Bond, there shall be prepared for the Registered Owner a new Series 2019B Bond or Series 2019B Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Series 2019B Bonds that have been redeemed shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

The Paying Agent is also directed to comply with any mandatory standards established by the SEC and then in effect for processing redemptions of municipal securities. Failure to comply with such standards shall not affect or invalidate the redemption of any Series 2019B Bond.

For so long as the Securities Depository is effecting book-entry transfers of the Series 2019B Bonds, the Paying Agent shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants,

in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Series 2019B Bond (having been mailed notice from the Paying Agent, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Series 2019B Bond so affected, shall not affect the validity of the redemption of such Series 2019B Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for Bonds. The Series 2019B Bonds shall be special obligations of the City payable solely from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues of the System, and the City hereby pledges said Net Revenues to the payment of the principal of and interest on the Series 2019B Bonds. The Series 2019B Bonds shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, charter or statutory provision, limitation or restriction, and the taxing power of the City is not pledged to the payment of the Series 2019B Bonds either as to principal or interest.

The covenants and agreements of the City contained herein and in the Series 2019B Bonds shall be for the equal benefit, protection and security of the legal Owners of any or all of the Series 2019B Bonds, all of which Series 2019B Bonds shall be of equal rank and without preference or priority of one Series 2019B Bond over any other Series 2019B Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Series 2019B Bonds, or otherwise, except as to rate of interest, Stated Maturity and right of redemption prior to Stated Maturity as provided in this Ordinance.

The Series 2019B Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues of the System and in all other respects with any Parity Bonds. The Series 2019B Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over any Parity Bonds and any Parity Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over the Series 2019B Bonds.

ARTICLE V

ESTABLISHMENT AND RATIFICATION OF FUNDS AND ACCOUNTS

Section 501. Creation of Funds. There are hereby created and ordered to be established and held in the account of the City, separate and apart from all other funds and accounts, the following separate funds:

- (a) Principal and Interest Account for Water and Electric System Refunding Revenue Bonds, Series 2019B (the “**2019B Bond Account**”);
- (b) Reserve Account for Water and Electric System Refunding Revenue Bonds, Series 2019B (the “**2019B Bond Reserve Account**”); and
- (c) Costs of Issuance Account for Water and Electric System Refunding Revenue Bonds, Series 2019B (the “**2019B Costs of Issuance Account**”).

The Escrow Instructions establish the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Instructions. The investment and use of money in the Escrow Fund shall be governed by the provisions of the Escrow Instructions.

Section 502. Ratification of Funds and Accounts. The creation and establishment by the Master Ordinance of the following separate accounts are hereby ratified and confirmed:

(a) Water and Electric Utility Fund of the City (the “**System Revenue Fund**”) held in the name of the City by a Depository;

(b) Water and Electric Bond Account, which includes subaccounts for each Series of the Previously Issued Parity Bonds, each held by the respective Bond Registrar or Paying Agent for the related series of the Previously Issued Parity Bonds;

(c) Water and Electric Construction Account (the “**Construction Account**”) held in the name of the City by a Depository;

(d) Water and Electric Reserve Accounts securing the applicable series of the Previously Issued Parity Bonds (the “**Previously Issued Parity Bond Reserves**”); and

(e) Water and Electric Renewal and Replacement Account (the “**Renewal and Replacement Account**”) held by the City.

Section 503. Administration of Funds and Accounts. The funds and accounts established or ratified pursuant to **Sections 501** and **502** hereof shall be maintained and administered by the City, the Paying Agent and Bond Registrar, as the case may be, solely for the purposes and in the manner as provided in the Master Ordinance and this Ordinance; provided that the Escrow Fund shall be held and administered by the Escrow Agent as provided in the Escrow Instructions.

ARTICLE VI

APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 601. Disposition of Series 2019B Bond Proceeds and Other Moneys. The proceeds received from the sale of the Series 2019B Bonds, including any accrued interest thereon, plus other legally available money of the City, shall be deposited simultaneously with the delivery of the Series 2019B Bonds, as follows:

(a) there shall be deposited in the 2019B Bond Account any amount received on account of accrued interest on the Series 2019B Bonds;

(b) \$_____ shall be deposited in the 2019B Bond Reserve Account;

(c) \$_____ (consisting of proceeds of the Series 2019B Bonds in the amount of \$_____, funds on deposit in the debt service reserve fund for the Series 2009 Bonds in the amount of \$1,385,685.71 and funds on deposit in the debt service reserve fund for the Series 2011 Bonds in the amount of \$5,718,118.76), shall be paid and transferred to the Escrow Agent for deposit in the Escrow Fund, to be applied in accordance with the Escrow Instructions; and

(d) the remaining balance of the proceeds of the Series 2019B Bonds (\$_____) shall be deposited in the 2019B Costs of Issuance Account and applied in accordance with **Section 602** hereof.

Section 602. Application of Moneys in the 2019B Costs of Issuance Account. Money in the 2019B Costs of Issuance Account shall be used solely for the purpose of paying the costs and expenses incident to the issuance of the Series 2019B Bonds, including, but not limited to, the fees of attorneys, financial consultants, accountants, rating agencies, printers and others employed to render professional services and other costs, fees and expenses incurred in connection with the issuance of the Series 2019B Bonds.

Any surplus money remaining in the 2019B Costs of Issuance Account after March 1, 2020 and not required for the payment of unpaid costs thereof shall be deposited into the 2019B Bond Account.

Section 603. System Revenue Fund. The City covenants and agrees that from and after the delivery of the Series 2019B Bonds, and continuing as long as any of the Series 2019B Bonds remain Outstanding hereunder, all of the Revenues shall as and when received be paid and deposited into the System Revenue Fund unless otherwise specifically provided by this Ordinance. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the City and shall not be commingled with any other moneys, revenues, funds and accounts of the City. The System Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in the Master Ordinance, the Previously Issued Parity Ordinances and this Ordinance.

Section 604. Application of Moneys in Funds and Accounts. The City covenants and agrees that from and after the delivery of the Series 2019B Bonds and continuing so long as any of the Series 2019B Bonds shall remain Outstanding, it will administer and allocate all of the moneys then held in the System Revenue Fund as follows:

(a) *Operating Expenses.* Operating Expenses of the System shall be payable, as a first charge, from the System Revenue Fund as the same become due and payable.

(b) *2019B Bond Account.* On the 25th day of each month, there shall next be paid and credited to the 2019B Bond Account, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Series 2019B Bonds, the following sums:

(1) Beginning with the first of said deposits on November 25, 2019, and continuing on the 25th day of each month thereafter to and including March 25, 2020, an equal *pro rata* portion of the amount of interest becoming due on the Series 2019B Bonds on April 1, 2020; and thereafter, beginning on April 25, 2020, and continuing on the 25th day of each month thereafter so long as the Series 2019B Bonds shall remain outstanding and unpaid, an amount not less than 1/6 of the amount of interest that will become due on the Series 2019B Bonds on the next succeeding Interest Payment Date; and

(2) Beginning with the first of said deposits on November 25, 2019, and continuing on the 25th day of each month thereafter to and including September 25, 2020, an equal *pro rata* portion of the amount of principal becoming due on the Series 2019B Bonds on October 1, 2020; and thereafter, beginning on October 25, 2020, and continuing on the first day of each month thereafter so long as any of the Series 2019B Bonds shall remain outstanding and unpaid, an amount not less than 1/12 of the amount of principal that will become due on the Series 2019B Bonds on the next succeeding Maturity.

The amounts required to be paid and credited to the 2019B Bond Account pursuant to this Section shall be so paid at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service accounts established for the payment of principal and interest on Parity Bonds under the provisions of the Parity Ordinances.

If at any time the moneys in the System Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the 2019B Bond Account and to the debt service accounts established to pay the principal of and interest on any Parity Bonds, the available moneys in the System Revenue Fund shall, unless otherwise directed by the Master Ordinance or the Previously Issued Parity Ordinances, be divided among such debt service accounts in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in said debt service accounts.

All amounts paid and credited to the 2019B Bond Account shall be expended and used by the City for the sole purpose of paying the interest on and principal of the Series 2019B Bonds as and when the same become due on each Bond Payment Date.

(c) *2019B Bond Reserve Account.* The 2019B Reserve Requirement shall be redetermined at the beginning of each Fiscal Year and shall be the lesser of the 2019B Reserve Requirement for the prior Fiscal Year or the maximum principal and interest coming due, whether at maturity or upon mandatory redemption on the Series 2019B Bonds during such Fiscal Year or any subsequent Fiscal Year. The City may provide, in lieu of any amounts required to be on deposit in the 2019B Bond Reserve Account, a bond insurance policy in favor of the Paying Agent issued by an insurance company rated (at the time of issuance of such policy) in the one of the two highest rating categories by one of the Rating Agencies and sufficient to provide to the Bondowners the amounts which would otherwise have been on deposit in the 2019B Bond Reserve Account at the times the Bondowners would have otherwise received such amounts.

Except as provided in this Ordinance, all amounts paid and credited to the 2019B Bond Reserve Account shall be expended and used by the City solely to prevent any default in the payment of interest on or principal of the Series 2019B Bonds on any Maturity date or Interest Payment Date if the moneys in the 2019B Bond Account are insufficient to pay the interest on or principal of said Series 2019B Bonds as they become due. So long as the 2019B Bond Reserve Account aggregates the 2019B Reserve Requirement, no further payments into said Account shall be required, but if (i) the City shall ever be required to expend and use a part of the moneys in said Account for the purpose herein authorized and such expenditure shall reduce the amount of said Account below the 2019B Reserve Requirement, on or before each April 1 and October 1, after paying all Operating Expenses and making the required transfers pursuant to subparagraphs (a) and (b) hereof, the City Council shall transfer from the System Revenue Fund to the 2019B Bond Reserve Account, one-half of the amount expended from said Account during the previous six month period until said Account shall aggregate a sum equal to the 2019B Reserve Requirement or (ii) the value (determined in accordance with **Section 701** hereof) of the amount held in the 2019B Bond Reserve Account is less than the 2019B Reserve Requirement due to market fluctuations, on or before each April 1 and October 1, the City Council shall transfer from the System Revenue Fund to the 2019B Bond Reserve Account, one-half of such deficiency so that said Account shall aggregate at the time of making the second of such transfers a sum equal to the 2019B Reserve Requirement.

The amounts required to be paid and credited to the 2019B Bond Reserve Account pursuant to this Section shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to the bond reserve account established for the Parity Bonds under the provisions of any Parity Ordinance.

Moneys in the 2019B Bond Reserve Account may be used to call the Series 2019B Bonds for redemption and payment prior to their Stated Maturity, provided all of the Series 2019B Bonds at the time Outstanding are called for payment and funds are available to pay the same according to their terms. Moneys in the 2019B Bond Reserve Account shall be used to pay and retire the last Outstanding Bonds unless such Series 2019B Bonds and all interest thereon are otherwise paid. Any amounts in the 2019B Bond Reserve Account in excess of the 2019B Reserve Requirement on any valuation date shall be transferred to the 2019B Bond Account.

If at any time the moneys in the System Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the 2019B Bond Reserve Account and to the debt service reserve funds established to protect the payment of any Parity Bonds, the available moneys in the System Revenue Fund shall be divided among such debt service reserve funds in proportion to the respective principal amounts of said series of bonds at the time outstanding which are payable from the moneys in such debt service reserve funds.

(d) *Renewal and Replacement Account.* So long as the Renewal and Replacement Account aggregates the Renewal and Replacement Requirement, no further payments shall be required, but if the amount in said Account is less than the Renewal and Replacement Requirement, after making the required transfers pursuant to subparagraphs (a), (b) and (c) hereof, on or before each April 1 and October 1, the City Council shall transfer from the System Revenue Fund to the Renewal and Replacement Account one-half of such deficiency so that said Account shall aggregate at the time of making the second of such transfers a sum equal to the Renewal and Replacement Requirement.

All moneys in the Renewal and Replacement Account may be drawn on and used by the City Council for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, not paid as part of the ordinary and normal expense for the operation of the System, provided, however, in the event that the funds and investments in the 2019B Bond Reserve Account shall be reduced below the 2019B Reserve Requirement, funds on deposit in the Renewal and Replacement Account shall be transferred to the 2019B Bond Reserve Account to the extent necessary to eliminate the deficiency in that Account

(e) *Deficiency of Payments into Funds and Accounts.* If at any time the Revenues shall be insufficient to make any payment on the date or dates hereinbefore specified, the City will make good the amount of such deficiency by making additional payments or credits out of the first available Revenues thereafter received by the City, such payments and credits being made and applied in the order hereinbefore specified in this Section.

Section 605. Transfer of Funds to Paying Agent. The Finance Director or other authorized officer of the City is hereby authorized and directed to withdraw from the 2019B Bond Account, and, to the extent necessary to prevent a default in the payment of either principal of or interest on the Series 2019B Bonds, from the 2019B Bond Reserve Account as provided in **Section 604** hereof, sums sufficient to pay the principal of and interest on the Series 2019B Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date. If, through lapse of time, or otherwise, the Registered

Owners of Series 2019B Bonds shall no longer be entitled to enforce payment of their obligations, it shall be the duty of the Paying Agent forthwith to return said funds to the City as provided in **Section 607** hereof. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

Section 606. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 607. Nonpresentment of Bonds. If any Series 2019B Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Series 2019B Bond have been made available to the Paying Agent, all liability of the City to the Registered Owner thereof for the payment of such Series 2019B Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Series 2019B Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Ordinance or on, or with respect to, said Series 2019B Bond. If any Series 2019B Bond is not presented for payment within one year following the date when such Series 2019B Bond becomes due at Maturity, the Paying Agent shall repay to the City without liability for interest thereon the funds theretofore held by it for payment of such Series 2019B Bond, and such Series 2019B Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 608. Redemption of Refunded Bonds.

(a) The Series 2009 Refunded Bonds are hereby called for redemption and payment prior to maturity on November 7, 2019. The Series 2009 Refunded Bonds shall be redeemed at the principal payment office of The Bank of New York Mellon Trust Company, N.A., the paying agent for the Series 2009 Bonds, by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to the redemption date. The officers of the City, the Escrow Agent and the paying agent for the Series 2009 Bonds are hereby authorized and directed to take such action as may be necessary in order to effect the redemption and payment of said Series 2009 Refunded Bonds as herein provided.

(b) The Series 2011 Refunded Bonds are hereby called for redemption and payment prior to maturity on November 7, 2019. The Series 2011 Refunded Bonds shall be redeemed at the principal payment office of UMB Bank, N.A., the paying agent for the Series 2011 Bonds, by the payment of the principal thereof, together with the redemption premium and accrued interest thereon to the redemption date. The officers of the City, the Escrow Agent and the paying agent for the Series 2011 Bonds are hereby authorized and directed to take such action as may be necessary in order to effect the redemption and payment of said Series 2011 Refunded Bonds as herein provided.

Section 609. Application of Money in the Escrow Fund. Under the Escrow Instructions, the Escrow Agent will apply money in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance, if necessary, in accordance with the Escrow Instructions. Except as otherwise provided in the Escrow Instructions, the cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to the payment of the principal and redemption price of the Refunded

Bonds. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Series 2009 Ordinance, the Series 2011 Ordinance and the Escrow Instructions.

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

Section 701. Deposit and Investment of Moneys.

(a) Except with respect to the Escrow Fund, moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the banks or financial institutions holding such deposits as provided by the laws of the State of Missouri.

(b) Except with respect to the Escrow Fund, moneys held in any fund or account held in the custody of the City referred to in this Ordinance may be invested in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund or account was created. All earnings on any investments held in any fund or account shall accrue to and become a part of such fund or account. In determining the amount held in any fund or account under any of the provisions of this Ordinance, obligations shall be valued at the lower of the cost or the market value thereof; provided, however, that investments held in the 2019B Bond Reserve Account shall be valued at market value only. If and when the amount held in any fund or account shall be in excess of the amount required by the provisions of this Ordinance, the City shall direct that such excess be paid and credited to the System Revenue Fund.

(c) So long as any of the Previously Issued Parity Bonds remain outstanding and unpaid, any investments made pursuant to this Section shall be subject to any restrictions in the Master Ordinance and the Previously Issued Parity Ordinances with respect to the funds and accounts created or ratified by and referred to in the Master Ordinance and the Previously Issued Parity Ordinances.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

The City covenants and agrees with each of the Registered Owners of the Series 2019B Bonds that so long as any of the Series 2019B Bonds remain Outstanding it will comply with each of the following covenants:

Section 801. Efficient and Economical Operation. The City will continuously own and will operate the System as a revenue producing system in an efficient and economical manner and will keep and maintain the same in good repair and working order. The City will establish and maintain such rules and regulations for the use of the System as may be necessary to assure maximum utilization and most efficient operation of the System.

Section 802. Continuing Disclosure. The City hereby covenants with the Purchaser and the Beneficial Owners (as defined in the Continuing Disclosure Undertaking) to provide and disseminate

such information as is required by Rule 15c2-12 (as defined in the Continuing Disclosure Undertaking) and is further set forth in the Continuing Disclosure Undertaking attached hereto as **Exhibit B**. Such covenant shall be for the benefit of and enforceable by the Purchaser and such Beneficial Owners.

In the event the City fails to comply in a timely manner with its covenants contained in this Section, the Purchaser and/or any such Beneficial Owner may make demand for such compliance by written notice to the City. In the event the City does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any such Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in this Section or for the enforcement of any other appropriate legal or equitable remedy as the Purchaser and/or any such Beneficial Owner shall deem effectual to protect and enforce any of the duties of the City under this Section.

Section 803. Rate Covenant.

(a) The City shall charge and collect rates, fees and other charges for the sale of electric power and energy, water and other services, facilities and commodities of the System as shall be required to provide such Revenues and income (including investment income) at least sufficient in each Fiscal Year that will:

(1) equal at least 110% of the Debt Service Requirement on all Parity Bonds then Outstanding for the year of computation and 100% of the Debt Service Requirement on all Subordinate Bonds then Outstanding for the year of computation;

(2) enable the City to make all required payments, if any, into the Reserve Account for any Parity Bonds, the Renewal and Replacement Account, the Rebate Account for any Parity Bonds and to any Credit Facility Provider, any Reserve Account Credit Facility Provider and any Qualified Hedge Provider (as such latter terms are defined in the Master Ordinance);

(3) remedy all deficiencies in required payments into any of the funds and accounts established under the Master Ordinance, the Parity Ordinances or this Ordinance from prior Fiscal Years; and

(4) all other charges or liens whatsoever payable out of Revenues during such Fiscal Year.

The collection of revenues and income (including investment income) in any Fiscal Year in an amount in excess of the aggregate payments specified in this subsection (a) for such Fiscal Year shall not be taken into account as a credit against such aggregate payments for any subsequent Fiscal Year or years.

(b) The City shall review its financial condition in accordance with the provisions of the Charter of the City for the purpose of estimating whether the Revenues and income (including investment income) from the operation of the System will be sufficient to provide all of the payments and meet all other requirements as specified in this Section. If as a result of such review the City determines that such Revenues and income may not be sufficient to provide such payments and meet such other requirements, it shall forthwith make a study for the purpose of making a schedule of rates, fees and charges for the System which will cause sufficient Revenues and income to be collected in the following Fiscal Year to provide funds for all the payments and other requirements as specified in this Section for such following Fiscal Year and will cause additional revenues and income to be collected in such following and later Fiscal Years sufficient to restore the amount of such deficiency at the earliest practicable time. If, in any Fiscal Year, the revenues and income collected shall not have been sufficient to provide all of the

payments and meet all other requirements as specified in said subsection (a), the City shall as promptly as permitted by law establish and place in effect a schedule of rates, fees and charges which will cause sufficient revenues and income to be collected.

(c) The City will not furnish or supply power, energy, water or any other service or commodity free of charge to any person, firm or corporation, public or private, and the City will promptly enforce the payment of any and all accounts owing to the City by reason of the ownership and operation of the System, to the extent dictated by sound business practice.

(d) The failure in any Fiscal Year to comply with the covenant in subsection (a) of this Section shall not constitute an Event of Default under this Ordinance, if the City shall comply with subsection (b) of this Section.

Nothing in this Ordinance contained shall be construed to prevent the continuous collection of reasonable rates, charges, and fees for the use of said System and facilities after the Series 2019B Bonds issued pursuant to this Ordinance shall have been paid and redeemed, together with all interest thereon, nor to prevent at that time the pledge and application of said Net Revenues to the payment of other bonds which may be issued by the City.

Section 804. Reasonable Charges for all Services. None of the facilities or services provided by the System will be furnished to any user (excepting the City itself) without a reasonable charge being made therefor. If the Revenues are at any time insufficient to pay the Operating Expenses of the System and also to pay all interest on and principal of the Series 2019B Bonds as and when the same become due, then the City will thereafter pay into the System Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all use and services furnished to the City by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the interest on or principal of the Series 2019B Bonds.

Section 805. Corporate Existence. The City will maintain its corporate identity and existence so long as any of the Series 2019B Bonds remain Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities and duties of the City and is obligated by law to comply with the terms and provisions of this Ordinance without materially adversely affecting at any time the privileges and rights of any Owner of any Outstanding Series 2019B Bond.

Section 806. Restrictions on Mortgage or Sale of System. The City will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the City may

(a) sell at fair market value any portion of the System which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the System, and in the event of sale, the City will apply the proceeds to either (1) redemption of Outstanding Series 2019B Bonds in accordance with the provisions governing redemption of Series 2019B Bonds in advance of Stated Maturity, or (2) replacement of the property so disposed of by other property the Revenues of which shall be incorporated into the System as hereinbefore provided;

(b) cease to operate, abandon or otherwise dispose of any property which has become obsolete, nonproductive or otherwise unusable to the advantage of the City; or

(c) lease, (1) as lessor, any real or personal property which is unused or unimproved, or which has become obsolete, nonproductive or otherwise unusable to the advantage of the City, or which is being acquired as a part of a lease/purchase financing for the acquisition and/or improvement of such property; and/or (2) as lessee, with an option of the City to purchase, any real or personal property for the extension and improvement of the System. Property being leased as lessor and/or lessee pursuant to this subparagraph (c) shall not be treated as part of the System for purposes of this **Section 806** and may be mortgaged, pledged or otherwise encumbered.

Section 807. Insurance. The City will carry and maintain fire and extended coverage insurance upon all of the properties forming a part of the System insofar as the same are of an insurable nature, such insurance to be of the character and coverage and in such amounts as would normally be carried by other municipalities or public entities engaged in similar activities of comparable size and similarly situated. In the event of loss or damage, the City, with reasonable dispatch, will use the proceeds in accordance with the provisions of the Master Ordinance. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Operating Expense out of the Revenues.

Section 808. Books, Records and Accounts. The City will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the City) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues of the System, the application of such Revenues, and all financial transactions in connection therewith. Said books shall be kept by the City according to standard accounting practices as applicable to the operation of facilities comparable to the System.

Section 809. Annual Budget. Prior to the commencement of each Fiscal Year, the City will cause to be prepared and filed with the City Clerk a budget setting forth the estimated receipts and expenditures of the System for the next succeeding Fiscal Year.

Section 810. Annual Audit. Annually, promptly after the end of the Fiscal Year, the City will cause an audit of the System to be made for the preceding Fiscal Year by an Accountant to be employed for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such Fiscal Year.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any user of the services of the System, any Registered Owner of any of the Series 2019B Bonds, or by anyone acting for or on behalf of such taxpayer, user or Registered Owner.

As soon as possible after the completion of the annual audit, the City Council shall review such audit, and if any audit shall disclose that proper provision has not been made for all of the requirements of this Ordinance, the City will promptly cure such deficiency and will promptly proceed to increase the rates and charges to be charged for the use and services furnished by the System as may be necessary to adequately provide for such requirements.

Section 811. Right of Inspection. The Registered Owner or Owners of 10% of the principal amount of the Series 2019B Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which such Registered Owner or Owners may reasonably request.

Section 812. Performance of Duties and Covenants. The City will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the City by the Constitution and laws of the State of Missouri, the City’s Charter and by the provisions of this Ordinance.

Section 813. Parity Bond Certification. The City hereby represents and covenants that the Series 2019B Bonds directed to be issued by this Ordinance are so issued in full compliance with the restrictions and conditions upon which the City may issue additional bonds payable out of the Net Revenues of the System and which stand on a parity with the Previously Issued Parity Bonds now outstanding, as set forth and contained in the Master Ordinance and the Previously Issued Parity Ordinances, and that the Series 2019B Bonds herein directed to be issued are so issued in all respects on a parity and equality with the Previously Issued Parity Bonds now outstanding.

Section 814. Tax Covenants.

(a) The City covenants and agrees that (1) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Series 2019B Bonds and (2) it will not use or permit the use of any proceeds of Series 2019B Bonds or any other funds of the City, nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from federal gross income of the interest on the Series 2019B Bonds. The City will also pass such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future law in order to ensure that the interest on the Series 2019B Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The City covenants and agrees that (1) it will use the proceeds of the Series 2019B Bonds as soon as practicable for the purposes for which the Series 2019B Bonds are issued, and (2) it will not invest or directly or indirectly use or permit the use of any proceeds of the Series 2019B Bonds or any other funds of the City in any manner, or take or omit to take any action, that would cause the Series 2019B Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(c) The City covenants that it will pay or provide for the payment from time to time of all arbitrage rebate to the United States pursuant to Section 148(f) of the Code and the Federal Tax Certificate. This covenant shall survive payment in full or defeasance of the Series 2019B Bonds. The Federal Tax Certificate may be amended or replaced if, in the opinion of Bond Counsel, such amendment or replacement will not adversely affect the exclusion from federal gross income of the interest on the Series 2019B Bonds.

(d) The City covenants that it will not use any portion of the proceeds of the Series 2019B Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause any Series 2019B Bond to be a “private activity bond” within the meaning of Section 141 of the Code.

(e) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Series 2019B Bonds pursuant to **Article XI** of this Ordinance or any other provision of this Ordinance, until the final Maturity of all Series 2019B Bonds Outstanding.

(f) The City Manager and Director of Finance of the City are hereby authorized and directed to execute the Federal Tax Certificate with such changes therein as such officials deem appropriate, for and on behalf of and as the act and deed of the City. The City Council of the City hereby approves the form of such Federal Tax Certificate on file with the City Clerk.

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

Section 901. Senior Lien Bonds. The City covenants and agrees that so long as any of the Series 2019B Bonds remain Outstanding, the City will not issue any additional bonds or incur or assume any other debt obligations appearing as liabilities on the balance sheet of the City for the payment of moneys determined in accordance with generally accepted accounting principles consistently applied, including capital leases as defined by generally accepted accounting principles, payable out of the Net Revenues of the System or any part thereof which are superior to the Series 2019B Bonds.

Section 902. Parity Bonds and Other Obligations. The City covenants and agrees that so long as any of the Series 2019B Bonds remain Outstanding, it will not issue any additional bonds or other long-term obligations payable out of the Net Revenues of the System or any part thereof which stand on a parity or equality with the Series 2019B Bonds unless the following conditions are met:

(1) The City is not in default in the payment of principal or interest on the Series 2019B Bonds or any Parity Bonds or in making any deposit into the funds and accounts under this Ordinance or any Parity Ordinance; and

(2) The additional facility or facilities (if any) to be built or acquired from the proceeds of the Additional Bonds is, or will be, a part of the System, and its Net Revenues are pledged as additional security for the Additional Bonds and all System Revenue Bonds; and

(3) The City provides a certificate showing either of the following:

(A) A certificate of an authorized officer of the City certifying that the Revenues Available For Debt Service of any 12 consecutive calendar months out of the 24 calendar months immediately preceding the issuance of such proposed Additional Bonds, are not less than one and twenty-five percent (125%) of the maximum total Debt Service Requirement for any succeeding Fiscal Year on all Parity Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds. In the event any adjustment of rates with respect to the System has become effective subsequent to the beginning of the 12-month period selected for such calculation, the authorized officer may adjust the Revenues Available For Debt Service by adding thereto an estimate of such additional Revenues Available For Debt Service for such 12 month period which would have resulted had such rate adjustment been in effect for the entire period; or

(B) A Certificate of a Consulting Engineer certifying that the estimated Revenues Available For Debt Service for the Fiscal Year immediately following the year in which the project, the cost of construction of which is being financed by such Additional Bonds, is to be in commercial operation (or for the Fiscal Year immediately following the year in which such Additional Bonds are issued, if no project is to be financed thereby) are not less than one and twenty-five percent (125%) of the maximum

total Debt Service Requirement for any succeeding Fiscal Year on all Parity Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds. The Consulting Engineer may adjust the estimated Revenues Available For Debt Service by adding thereto any estimated increase in revenue resulting from any increase in water and electric rates which, in the opinion of the Consulting Engineer, are economically feasible and reasonably considered necessary based on projected operations of the System. Additional Bonds may be issued notwithstanding the restrictions upon the issuance of Additional Bonds set out in this subparagraph, if in the opinion of the Consulting Engineer, the proceeds of such Additional Bonds are necessary to repair any damage or loss to the System if the System has been destroyed or damaged by disaster to such an extent that it cannot be operated or if it is necessary to keep the System in good operating condition after such damage or loss; and

(4) the City complies with the provisions of any Parity Ordinances relating to the issuance of Parity Bonds.

Additional System Revenue Bonds of the City issued under the conditions set forth in this Section shall stand on a parity with the Series 2019B Bonds and shall enjoy complete equality of lien on and claim against the Net Revenues with the Series 2019B Bonds, and the City may make equal provision for paying said bonds and the interest thereon out of the System Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of such additional bonds and the interest thereon out of moneys in the System Revenue Fund.

Section 903. Junior Lien Bonds and Other Obligations. Nothing in this Section contained shall prohibit or restrict the right of the City to issue additional revenue bonds or other revenue obligations for any lawful purpose in connection with the operation of the System and to provide that the principal of and interest on said revenue bonds or obligations shall be payable out of the Net Revenues of the System, provided at the time of the issuance of such additional revenue bonds or obligations the City shall not be in default in the performance of any covenant or agreement contained in this Ordinance (unless such additional revenue bonds or obligations are being issued to provide funds to cure such default), and provided further that such additional revenue bonds or obligations shall be junior and subordinate to the Series 2019B Bonds so that if at any time the City shall be in default in paying either interest on or principal of the Series 2019B Bonds, or if the City shall be in default in making any payments required to be made by it under the provisions of paragraphs (a), (b), (c) and (d) of **Section 604** of this Ordinance, the City shall make no payments of either principal of or interest on said junior and subordinate revenue bonds or obligations until said default or defaults be cured. In the event of the issuance of any such junior and subordinate revenue bonds or obligations, the City, subject to the provisions aforesaid, may make provision for paying the principal of and interest on said revenue bonds or for paying said obligations out of moneys in the System Revenue Fund.

Section 904. Refunding Bonds. The City may, without complying with the provisions of **Section 902** hereof, to refund any of the Series 2019B Bonds under the provisions of any law then available, and the refunding bonds so issued shall enjoy complete equality of pledge with any of the Series 2019B Bonds that are not refunded, if any, upon the Net Revenues of the System; provided, however, that if only a portion of the Series 2019B Bonds are refunded and if said Series 2019B Bonds are refunded in such manner that the aggregate amount of principal and interest scheduled to become due on the refunding bonds in any Fiscal Year (taking into account scheduled mandatory redemptions) exceeds the aggregate amount of principal and interest scheduled to become due on the refunded Series 2019B Bonds in said Fiscal Year (taking into account scheduled mandatory redemptions), then said Series 2019B Bonds may be refunded without complying with the provisions of **Section 902** hereof only

by and with the written consent of the Registered Owners of a majority in principal amount of the Series 2019B Bonds not refunded.

ARTICLE X

DEFAULT AND REMEDIES

Section 1001. Acceleration of Maturity Upon Default. The City covenants and agrees that if it defaults in the payment of the principal of or interest on any of the Series 2019B Bonds as the same shall become due on any Bond Payment Date, or if the City or the City Council or any of the officers, agents or employees thereof fail or refuse to comply with any of the provisions of this Ordinance or of the constitution or statutes of the State of Missouri or the City's Charter, and such default continues for a period of 60 days after written notice specifying such default has been given to the City by the Registered Owner of any Series 2019B Bond then Outstanding, then, at any time thereafter and while such default continues, the Registered Owners of 25% in aggregate principal amount of the Series 2019B Bonds then Outstanding may, by written notice to the City filed in the office of the City Clerk or delivered in person to said City Clerk, declare the principal of all Series 2019B Bonds then Outstanding to be due and payable immediately, and upon any such declaration given as aforesaid, all of said Series 2019B Bonds shall become and be immediately due and payable, anything in this Ordinance or in the Series 2019B Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that if at any time after the principal of said Outstanding Series 2019B Bonds has been so declared to be due and payable, all arrears of interest upon all of said Series 2019B Bonds, except interest accrued but not yet due on such Series 2019B Bonds, and all arrears of principal upon all of said Series 2019B Bonds has been paid in full and all other defaults, if any, by the City under the provisions of this Ordinance and under the provisions of the statutes of the State of Missouri have been cured, then and in every such case the Registered Owners of a majority in principal amount of the Series 2019B Bonds then Outstanding, by written notice to the City given as hereinbefore specified, may rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any rights consequent thereon.

Section 1002. Other Remedies. The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Registered Owners of the Series 2019B Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Series 2019B Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Series 2019B Bonds similarly situated:

- (a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;
- (b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and
- (c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Series 2019B Bonds.

Section 1003. Limitation on Rights of Bondowners. No one or more Bondowners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice

the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Series 2019B Bonds.

Section 1004. Remedies Cumulative. No remedy conferred herein upon the Bondowners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Series 2019B Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies consequent thereon. No delay or omission of any Bondowner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Series 2019B Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Bondowner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondowner, then, and in every such case, the City and the Registered Owners of the Series 2019B Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Bondowners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 1005. No Obligation to Levy Taxes. Nothing contained in this Ordinance shall be construed as imposing on the City any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Series 2019B Bonds.

Section 1006. Exception for Continuing Disclosure. This **Article X** shall not apply to **Section 802** of this Ordinance regarding continuing disclosure requirements, and Bondowners or Beneficial Owners of Series 2019B Bonds shall have no remedies for enforcement of said **Section 802** other than the remedies provided in said **Section 802**.

ARTICLE XI

DEFEASANCE

Section 1101. Defeasance. When any or all of the Series 2019B Bonds or the interest payments thereon shall have been paid and discharged, then the requirements contained in this Ordinance and the pledge of Net Revenues made hereunder and all other rights granted hereby shall terminate with respect to the Series 2019B Bonds or interest payments so paid and discharged. Series 2019B Bonds or the interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Series 2019B Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned thereon, will be sufficient for the payment of the principal or Redemption Price of said Series 2019B Bonds, and/or interest to accrue on such Series 2019B Bonds to the Stated Maturity or Redemption Date, as the case may be, or if default in such payment shall have occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Series 2019B Bonds shall be redeemed prior to the Stated Maturity thereof, (1) the City shall have elected to redeem such Series 2019B Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable

instructions, to the Paying Agent to redeem such Series 2019B Bonds in compliance with **Section 303** of this Ordinance. Any moneys and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Series 2019B Bonds or the interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of such Series 2019B Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All moneys and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

To accomplish a defeasance of the principal of the Series 2019B Bonds or scheduled interest payments thereon when the City will rely on interest to be earned on any Defeasance Obligations deposited as described above, the City shall cause to be delivered a verification report of an independent recognized public accountant verifying the sufficiency of the amounts on deposit with the Paying Agent or other escrow agent to provide for payment in full of the Series 2019B Bonds as provided herein.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Amendments. The Continuing Disclosure Undertaking is exempt from the provisions of this Section and is subject to amendment and modification only as provided therein. The rights and duties of the City and the Bondowners, and the terms and provisions of the Series 2019B Bonds or of this Ordinance, may be amended or modified at any time in any respect by ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Series 2019B Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Series 2019B Bond;
- (b) alter the optional Redemption Date of any Series 2019B Bond;
- (c) effect a reduction in the amount which the City is required to pay by way of principal of or interest on any Series 2019B Bond;
- (d) permit the creation of a lien on the Net Revenues of the System prior or equal to the lien of the Series 2019B Bonds or Parity Bonds;
- (e) permit preference or priority of any Series 2019B Bonds over any other Series 2019B Bonds; or
- (f) reduce the percentage in principal amount of Series 2019B Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

Any provision of the Series 2019B Bonds or of this Ordinance may, however, be amended or modified by Ordinance duly adopted by the City Council at any time in any respect with the written consent of the Registered Owners of all of the Series 2019B Bonds at the time Outstanding.

Without notice to or the consent of any Bondowners, the City may amend or supplement this Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Bondowners.

Every amendment or modification of the provisions of the Series 2019B Bonds or of this Ordinance to which the written consent of the Bondowners is given, as above provided, shall be expressed in an ordinance passed by the City Council amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the ordinance of the City herein provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Series 2019B Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Series 2019B Bonds any reference to such amendment or modification. A certified copy of every such amendatory or supplemental proceedings and a certified copy of this Ordinance shall be made available for inspection by the Registered Owner of any Series 2019B Bond or a prospective purchaser or owner of any Series 2019B Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental proceedings or of this Ordinance will be sent by the City Clerk to any such Bondowner or prospective Bondowner.

The City shall furnish to the Paying Agent a copy of any amendment to the Series 2019B Bonds or this Ordinance made hereunder which affects the duties or obligations of the Paying Agent under this Ordinance.

Section 1202. Notices, Consents and Other Instruments by Bondowners. Any notice, consent, request, direction, approval, objection or other instrument required by this Ordinance to be signed and executed by the Bondowners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondowners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Series 2019B Bonds (except for the assignment of ownership of a Series 2019B Bond as provided for in the form of Series 2019B Bond set forth in **Exhibit A**), if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Series 2019B Bonds, the amount or amounts, numbers and other identification of Series 2019B Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Registered Owners of the requisite principal amount of Series 2019B Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Series 2019B Bonds owned by the City shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Bondowners shall be protected

in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Series 2019B Bonds which the Bondowners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Series 2019B Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Bondowners the pledgee's right so to act with respect to such Series 2019B Bonds and that the pledgee is not the City.

Section 1203. Further Authority. The officers of the City, including the City Manager and City Clerk, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1204. Severability. If any section or other part of this Ordinance, whether large or small, shall for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 1205. Governing Law. This Ordinance shall be governed exclusively by and constructed in accordance with the applicable laws of the State of Missouri.

Section 1206. Electronic Storage. The parties hereto agree that the transaction described herein may be conducted and related documents may be sent, received or stored by electronic means.

[Remainder of Page Intentionally Left Blank.]

Section 1207. Effective Date. This Ordinance shall take effect and be in full force from and after its passage.

PASSED this _____ day of _____, 2019.

ATTEST:

City Clerk

Mayor and Presiding Officer

[SEAL]

APPROVED AS TO FORM:

City Counselor