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ORDINANCE NUMBER 20-2021

AN ORDINANCE providing for the issuance of \$4,090,000 General Obligation Bonds (Alternate Revenue Source), Series 2021 of the Village of Gilberts, Kane County, Illinois, and authorizing the sale of said bonds to the purchaser thereof

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Introduced at the Meeting of the Village President and Board of Trustees on the 3rd day of August, 2021.

Adopted by the Village President and Board of Trustees on 3rd day of August, 2021.

Published in Pamphlet Form by authority of the Village President and Board of Trustees on the 5<sup>th</sup> day of August, 2021.

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**ORDINANCE NUMBER 20-2021**

AN ORDINANCE providing for the issuance of \$4,090,000 General Obligation Bonds (Alternate Revenue Source), Series 2021 of the Village of Gilberts, Kane County, Illinois, and authorizing the sale of said bonds to the purchaser thereof

**PREAMBLES**

WHEREAS, the Village of Gilberts, Kane County, Illinois (the "*Village*") is a municipal corporation and political subdivision and non-home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois and is now operating under the provisions of the Illinois Municipal Code as amended (the "*Municipal Code*"); and

WHEREAS, the Village President and Board of Trustees (the "*Corporate Authorities*") of the Village under the authority of the Local Government Debt Reform Act of the State of Illinois 30 ILCS 350/1 (the "*Debt Reform Act*") and the Municipal Code are authorized to adopt this Ordinance for the purpose of authorizing the issuance of alternate bonds, being general obligation bonds payable from any revenue source as provided by the Debt Reform Act (the "*Bonds*") to finance the costs of design, acquisition, construction and installation of certain municipal improvements including roadway and street improvements, and other eligible municipal capital improvements within the Village (the "*Project*"); and

WHEREAS, on the 15th day of June, 2021, the Corporate Authorities adopted Ordinance No. 12-2021 (the "*Authorizing Ordinance*") authorizing the issuance of Bonds in an amount not to exceed \$4,300,000; and

WHEREAS, on June 22, 2021 the Authorizing Ordinance, together with a notice in the statutory form, was published in The Daily Herald, the same being a newspaper of general circulation in the Village, and an affidavit evidencing the publication of the Authorizing Ordinance

and said notice have heretofore been presented to the Corporate Authorities and made a part of the permanent records of the Corporate Authorities; and

WHEREAS, more than thirty (30) days have expired since the date of publication of the Authorizing Ordinance and said notice, and no petition with the requisite number of valid signatures thereon has been filed with the Village Clerk of the Village (the "*Village Clerk*") requesting that the question of the issuance of the Bonds be submitted to referendum; and

WHEREAS, the Corporate Authorities are now authorized to issue the Bonds in the amount of \$4,090,000 in accordance with the provisions of the Debt Reform Act, and the Corporate Authorities hereby determine that it is necessary and desirable that there be issued at this time \$4,090,000 of the Bonds so authorized; and

WHEREAS, the Bonds will be payable from the Pledged Revenues and the Pledged Taxes, both as hereinafter defined; and

WHEREAS, the Corporate Authorities hereby determines that the Pledged Revenues will provide in each year, an amount not less than 1.25 times debt service of the Bonds; and

WHEREAS, such determination is supported by the Village's audit for its fiscal year ending April 30, 2020.

WHEREAS, the Village submitted to prospective purchasers of the Bonds a Notice of Sale (the "*Notice of Sale*") in the form attached to the Preliminary Official Statement dated July 20, 2021, relating to the Bonds, which was distributed to such prospective purchasers (such Preliminary Official Statement (the "*Preliminary Official Statement*"), as supplemented by the addendum thereto specifying the final principal amounts, interest rates and maturity dates of the Bonds, the "*Final Official Statement*"), in response to which Notice of Sale the Village received six (6) sealed bids for the purchase of the Bonds. The bid of Bernardi Securities, Inc. (the

“Purchaser”) provided the lowest net interest cost for the Bonds, and it is in the best interests of the Village to accept that bid and to deliver the Bonds to the Purchaser in accordance with the terms of that bid and this Ordinance.

NOW, THEREFORE, Be It Ordained by the Village President and Board of Trustees of the Village of Gilberts, Kane County, Illinois, as follows:

*Section 1. Definitions.* Words and terms used in this Ordinance shall have the meanings given them, unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

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

Authorizing Ordinance

Corporate Authorities

Debt Reform Act

Final Official Statement

Municipal Code

Notice of Sale

Preliminary Official Statement

Project

Purchaser

Village

B. The following words and terms have the following meanings:

“*Act*” means the Municipal Code, as supplemented and amended, and the Debt Reform Act.

“*Bid Form*” means the bid form relating to the Bonds, as executed by the Village and the Purchaser.

“*Bond Counsel*” means Foley & Lardner LLP, Chicago, Illinois.

“*Bond Fund*” means the Bond Fund established and defined in Section 18 of this Ordinance.

“*Bond Moneys*” means the Pledged Revenues and Pledged Taxes and any other moneys deposited into the Bond Fund and investment income held in the Bond Fund.

“*Bond Purchase Agreement*” means the contract for the sale of the Bonds between the Village and the Purchaser, as evidenced by the Bid Form.

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

“*Bond Registrar*” or “*Paying Agent*” means Amalgamated Bank of Chicago, having trust offices and being authorized to do business in the State of Illinois, or its successors, in its capacity as bond registrar and paying agent under this Ordinance, or a substituted bond registrar and paying agent, as hereinafter provided.

“*Bonds*” means the General Obligation Bonds (Alternate Revenue Source), Series 2021, authorized to be issued by this Ordinance.

“*Book Entry Form*” means the form of the Bonds as fully registered and available in physical form only to the Depository.

“*Business Day*” means any day other than a day on which banks in New York, New York, Chicago Illinois, or the city in which the Bond Registrar maintains an office designated for the purpose, are required or authorized to close.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Continuing Disclosure Undertaking*” means the undertaking by the Village for the benefit of the Purchaser as authorized in Section 17 of this Ordinance.

“*Cost of Issuance*” means all fees and costs incurred by the Village relating to the issuance of Bonds including, without limitation, printing costs, administrative costs, agent’s fees, legal fees, ratings costs, accounting fees and financial advisory fees.

“*County*” means the County of Kane, Illinois.

“*County Clerk*” means the County Clerk of the County.

“*Depository*” or “*DTC*” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“*Designated Officer*” means any one of the President, the Village Manager and the Village Finance Director.

“*Government Securities*” means direct full faith and credit obligations of the United States of America (including, bills, notes, bond and obligations of the State and Local Government Series).

“*Ordinance*” means this Ordinance, as numbered as set forth on the title page hereof and passed by the Corporate Authorities on the 3<sup>rd</sup> day of August, 2021.

“*Outstanding*” or “*outstanding*” refers to Bonds which are outstanding and unpaid; *provided, however*, such term shall not include Bonds (i) which have matured and for



which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal thereof and interest thereon, or (ii) the provision for payment of which has been made by the Village by the deposit in an irrevocable trust or escrow of funds or direct, full faith and credit obligations of the United States of America, the principal of and interest on which will be sufficient to pay at maturity or as called for redemption all the principal of and interest on such Bonds.

“*Pledged Revenues*” means the taxes imposed by the Village pursuant to the Motor Fuel Tax Law of the State of Illinois and the Non Home Rule Municipal Retailers Occupation Tax Act and the Non Home Rule Municipal Service Occupation Tax Act of the State of Illinois as further described in Section 11 of this Ordinance.

“*Pledged Taxes*” has the meaning set forth in Section 13 of this Ordinance.

“*Purchase Price*” means the purchase price of the Bonds set forth in the Bond Purchase Agreement.

“*Record Date*” means (i) the 1<sup>st</sup> day of the month of any regular interest payment date occurring on June 15 or December 15 and (ii) 15 days preceding any interest payment date occasioned by a redemption of Bonds which occurs on a date other than June 15 or December 15.

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

C. Definitions also appear in the above preambles or in specific sections, as appearing below. The table of contents preceding and the headings in this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

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

*Section 3. Authorization; Determination to Issue Bonds.* It is hereby found and determined that the Village has been authorized by the Debt Reform Act to borrow the sum of \$4,090,000 upon the credit of the Village and as evidence of such indebtedness to issue the Bonds, as provided by the Debt Reform Act, in said amount, the proceeds of Bonds to be used for the purpose of (i) financing the costs of design, acquisition, construction and installation certain municipal improvements including roadway and street improvements and other eligible municipal capital improvements within the Village (the “*Project*”) and (ii) paying the Village’s costs in connection with the borrowing of money as described in this Ordinance, and it is necessary and in the best interests of the Village that there be issued at this time \$4,090,000 of the Bonds so authorized. There is hereby appropriated the sum of \$4,090,000 to meet the estimated cost of the Project and the costs of issuance of the Bonds.

*Section 4. Bond Details.* A. For the purpose of providing for the financing of the Project, the Bonds shall be issued and sold to the Purchaser in the aggregate principal amount of \$4,090,000, the proceeds of which shall be used, together with other available funds (including the Premium), to pay costs of the Project and Costs of Issuance of the Bonds.

B. Each of the Bonds shall be designated as a “*General Obligation Bond (Alternate Revenue Source), Series 2021.*” The Bonds shall be dated the date of their issuance (the “*Dated*”

*Date*”); and each Bond shall also bear the date of the authentication thereof. The Bonds shall be fully registered and in Book Entry Form, shall be in denominations of \$5,000 or integral multiples of \$5,000 in excess thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. The Bonds shall mature and become payable (subject to optional redemption as hereinafter provided) on December 15 of the years and in the amounts and bear interest at the rates per annum set forth below:

| <u>Year</u> | <u>Amount (\$)</u> | <u>Rate of Interest (%)</u> |
|-------------|--------------------|-----------------------------|
| 2022        | 215,000.00         | 2.00                        |
| 2023        | 245,000.00         | 2.00                        |
| 2024        | 245,000.00         | 2.00                        |
| 2025        | 250,000.00         | 2.00                        |
| 2026        | 255,000.00         | 2.00                        |
| 2027        | 260,000.00         | 2.00                        |
| 2028        | 270,000.00         | 2.00                        |
| 2029        | 275,000.00         | 2.00                        |
| 2030        | 280,000.00         | 2.00                        |
| 2031        | 285,000.00         | 2.00                        |
| 2032        | 290,000.00         | 2.00                        |
| 2034        | 595,000.00         | 2.00                        |
| 2036        | 625,000.00         | 2.00                        |

C. Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months), being payable on June 15 and December 15 of each year, commencing June 15, 2022. Interest on each Bond shall be paid by check or draft of the Bond Registrar, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date and mailed to the registered owner of the Bond as shown in the Bond Register or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with

the Depository for so long as the Depository or its nominee is the registered owner as of a given Record Date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office of the Bond Registrar maintained for such purpose.

*Section 5. Registration of Bonds; Persons Treated as Owners.* The Village shall cause a Bond Register for the registration and for the transfer of the Bonds, as provided in this Ordinance, to be kept at the office of the Bond Registrar maintained for such purpose, which is hereby constituted and appointed the registrar of the Village for the Bonds. The Village shall prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds. Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office of the Bond Registrar maintained for the purpose, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date for an interest payment date and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a

period of 15 days next preceding mailing of a notice of redemption of any Bonds. The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

*Section 6. Book Entry Provisions.* The Bonds shall be initially issued in the form of a single fully registered Bond for each maturity. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of the Depository or a designee or nominee of the Depository (such depository or nominee being the “*Book Entry Owner*”). Except as otherwise expressly provided, all of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of the Book Entry Owner (and accordingly in Book Entry Form, as such term is used in this Ordinance). Any Village officer, as representative of the Village, is hereby authorized, empowered, and directed to execute and deliver or utilize a previously executed and delivered Letter of Representations or Blanket Letter of Representations

(either being the “*Letter of Representations*”) substantially in the form common in the industry, or with such changes therein as the officer executing the Letter of Representations on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of approval of such changes, as shall be necessary to effectuate the Book Entry Form. Without limiting the generality of the authority given with respect to entering into such Letter of Representations, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the Bond Register in the name of the Book Entry Owner, none of the Village, any Village officer, or the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker dealer, bank, or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the Village, any Village officer, and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the Book Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as otherwise expressly provided in the Letter of Representations, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of

any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that (a) the Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Letter of Representations, (b) the agreement among the Village, the Bond Registrar, and the Depository evidenced by the Letter of Representations shall be terminated for any reason, or (c) the Village determines that it is in the best interests of the Village or of the beneficial owners of the Bonds either that they be able to obtain certificated Bonds or that another depository is preferable, the Village shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of the Book Entry Owner. Alternatively, at such time, the Village may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a system accommodating Book Entry Form, as may be acceptable to the Village, or such depository's agent or designee, but if the Village does not select such alternate book entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

*Section 7. Execution; Authentication.* The Bonds shall be executed on behalf of the Village by the manual or duly authorized facsimile signature of its Village President and attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall be impressed or imprinted with the corporate seal or facsimile seal of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all

purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form provided, duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

*Section 8. Redemption.* (a) Optional Redemption. The Bonds maturing on or before December 15, 2028 shall not be subject to optional redemption. The Bonds maturing on December 15, 2029 and thereafter shall be subject to redemption prior to maturity at the option of the Village, from any available funds, on any date occurring on or after December 15, 2028, in whole or in part and, if in part, in any order of maturity selected by the Village and, if less than the entire principal amount of serial Bonds payable at maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of 100% of the principal amount redeemed, plus accrued interest to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption. The Bonds coming due on December 15 of the years 2034 and 2036 are term bonds (“*Term Bonds*”) and are subject to mandatory sinking fund redemption prior to maturity on December 15 of the years and in the amounts as follows, at a redemption price of par plus accrued interest to the redemption date:



|                          |                 |               |
|--------------------------|-----------------|---------------|
| For the 2034 Term Bonds: | <u>Year</u>     | <u>Amount</u> |
|                          | 2033            | \$295,000     |
|                          | 2034 (maturity) | \$300,000     |
| For the 2036 Term Bonds: | <u>Year</u>     | <u>Amount</u> |
|                          | 2035            | \$310,000     |
|                          | 2036 (maturity) | \$315,000     |

If the Village redeems Bonds pursuant to the optional redemption provisions as provided in paragraph (a) above, or purchases Term Bonds of any maturity and cancels the same as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory sinking fund redemption requirement as provided for Term Bonds of such maturity, in any order of payment on the Term Bonds as due at maturity or subject to mandatory sinking fund redemption in any year as the Village shall, at such time, determine.

*Section 9. Redemption Procedure.* Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows:

A. *Notice to Bond Registrar.* The Village shall, at least 45 days prior to an optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the maturities and principal amounts of Bonds to be redeemed.

B. *Selection of Bonds Within a Maturity.* For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000

Bond or \$5,000 portion. The Bond Registrar shall make such selection (1) upon or prior to the time of the giving of official notice of redemption, or (2) in the event of a refunding or defeasance, upon advice from the Village that certain Bonds have been refunded or defeased and are no longer outstanding.

C. *Official Notice of Redemption.* Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village either in accordance with the Letter of Representations or else by mailing the redemption notice by first class U.S. mail, in each case not less than 30 days and not more than 60 days prior to the date fixed for redemption, to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification and, in the case of a partial redemption of Bonds within such maturity, the principal amount of such Bonds to be redeemed;
- (4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office of the Bond Registrar designated for that purpose.

D. *Conditional Optional Redemption.* Unless moneys sufficient to pay the redemption price of the Bonds to be optionally redeemed shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the Village, state that such optional redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not optionally redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of such optional redemption was given, that such moneys were not so received and that such Bonds will not be optionally redeemed.

E. *Bonds Shall Become Due.* Subject to the stated condition in paragraph (D) immediately preceding, official notice of redemption having been given as described in paragraph (D), the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

F. *Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver.* Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice

or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Letter of Representations, and the giving of such notice shall constitute a waiver by the Depository and the Book Entry Owner, as registered owner, of the foregoing notice. After giving proper notification of redemption to the Bond Registrar, as applicable, the Village shall not be liable for any failure to give or defect in notice.*

G. *New Bond in Amount Not Redeemed.* Upon surrender for any partial redemption of any Bond, the Bond Registrar may prepare for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

H. *Effect of Nonpayment upon Redemption.* If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall become due and payable on demand, as aforesaid, but, until paid or duly provided for, shall continue to bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

I. *Bonds to Be Cancelled; Payment to Identify Bonds.* All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of

funds issued for such purpose shall bear the CUSIP number identifying the Bonds being redeemed with the proceeds of such check or other transfer.

J. *Additional Notice.* The Village agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however*, that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the Village (unless a separate agreement shall be made), (3) not be a condition precedent of a valid redemption or a part of the Bond contract, and (4) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the Village with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

K. *Bond Registrar to Advise Village.* As part of its duties hereunder, the Bond Registrar shall prepare and forward to the Village a statement as to notices given with respect to each redemption, together with copies of the notices as mailed.

*Section 10. Form of Bonds.* The Bonds shall be in substantially the form set forth in Exhibit A hereto.

*Section 11. Alternate Revenue Source; Appropriation; Covenants.* For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity or earlier redemption, the Village covenants and agrees with the purchasers and the owners from time to time of the Bonds to provide for, collect and apply (i) that portion of the revenues received by the Village in each year

from the motor fuel taxes levied in accordance with the Illinois Motor Fuel Tax Law (35 ILCS 505/1 et seq) (the “*Motor Fuel Tax Revenues*”) and (ii) the revenues received by the Village in each year from the Non Home Rule Municipal Retailer’s Occupation Tax and the Non Home Rule Municipal Service Occupation Tax (the “*Sales Tax Revenues*”) (collectively, the “*Pledged Revenues*”). The Pledged Revenues are hereby pledged to the payment of the Bonds, and the Corporate Authorities covenant and agree to provide for, collect and apply the Pledged Revenues to the payment of the Bonds and the provision of not less than an additional .25 times debt service on the Bonds and such pledge shall constitute a continuing obligation of the Village and a continuing appropriation of the amounts received all in accordance with Section 15(e) of the Debt Reform Act.

The Village covenants and agrees with the purchasers and the registered owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect or to receive the Pledged Revenues.

The Village covenants and agrees with the holders of the Bonds that, so long as any Bonds remain Outstanding and unpaid:

(a) The Village will punctually pay or cause to be paid the principal of and interest on the Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof.

(b) The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Project. Such books of record and accounts shall at all time during business hours be subject to the inspection of the holders of not

less than ten percent (10%) of the principal amount of the Bonds then outstanding, or their representatives authorized in writing.

(c) The Village will preserve and protect the security of the Bonds and the rights of the Bondholders, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, the Bonds shall be incontestable by the Village.

(d) The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the holders of the Bonds of the rights and benefits provided in this Ordinance.

(e) The Village represents and warrants that it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Pledged Revenues that ranks on a parity with or prior to the pledge granted under this Ordinance, except to secure the Bonds and the Village's General Obligation Bonds (Alternate Revenue Source) Series 2011.

*Section 12. Additional Obligations.* The Village reserves the right to issue additional parity obligations payable from the Pledged Revenues (the "*Additional Bonds*"), and any such Additional Bonds shall rank on a parity with the Bonds as to priority of payment from the Pledged Revenues without the consent of any Bondholder; provided, however, that no Additional Bonds shall be issued except in accordance with the provisions of the Debt Reform Act.

*Section 13. Tax Levy; Abatements.* For the purpose of providing additional funds to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity while the Bonds or any of them are outstanding, there are hereby

levied upon all of the taxable property within the Village direct annual taxes in the years and in the amounts provided below (the “*Pledged Taxes*”):

| Levy Year | Levy Amount \$ |
|-----------|----------------|
| 2021      | 322,021.67     |
| 2022      | 322,500.00     |
| 2023      | 317,600.00     |
| 2024      | 317,700.00     |
| 2025      | 317,700.00     |
| 2026      | 317,600.00     |
| 2027      | 322,400.00     |
| 2028      | 322,000.00     |
| 2029      | 321,500.00     |
| 2030      | 320,900.00     |
| 2031      | 320,200.00     |
| 2032      | 319,400.00     |
| 2033      | 318,500.00     |
| 2034      | 322,500.00     |
| 2035      | 321,300.00     |

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

The Village covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which in any way would adversely affect the ability of the Village to collect the Pledged Revenues or to levy and collect the Pledged Taxes except for the abatement of the Pledged Taxes as provided for in Section 15 of this Ordinance. The Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available



and that the Pledged Taxes will be levied, extended and collected as provided herein and deposited in the Bond Fund.

*Section 14. Filing with County Clerk.* Promptly after this Ordinance becomes effective and upon the execution of the Bid Form, a copy of this Ordinance, certified by the Village Clerk, shall be filed with the County Clerk of Kane County. Under authority of this Ordinance, the County Clerk shall, in and for each of the years as set forth in Section 13 hereof, ascertain the rate percent required to produce the aggregate Pledged Taxes provided to be levied in each of such years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in such years in and by the Village for general corporate purposes of the Village; and in each of those years such annual tax shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes for such years are levied and collected, without limit as to rate or amount, and in addition to and in excess of all other taxes.

*Section 15. Abatement of Pledged Taxes.* As provided in the Debt Reform Act, when Pledged Revenues or other funds are available to pay the principal and interest owed on the Bonds when due so as to enable the abatement of the Pledged Taxes levied for the same, the Corporate Authorities or any of the Authorized Officers acting with proper authority, shall direct the deposit of such funds into the Bond Fund or into a proper escrow account created solely for such purpose. The Corporate Authorities shall direct the abatement of the Pledged Taxes by such amount, and proper notification of such abatement shall be filed with the County Clerk, in a timely manner to effect such abatement. For the purpose of providing the moneys needed to abate such Pledged Taxes, the Village shall so deposit the Pledged Revenues to the Bond Fund and may deposit any other available funds.

*Section 16. Sale of Bonds; Official Statement; Closing Documents.*

A. The Bid Form and the terms of the Bonds, including the Purchase Price thereof, are hereby accepted and approved, and the Village President or another Designated Officer is hereby authorized to execute and deliver a signed copy of the Bid Form to the Purchaser. Upon the execution and delivery of the Bid Form, such Bid Form shall in due course be entered into the records of the Village and made available to the Corporate Authorities.

B. The distribution to prospective purchasers of the Preliminary Official Statement and all other actions of the Village relating to the offering, issuance and sale of the Bonds are hereby ratified, confirmed and approved. Each of the Preliminary Official Statement and the Final Official Statement is hereby approved and deemed final as of its respective dates for purposes of Securities and Exchange Commission Rule 15(c)(2)(12) promulgated by the Securities Exchange Act of 1934. Any one of the Village Manager or the Village Director of Finance is authorized and directed to execute the Final Official Statement in the name of and on behalf of the Village and to deliver the Final Official Statement to the Purchaser.

C. Each of the Designated Officers and any other officers of the Village as shall be appropriate shall be and are hereby authorized and directed to approve or execute, or both, such closing documents, certifications, tax returns and other documentation as may be required by Bond Counsel, including, specifically, such tax certificate as may be required by Bond Counsel to establish and maintain the Tax-exempt status of the interest on the Bonds.

D. Each of the Designated Officers is hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Bond Purchase Agreement, this Ordinance, the Final Official Statement, said closing documents, said tax certificate and the Bonds.

*Section 17. Continuing Disclosure Undertaking.* Any Designated Officer of the Village is hereby authorized, empowered, and directed to execute and deliver the Continuing Disclosure Undertaking in substantially the same form as previously executed by the Village, or with such changes therein as the officer executing the Continuing Disclosure Undertaking on behalf of the Village shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the Village as herein provided, the Continuing Disclosure Undertaking will be binding on the Village and the officers, employees, and agents of the Village, and the officers, employees, and agents of the Village are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under the Continuing Disclosure Undertaking.

*Section 18. Bond Fund.* There is hereby established a special fund of the Village known as the “General Obligation Bonds (Alternate Revenue Source) Series 2021 Bond Fund” (the “*Bond Fund*”), which is a trust fund established for the purpose of paying principal of and interest on the Bonds. All Pledged Revenues and Pledged Taxes to be used to pay debt service on the Bonds shall be deposited in the Bond Fund which shall be administered as a bona fide debt service fund under the Internal Revenue Code of 1986. The Bonds are secured by a pledge of the Pledged Revenues, the Pledged Taxes and all of the moneys on deposit in the Bond Fund, and the moneys on deposit in the Bond Fund are hereby appropriated for the purpose of paying

the principal of and interest on the Bonds, and such pledge and appropriation are irrevocable until the Bonds have been paid in full or until the obligations of the Village are discharged under this Ordinance. All such moneys shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Village irrespective of whether such parties have notice thereof.

*Section 19. Costs of Issuance Fund.* There is hereby established a special fund of the Village known as the “General Obligation Bonds (Alternate Revenue Source) Series 2021 Costs of Issuance Fund” (the “*Costs of Issuance Fund*”) which shall be used for the purpose of paying Costs of Issuance as provided in Section 21(a)(2) below.

*Section 20. Bond Proceeds Fund.* There is hereby created a special fund of the Village known as the “General Obligation Bonds (Alternate Revenue Source) Series 2021 Bond Proceeds Fund” (the “*Bond Proceeds Fund*”) which is established as a special fund of the Village. Moneys in the Bond Proceeds Fund shall be used to pay costs of the Project, but may hereafter be re-appropriated and used for other purposes if such re-appropriation is permitted under Illinois law and will not adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Bonds. The Village shall keep proper books and records of disbursements of amounts from the Bond Proceeds Fund including the amount and timing of each such disbursement.

*Section 21. Application of Bond Proceeds.*

A. The proceeds of sale of the Bonds, net of the underwriter’s discount in the amount of \$30,675 plus original issue premium in the amount of \$211,630.35 shall be applied as follows immediately upon the issuance and delivery of the Bonds:

(1) Proceeds of the Bonds in the amount of \$4,203,380.35 shall be delivered to the Village for deposit into the Bond Proceeds Fund and used to pay costs of the Project as described in Section 20 hereof.

(2) Proceeds of the Bonds in the amount of \$67,575.00 shall be deposited into the Costs of Issuance Fund and applied to pay Costs of Issuance on or prior to the date which is six months after the date of issuance and delivery of the Bonds.

B. The payment of all lawful expenses of the Village incurred in connection with the issuance of the Bonds are hereby approved, and all such payments shall be made at the time of the issuance of the Bonds.

*Section 22. Rights and Duties of Bond Registrar.* If requested by the Bond Registrar, any officer of the Village is authorized to execute standard form of agreements between the Village and the Bond Registrar with respect to the obligations and duties of the Bond Registrar under this Ordinance. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar by acceptance of duties under this Ordinance agrees (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein; (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential to the extent permitted by law; (c) to give notice of redemption of Bonds as provided herein; (d) to cancel and/or destroy Bonds which have been paid at maturity, upon redemption or submitted for exchange or transfer; (e) to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and (f) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The Village covenants

with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees, as follows:

A. The Village shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry.

B. The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the Village that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the Village and shall not be liable in connection with the performance of its duties, except for its own negligence or willful wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

C. The Village may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the Village covenants and agrees that it will thereupon appoint a successor Bond Registrar. The Village shall give notice of any such appointment made by it to each registered owner of any Bond within 20 days after such

appointment in any reasonable manner as the Village shall select. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association authorized to do business in the State of Illinois and having capital in excess of \$100,000,000. The Village Clerk of the Village is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

*Section 23. Defeasance.* Any Bond or Bonds (a) which are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations (as hereinafter defined) have been deposited with the Bond Registrar or similar institution in trust to pay, taking into account investment earnings on such Obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Ad Valorem Property Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to the lien and security of the outstanding Bonds. All covenants relative to payment, registration, transfer, and exchange are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this Section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of *Directs* or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

*Section 24. Notices.* All notices to the Paying Agent shall be delivered to:

Amalgamated Bank of Chicago  
Corporate Trust Department  
30 N. LaSalle St., Suite 3800  
Chicago, Illinois 60602  
Facsimile: 312-267-8783  
Telephone: 312-822-8505

or such other address as is designated in writing from time to time by the Paying Agent.

All notices to the Village shall be delivered to:

Village of Gilberts  
87 Galligan Road  
Gilberts, Illinois 60136  
Attention: Village President  
Facsimile: 847-428-2955  
Telephone: 847-428-2861

or to such other address as is designated in writing from time to time by the Village.

*Section 25. Tax Covenants.* The Village hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code, would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The Village acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the Village may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurance as may



be necessary or advisable; (b) to comply with all representations, covenants, and assurance contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the Village in such compliance.

In furtherance of the foregoing the Village represents, warrants, and covenants as follows:

A. None of the Bonds shall be a “private activity bond,” as defined in Section 141(a) of the Code; and the Village certifies, represents, and covenant as follows:

(1) Not more than 5% of the net proceeds and investment earnings of the Bonds is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) Except as may be permitted by reference to the text above at paragraph A (1) of this Section, no user of the real or personal property of the Village to be acquired, constructed, or improved with the proceeds of the Bonds, other than the Village or another governmental unit, will use the same on any basis other than the same basis as the general public; and except as noted, no person, other than the Village or another governmental unit,

will be a user of such property as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract, other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the Village certifies, represents, and covenants as follows:

(1) All proceeds of the Bonds will be spent with due diligence and are reasonably expected to be spent within three years of their date of issuance for Costs of the Project.

(2) Except for the Bond Fund, the Village has not created or established and will not create or establish any sinking fund reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(3) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the Village officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate Village officers are hereby authorized to make such investments.

(4) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the Village, the Village will meet the Rebate Requirement.

(5) Relating to applicable exceptions, any Village officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the Village. If such election may result in a “penalty in lieu of rebate” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the Village shall pay such Penalty.

D. The Village reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the representations and covenants relating to the Tax-exempt status of the Bonds, provided it shall first have received an opinion from Bond Counsel to the effect that use or investment of such moneys will not result in loss or impairment of the Tax-exempt status of the Bonds.

*Section 26. Provisions Constitute a Contract.* The provisions of this Ordinance shall constitute a contract between the Village and the owners of the Outstanding Bonds.

*Section 27. Other Agreements.* The Village President and the Village Clerk are hereby authorized to execute and deliver on behalf of the Village such other documents, agreements and certificates consistent with the terms of this Ordinance, which the Village President or the Village Clerk shall deem necessary or appropriate in order to effectuate the intent and purpose of this Ordinance.

*Section 28. Section 265(b)(3) Designation.* The Village represents that:

(i) The Bonds are not private activity bonds as defined in Section 141 of the Code;

(ii) The Village hereby designates the Bonds as qualified tax-exempt obligations for purposes of Section 265(b) of the Code; and

(iii) The reasonably anticipated amount of qualified tax-exempt obligations (including 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the Village and all entities subordinate to the Village during calendar year 2021 does not exceed \$10,000,000.

(iv) The Village has not designated more than \$10,000,000 of qualified tax-exempt obligations during calendar year 2021.

*Section 29. Publication of Ordinance.* A full, true, and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

*Section 30. Severability.* If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this Ordinance.

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

ADOPTED: This 3rd day of August, 2021

AYES: Trustees LeClercq, Corbett, Allen, Coats, Hedfield, + Hacher

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

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

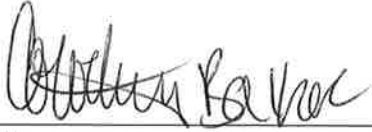
APPROVED: August 3, 2021



\_\_\_\_\_  
Village President, Village of  
Gilberts, Kane County,  
Illinois

Published in pamphlet form by authority of the Village President and Board of Trustees on  
August 5, 2021.

ATTEST:



Village Clerk, Village of Gilberts,  
Kane County, Illinois



**EXHIBIT A**  
**FORM OF BOND**

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA**  
**STATE OF ILLINOIS**  
**THE COUNTY OF KANE**  
**VILLAGE OF GILBERTS**  
**GENERAL OBLIGATION BOND (ALTERNATE REVENUE SOURCE),**  
**SERIES 2021**

Interest      Maturity      Dated  
Rate:      Date: December 15, 20\_\_\_\_      Date: \_\_\_\_\_, 20\_\_      CUSIP: \_\_\_\_\_

Registered Owner:      CEDE & CO.

Principal Amount: \$ \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Gilberts, Kane County, Illinois, a municipality, and political subdivision of the State of Illinois (the "*Village*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 15 and December 15 of each year, commencing June 15, 2022, until said Principal Amount is paid or duly provided for, except as the provisions for redemption prior to maturity may and shall become applicable hereto, such provisions being enumerated in the hereinafter defined Ordinance. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the office maintained for that purpose of Amalgamated Bank of

Chicago, located in the City of Chicago, Illinois, as paying agent and bond registrar or at the office of any successor paying agent and bond registrar appointed in accordance with the hereinafter defined Ordinance (the "*Bond Registrar*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the Village maintained by the Bond Registrar at the close of business on the applicable Record Date. The Record Date shall be the 1st day of the month of any regular interest payment date occurring on June 15 or December 15 or 15 days preceding any interest payment date occasioned by the redemption of the Bonds on a date other than June 15 or December 15. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the Village and the Bond Registrar for so long as this Bond is held by a qualified securities clearing corporation as depository, or by its nominee, in Book Entry Form as provided for same.

This Bond is one of a series of Bonds issued by the Village pursuant to the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and the Illinois Municipal Code to pay for the costs of the construction and installation of certain municipal improvements including roadway and street improvements, and other eligible municipal capital improvements within the Village (the "*Project*"), and the costs of issuance of the Bonds, and is authorized by an ordinance adopted by the Corporate Authorities of the Village (the "*Corporate Authorities*") on the 15th day of June, 2021, and by an ordinance adopted by the Corporate Authorities on the 3rd day of August, 2021 (the "*Bond Ordinance*"), in all respects as provided by law.



The Bonds are payable from: (a) (i) that portion of the revenues received by the Village in each year from the motor fuel taxes levied in accordance with Illinois Motor Fuel Tax Law (35 ILCS 505/1 et seq) (the “*Motor Fuel Tax Revenues*”) and (ii) the revenues received by the Village in each year from the Non Home Rule Municipal Retailer’s Occupation Tax and the Non Home Rule Municipal Service Occupation Tax (the “*Sales Tax Revenues*”) (collectively, the “*Pledged Revenues*”); and (b) ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount (the “*Pledged Taxes*”), all in accordance with the provisions of the Debt Reform Act. For the prompt payment of this Bond, both principal and interest at maturity, the full faith, credit and resources of the Village are hereby irrevocably pledged.

This Bond is subject to provisions relating to redemption, registration, transfer, and exchange and such other terms and provisions relating to security and payment as are set forth in the Ordinance, to which reference is hereby expressly made, and to all the terms of which the registered owner hereof is hereby notified and shall be subject.

The Bonds maturing on or after December 15, 2029 shall be subject to redemption prior to maturity at the option of the Village, from any available funds, on any date occurring on or after December 15, 2028 in whole or in part and, if in part, in any order of maturity as selected by the Village, and if less than the entire principal amount of any maturity is redeemed, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

The Bonds coming due on December 15 of the years 2034 and 2036 are term bonds (“*Term Bonds*”) and are subject to mandatory sinking fund redemption prior to maturity on December 15 of the years and in the amounts as follows, at a redemption price of par plus accrued interest to the redemption date:

|                          |                 |               |
|--------------------------|-----------------|---------------|
| For the 2034 Term Bonds: | <u>Year</u>     | <u>Amount</u> |
|                          | 2033            | \$295,000     |
|                          | 2034 (maturity) | \$300,000     |
| For the 2036 Term Bonds: | <u>Year</u>     | <u>Amount</u> |
|                          | 2035            | \$310,000     |
|                          | 2036 (maturity) | \$315,000     |


If the Village redeems Bonds pursuant to the optional redemption provisions as described above, or purchases Term Bonds of any maturity and cancels the same, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory sinking fund redemption requirement as provided for Term Bonds of such maturity, in any order of payment on the Term Bonds as due at maturity or subject to mandatory sinking fund redemption in any year as the Village shall, at such time, determine.

The Village and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Village nor the Bond Registrar shall be affected by any notice to the contrary.


It is hereby certified and recited that all conditions, acts and things required by the constitution and laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing act, have existed and have been properly done, happened, and been performed in regular and due form and time as required by law; that the indebtedness of the Village, represented by the Bonds, and including all other indebtedness of the Village, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of the Pledged Revenues and the Pledged Taxes sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

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

IN WITNESS WHEREOF the Village of Gilberts, Kane County, Illinois, by its Village President and Board of Trustees, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Village President and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

  
\_\_\_\_\_  
Village President, Village of  
Gilberts, Kane County,  
Illinois

ATTEST:

  
\_\_\_\_\_  
Village Clerk, Village of Gilberts,  
Kane County, Illinois

[SEAL]



[FORM OF AUTHENTICATION]

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds (Alternate Revenue Source), Series 2021, having a Dated Date of August 24, 2021 of the Village of Gilberts, Kane County, Illinois.

AMALGAMATED BANK OF CHICAGO, as  
Bond Registrar

Date of Authentication: \_\_\_\_\_, 20\_\_

By \_\_\_\_\_  
Authorized Officer

[FORM OF ASSIGNMENT]

**ASSIGNMENT**

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

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

---

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

---

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

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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