

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

ORDINANCE NO. 973

AN ORDINANCE OF THE CITY OF LA VISTA, NEBRASKA, AUTHORIZING THE ISSUANCE OF REFUNDING BONDS, SERIES 2005, OF THE CITY OF LA VISTA, IN THE PRINCIPAL AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000) TO CALL AND REDEEM WARRANTS IN THE APPROXIMATE COMBINED AMOUNT OF PRINCIPAL AND INTEREST OF \$3,964,000 ISSUED BY SANITARY AND IMPROVEMENT DISTRICT NO. 218 AND SANITARY AND IMPROVEMENT DISTRICT NO. 253, BOTH AS ANNEXED BY THE CITY OF LA VISTA; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR THE LEVY OF TAXES TO PAY THE SAME; PROVIDING FOR CERTAIN AGREEMENTS RELATED TO SAID REFUNDING BONDS; DETERMINING THE ORDINANCE TO BE A MEASURE NECESSARY TO CARRY OUT THE CITY'S CONTRACTUAL OBLIGATIONS AND PROVIDING FOR PUBLICATION OF THE ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA:

Section 1. The Mayor and Council of the City of La Vista, Nebraska (the "City") hereby find and determine that the City has annexed all of the territory contained in Sanitary and Improvement District No. 218 of Sarpy County, Nebraska, ("SID 218") and Sanitary and Improvement District No. 253 of Sarpy County, Nebraska, ("SID 253"); that pursuant to resolutions of necessity heretofore duly adopted by the Chairman and Board of Trustees of SID 218 and the Chairman and Board of Trustees of SID 253, respectively, certain street, sanitary sewer, water, and other utility system and appurtenant and necessary improvements therein have been contracted for and constructed or partially constructed; that to pay the cost of said improvements there have heretofore been issued and are now outstanding construction fund warrants of SID 218 and SID 253 in the approximate principal amount of \$3,964,000 (the "Warrants"); that there is due and payable on the Warrants a sum not less than \$3,964,000, and that, for the purpose of providing funds to satisfy the City's contractual obligation on the Warrants as provided for in Section 31-763, R.R.S. Neb. 2004, and to retire and fund such warrants, the City is authorized under Sections 10-615 and 10-616, R.R.S. Neb. 1997, to issue its refunding bonds in the principal amount not to exceed \$4,000,000.

Section 2. To provide for the refunding and payment of the Warrants as described in Section 1 hereof, there shall be and there are hereby ordered issued Refunding Bonds, Series 2005, of the City of La Vista, Nebraska, in the principal amount not to exceed \$4,000,000 (the "Bonds"), with said Bonds bearing interest at the rates per annum and to become annually on December 15 of each year as indicated below:

<u>Principal Amount</u>	<u>Maturing</u>	<u>Interest Rate</u>
\$120,000	December 15, 2007	3.70%
130,000	December 15, 2008	3.80
135,000	December 15, 2009	3.90
140,000	December 15, 2010	4.00
145,000	December 15, 2011	4.10
155,000	December 15, 2012	4.20
165,000	December 15, 2013	4.30
170,000	December 15, 2014	4.40
180,000	December 15, 2015	4.50
190,000	December 15, 2016	4.60
195,000	December 15, 2017	4.70
205,000	December 15, 2018	4.80
215,000	December 15, 2019	4.90
230,000	December 15, 2020	5.00
240,000	December 15, 2021	5.10
250,000	December 15, 2022	5.20
265,000	December 15, 2023	5.30
275,000	December 15, 2024	5.40
290,000	December 15, 2025	5.50
305,000	December 15, 2026	5.60

provided that (a) the Bonds shall bear interest at any lower interest rate per annum for each maturity; (b) the stated principal amount for any maturity (which may also be reset as a mandatory sinking fund redemption amount) may be increased within authorized denominations by 10% and may be lowered within authorized denominations by 20% so long as the aggregate stated principal amount does not exceed \$4,000,000; (c) any maturity may be sold with original issue discount or

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

original issue premium not to exceed 2.5%; and (d) any of the serial maturities shown above may be reset as a mandatory sinking fund redemption amount for a term maturity and combined with one or more other serial maturities into a term maturity, all as the Mayor (or in his absence the President of the City Council) shall determine on behalf of the City and as any such changes and terms shall be agreed to by the initial purchaser designated in Section 8 of this Ordinance. The Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof. The date of original issue for the Bonds shall be December 15, 2005. Interest on the Bonds, at the respective rates for each maturity, shall be payable on June 15 and December 15 of each year, commencing with June 15, 2006 (each an "Interest Payment Date"), and the Bonds shall bear such interest from the date of original issue or the most recent Interest Payment Date, whichever is later. The interest due on each Interest Payment Date shall be payable to the registered owners of record as of the fifteenth day immediately preceding the Interest Payment Date (the "Record Date"), subject to the provisions of Section 4 hereof. The Bonds shall be numbered from 1 upwards in the order of their issuance. No Bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the Bonds issued shall be as directed by the initial purchaser thereof. Payments of interest due on the Bonds prior to maturity or earlier redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check or draft in the amount due for such interest on each Interest Payment Date to the registered owner of each Bond, as of the Record Date for such Interest Payment Date, to such owner's registered address as shown on the books of registration as required to be maintained in Section 3 hereof. Payments of principal due at maturity or at any date fixed for redemption prior to maturity, together with unpaid accrued interest thereon, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the Bonds to said Paying Agent and Registrar. The City and said Paying Agent and Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payments thereon and for all other purposes and neither the City nor the Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary, whether such Bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any Bond in accordance with the terms of this Ordinance shall be valid and effectual and shall be a discharge of the City and said Paying Agent and Registrar, in respect of the liability upon the Bonds or claims for interest to the extent of the sum or sums so paid.

Section 3. The City Treasurer of the City of La Vista, Nebraska, is hereby designated to serve as Paying Agent and Registrar for the Bonds. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the Bonds at the City's office in La Vista, Nebraska. The names and registered addresses of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the office of said Paying Agent and Registrar by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to said Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar, on behalf of the City, will deliver at such office (or send by registered mail to the transferee owner or owners thereof at such transferee owner's or owners' risk and expense), registered in the name of the transferee owner or owners, a new Bond or Bonds of the same series, interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the Bonds by this Ordinance, one Bond may be transferred for several such Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same series, interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond shall be canceled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the City evidencing the same obligation as the Bonds surrendered and shall be entitled to all the benefits and protection of this Ordinance to the same extent as the Bonds upon transfer of which they were delivered. The City and said Paying Agent and Registrar shall not be required to transfer any Bond during any period from any Record Date until its immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption. The City reserves the right, by an amendment to this Ordinance without bondholder approval, to provide for a replacement or substitute paying agent and registrar, which may be a bank with trust powers or a trust company. Upon the making of any such amendment, the City shall provide notice by mail to each of the registered owners of the Bonds.

Section 4. In the event that payments of interest due on the Bonds on an Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such Interest Payment Date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

Section 5. Bonds maturing on or after December 15, 2011, shall be subject to redemption at the option of the City to the stated maturities thereof, in whole or in part, at any time on or after December 15, 2010, at par plus the interest accrued on the principal amount being redeemed to the date fixed for redemption. The City may select the Bonds to be redeemed for such optional redemption in its sole discretion.

In addition, as and to the extent that serial maturities have been included into one or more term maturities as provided for in Section 2 of this Ordinance, such term bonds are required to be redeemed prior to their stated maturity in accordance with the schedule determined under the terms of Section 2 of this Ordinance, commencing on December 15 of the years designated and continuing on December 15 of each year thereafter through and including payment at the designated term maturity, in part, at a price equal to 100% of the principal amount redeemed plus interest accrued on the principal amount being redeemed to the date fixed for redemption. The Paying Agent and Registrar shall select any such term bonds for mandatory redemption using any random method of selection deemed appropriate by the Paying Agent and Registrar. On or before the forty-fifth (45th) day prior to any mandatory sinking fund redemption date designated in accordance with Section 2 of this Ordinance, the Paying Agent and Registrar shall proceed to select for redemption, from all the term bonds then subject to redemption (as applies for such mandatory redemption date), an aggregate principal amount of such term bonds, as the case may be, equal to the amount for such year as set forth in the designation made under Section 2 of this Ordinance and shall call such term bonds, or portions thereof (\$5,000 or any integral multiple thereof) for redemption and give notice of such call.

The Bonds shall be redeemed only in amounts of \$5,000 or integral multiples thereof. Any Bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new Bond evidencing the unredeemed principal thereof. Notice of redemption of any Bond called for redemption shall be given, at the direction of the City in the case of optional redemption and without further direction in the case of any mandatory redemption, by said Paying Agent and Registrar by mail not less than 30 days prior to the date fixed for redemption, first class, postage prepaid, sent to the registered owner of such Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by maturity or otherwise, the date of original issue and the date fixed for redemption and shall state that such Bond or Bonds are to be presented for prepayment at the office of said Paying Agent and Registrar. In case of any Bond partially redeemed, such notice shall specify the portion of the principal amount of such Bond to be redeemed. No defect in the mailing of notice for any Bond shall affect the sufficiency of the proceedings of the City designating the Bonds called for redemption or the effectiveness of such call for Bonds for which notice by mail has been properly given and the City shall have the right to direct further notice of redemption for any such Bond for which defective notice has been given.

Section 6. If the date for payment of the principal or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of La Vista, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 7. The Bonds shall be in substantially the following form:

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF SARPY

REFUNDING BOND
OF THE CITY OF LA VISTA, NEBRASKA
SERIES 2005**

No. _____ \$ _____

Interest Rate Maturity Date Date of Original Issue CUSIP

December 15, 2005

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of La Vista, in the County of Sarpy, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above, or registered assigns, the principal

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

amount specified above in lawful money of the United States of America on the date of maturity specified above with interest thereon to maturity (or earlier redemption) from the date of original issue or the most recent Interest Payment Date, whichever is later, at the rate per annum specified above, payable on June 15 and December 15 of each year commencing on June 15, 2006 (each an "Interest Payment Date"). Said interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of and interest on this bond due at maturity or upon redemption prior to maturity are payable upon presentation and surrender of this bond at the office of the City Treasurer of the City of La Vista, Nebraska, the Paying Agent and Registrar, in La Vista, Nebraska. Interest on this bond due prior to maturity or earlier redemption will be paid on each Interest Payment Date by a check or draft mailed on such Interest Payment Date by the Paying Agent and Registrar to the registered owner of this bond, as shown on the books of record maintained by the Paying Agent and Registrar, at the close of business on the fifteenth day immediately preceding the Interest Payment Date, to such owner's address as shown on such books and records. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available. For the prompt payment of this bond, both principal and interest, as the same become due, the full faith, credit and resources of said City are hereby irrevocably pledged.

This bond is one of an issue of fully registered bonds of the total principal amount of Four Million Dollars (\$4,000,000), of even date and like tenor herewith, except as to date of maturity and rate of interest and denomination, which were issued by the City to call and redeem warrants of Sanitary and Improvement District No. 218 of Sarpy County and Sanitary and Improvement District No. 253 of Sarpy County both as annexed by the City of La Vista, in pursuance of Sections 10-615 and 10-616, R.R.S. Neb. 1997, as amended, and other applicable statutes and has been duly authorized by ordinance legally passed, approved and published (the "Ordinance") and by proceedings duly had by the Mayor and Council of said City.

Any or all of the bonds of said issue maturing on or after December 15, 2011, are subject to redemption at the option of the City, in whole or in part, at any time on or after December 15, 2010, at par plus interest accrued on the principal amount redeemed to the date fixed for redemption.

[The Series 2005 Bonds due as term bonds in the year 20__ (the "20__ Term Bonds") are required to be redeemed prior to their stated maturity, commencing on December 15, 20__, and continuing on December 15 of each year thereafter through and including payment at maturity, in part, which redemptions and payment at maturity shall be in the years and for the principal amounts set forth below:

<u>Year of Redemption</u>	<u>Amount Required to be Redeemed</u>
20__	
20__	
20__	
20__	
20__ (final maturity)	

Such mandatory redemptions shall be at a price equal to 100% of the principal amount redeemed plus interest accrued on the principal amount being redeemed to the date fixed for redemption. The Paying Agent and Registrar shall select the 20__ Term Bonds for mandatory redemption using any random method of selection deemed appropriate by the Paying Agent and Registrar, subject to the terms of the Ordinance.]

Notice of redemption shall be given by mail to the registered owner of any bond to be redeemed in the manner specified in the Ordinance. Individual bonds may be redeemed in part but only in \$5,000 amounts or integral multiples thereof. If less than all of the principal sum hereof is to be redeemed, in such case upon the surrender hereof, there shall be issued to the registered owner hereof, without charge therefor, a registered bond or registered bonds for the unpaid principal balance of like series, maturity and interest rate in any of the authorized denominations provided for in the Ordinance.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the City Treasurer of the City of La Vista, Nebraska, the Paying Agent and Registrar, upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the Ordinance, subject to the limitations therein prescribed. The City, the Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

the absolute owner hereof for the purpose of receiving payment due hereunder and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the date for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of La Vista, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

AS PROVIDED IN THE ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE ORDINANCE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE ORDINANCE TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE ORDINANCE.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this bond and the indebtedness refunded hereby, does not exceed any limitation imposed by law. The City agrees that it shall cause to be levied and collected annually taxes on all the taxable property in said City, in addition to all other taxes, sufficient in rate and amount to fully pay the principal of and interest on this bond as the same become due.

This bond shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar.

IN WITNESS WHEREOF, the Mayor and Council of the City of La Vista, Nebraska, have caused this bond to be executed on behalf of the City with the manual or facsimile signatures of the Mayor and the City Clerk and by causing the official seal of the City to be impressed or imprinted hereon, all as of the date of original issue specified above.

CITY OF LA VISTA, NEBRASKA

ATTEST:

(facsimile)
Mayor

(facsimile) [SEAL]
City Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by ordinance passed and approved by the Mayor and Council of the City of La Vista, Nebraska, as described in said bond.

City Treasurer of the City of La Vista, Nebraska
Paying Agent and Registrar

By _____
Authorized Signature

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

(FORM OF ASSIGNMENT)

For value received _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____, attorney, to transfer the same on the books of registration in the office of the within mentioned Paying Agent and Registrar with full power of substitution in the premises.

Date: _____

Registered Owner

Witness: _____

Note: The signature(s) of this assignment must correspond with the name(s) as written on the face of the within bond in every particular, without alteration, enlargement or any change whatsoever.

Section 8. Each of the Bonds shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and City Clerk and shall have impressed or imprinted thereon the City's seal. The Bonds shall be issued initially as "book-entry-only" bonds using the services of The Depository Trust Company (the "Depository"), with one typewritten bond per maturity being issued to the Depository. In such connection said officers are authorized to execute and deliver a letter of representations (the "Letter of Representations") in the form required by the Depository (including any blanket letter previously executed and delivered), for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds. Upon the issuance of the Bonds as "book-entry-only" bonds, the following provisions shall apply:

(a) The City and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a Bond from a Bond Participant while the Bonds are in book-entry form (each, a "Beneficial Owner") with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the Bonds,

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Bonds. The Paying Agent and Registrar shall make payments with respect to the Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Bonds or (ii) to make available Bonds registered in whatever

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

name or names the Beneficial Owners transferring or exchanging such Bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the Bonds be delivered to the Bond Participants and/or Beneficial Owners of the Bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the Depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the Bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee;

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section.

(f) In the event of any partial redemption of a Bond unless and until such partially redeemed Bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such Bond as is then outstanding and all of the Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced, the City shall immediately provide a supply of printed bond certificates for issuance upon the transfers from the Depository and subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement Bonds upon transfer or partial redemption, the City agrees to order printed an additional supply of certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting Mayor and City Clerk of said City. In case any officer whose signature or facsimile thereof shall appear on any Bond shall cease to be such officer before the delivery of such Bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption), such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Bond. The Bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The Bonds shall be delivered to the Paying Agent and Registrar for registration and authentication. Upon execution, registration and authentication of the Bonds, they shall be delivered to the City Treasurer, who is authorized to deliver them to Kirkpatrick Pettis, A Division of D.A. Davidson & Co. Fixed Income Capital Markets, as the initial purchaser, (the "Underwriter") thereof, upon receipt of 99.25% of the stated principal amount of the Bonds plus accrued interest thereon to date of payment of the Bonds (which price represents Underwriter's discount only and does not include or take into consideration any original issue discount or premium as shall be determined upon in connection with the setting of the final terms of the Bonds in accordance with Section 2 of this Ordinance). The Bond Purchase Agreement with such purchaser in the form presented is hereby approved and the Mayor is hereby authorized to execute and deliver such agreement on behalf of the City reflecting the final terms of the Bonds as determined in accordance with Section 2 of this Ordinance. Such purchaser and its agents and representatives and the City's bond counsel are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository at closing. Said initial purchaser shall have the right to direct the registration of the Bonds and the denominations thereof within each maturity, subject to the restrictions of this Ordinance. The City Clerk shall make and certify a transcript of the proceedings of the Mayor and Council with respect to the Bonds which shall be delivered to said purchaser.

Section 9. The net proceeds of the Bonds, after payment of underwriter's discount and costs of issuance of the Bonds shall be applied upon closing to the payment and redemption of the

ORDINANCE RECORD

No. 72 8—REDFIELD & COMPANY INC., OMAHA

Warrants. The City hereby covenants and agrees to take all steps necessary and appropriate to provide for the calling and redemption of the Warrants and the officers of the City, or any one or more of them are hereby authorized to take any and all actions deemed necessary in connection therewith. The registered owners of the Bonds shall be subrogated to all rights of the registered owners of the Warrants, subject to the terms and conditions of the Bonds as set forth in this Ordinance, provided that such subrogation shall not include rights to payment in order of registration or rights with respect to any special assessments.

Section 10. The City agrees that it shall cause to be levied and collected annually a special levy of taxes on all the taxable property in the City for the purpose of paying and sufficient to pay the interest and principal of the Bonds when and as such principal and interest become due (including as principal falling due any amounts for mandatory redemption of term bonds). The City reserves the right to provide for payments of principal and interest on the Bonds in any fiscal year from other available funds, as appropriated and applied, and thereby satisfy its obligation to levy taxes on property as provided in this Section 10.

Section 11. The City hereby covenants with the purchasers and holders of the Bonds herein authorized that it will make no use of the proceeds of said issue, including monies held in any sinking fund for the payment of principal and interest on said Bonds, which would cause said Bonds to be arbitrage bonds within the meaning of Sections 103 and 148 and other related sections of the Internal Revenue Code of 1986, as amended, (the "Code") and further covenants to comply with said Sections 103 and 148 and related sections and all applicable regulations thereunder throughout the term of said issue. The City hereby covenants and agrees to take all actions necessary under the Code to maintain the tax exempt status (as to taxpayers generally) of interest payable on the Bonds. The City hereby designates the Bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code, and covenants and warrants that it does not reasonably expect to issue (including issuance by governmental units subordinate to the City and any issuance made on behalf of the City) tax-exempt bonds or other tax-exempt interest bearing obligations aggregating in principal amount more than \$10,000,000 during calendar 2005.

Section 12. The City's obligations under this Ordinance with respect to any or all of the Bonds herein authorized shall be fully discharged and satisfied as to any or all of such Bonds and any such Bond shall no longer be deemed to be outstanding hereunder if such Bond has been purchased by the City and canceled or when the payment of the principal of and interest thereon to the respective date of maturity or redemption (a) shall have been made in accordance with the terms thereof or (b) shall have been provided for by depositing with a national or state bank having trust powers or trust company, in trust, solely for such payment (i) sufficient money to make such payment and/or (ii) direct general obligations of or obligations the principal and interest of which are unconditionally guaranteed by the United States of America (herein referred to as "U.S. Government Obligations") in such amount and bearing interest and maturing or redeemable at stated fixed prices at the option of the holder as to principal, at such time or times, as will insure the availability of sufficient money to make such payment; provided, however, that with respect to any Bond to be paid prior to maturity, the City shall have duly called such Bond for redemption and given notice thereof or made irrevocable provisions for the giving of such notice. Any money so deposited with such bank or trust company may be invested or reinvested in U.S. Government Obligations at the direction of the City, and all interest and income from U.S. Government Obligations in the hands of such bank or trust company in excess of the amount required to pay principal of and interest on the Bonds for which such monies or U.S. Government Obligations were deposited shall be paid over to the City as and when collected.

Section 13. The Mayor and City Council hereby approve the Preliminary Official Statement with respect to the Bonds and the information therein contained, and the Mayor and Acting City Administrator or either of them is authorized to approve the delivery of a final Official Statement for and on behalf of the City, and said final Official Statement shall be delivered in accordance with the requirements of Reg. Sec. 240.15c2-12 of the Securities and Exchange Commission.

Section 14. In accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the City hereby agrees that it will provide the following continuing disclosure information:

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

(a) to each nationally recognized municipal securities information repository (a "NRMSIR") and to the initial purchaser of the Bonds, the City shall provide annual financial and operating information generally consistent with the information set forth under the heading "SELECTED FINANCIAL AND OPERATING INFORMATION" in Appendix A to the Official Statement for the Bonds and its audited financial statements; such information is expected to be available not later than seven months after the end of each fiscal year for the City; audited financial information shall be provided for the regular City funds, proprietary funds and pension trust funds in conformity with generally accepted accounting principles;

(b) in a timely manner to each NRMSIR or to the Municipal Securities Rule Making Board ("MSRB"), notice of the occurrence of any of the following events with respect to the Bonds, if in the judgment of the City, such event is material:

- (1) principal and interest payment delinquencies,
- (2) non-payment related defaults,
- (3) unscheduled draws on debt service reserves reflecting financial difficulties,
- (4) unscheduled draws on credit enhancements reflecting financial difficulties,
- (5) substitution of credit or liquidity providers, or their failure to perform,
- (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds,
- (7) modifications to rights of the registered owners of the Bonds,
- (8) bond calls,
- (9) defeasances,
- (10) release, substitution, or sale of property securing repayment of the Bonds, and
- (11) rating changes, if any.

The City has not undertaken to provide notice of the occurrence of any other material event, except the events listed above.

(c) in a timely manner to each NRMSIR or to the Municipal Securities Rule Making Board ("MSRB") notice of any failure on the part of the City to provide required annual financial information not later than seven months from the close of the City's fiscal year.

The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, consistent with the Rule. The City hereby agrees that such covenants may be enforced by any registered owner or Beneficial Owner of the Bonds, provided that any such right to enforcement shall be limited to specific enforcement of the continuing disclosure provisions of the Ordinance and any failure shall not constitute an event of default under the Ordinance or the Bonds. The continuing disclosure obligations of the City shall cease when none of the Bonds remain outstanding.

Section 16. The officers of the City, or any one or more of them, including Mayor, City Clerk, City Treasurer and Acting City Administrator, are hereby authorized to execute and deliver any and all certificates and documents and to take any and all actions determined appropriate in connection with the issuance and sale of the Bonds and the redemption and payment of the Warrants.

ORDINANCE RECORD

No. 728—REDFIELD & COMPANY INC., OMAHA

Section 15. This Ordinance is hereby determined to be a measure necessary to carry out the City's contractual obligations with respect to the Warrants and shall be in force and take effect from and after its passage and publication in pamphlet form as provided by law.

PASSED AND APPROVED THIS 6TH DAY OF DECEMBER 2005.

CITY OF LA VISTA


Douglas Kindig, Mayor

ATTEST:


Rita M. Ramirez, CMC
City Clerk