

**CITY OF MENDOTA
LASALLE COUNTY, ILLINOIS**

ORDINANCE NO. 09-18-23

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2023, OF THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$700,000 FOR THE PURPOSE OF FINANCING PUBLIC INFRASTRUCTURE PROJECTS AND PAYING FOR COSTS RELATED THERETO.

Passed by the Mayor and City Council of the
City of Mendota, LaSalle County, Illinois on September 18, 2023.

Published in pamphlet form by the authority of the Mayor and City Council of the City of
Mendota, LaSalle County, Illinois this September 18, 2023.

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WHEREAS, the City of Mendota, LaSalle County, Illinois (the “City”), has heretofore been duly organized and is now operating as a municipality under the provisions of the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto (the “Act”); and

WHEREAS, the Mayor and City Council of the City (the “Corporate Authorities”) have previously established and administered a fund pursuant to the provisions of Division 7 of Article 8 of the Act (65 ILCS 5/8-7-1 *et seq.*) known as a “Working Cash Fund” for the purpose of enabling the Corporate Authorities to have in the City’s treasury at all times sufficient money to meet demands thereon for ordinary and necessary expenditures for all general and special corporate purposes; and

WHEREAS, pursuant to the provisions of said Act, the Corporate Authorities are authorized to incur an indebtedness and issue bonds therefor from time to time in an aggregate principal amount not to exceed \$700,000 for the purpose of establishing a working cash fund of the City (the “Working Cash Fund”); and

WHEREAS, the Corporate Authorities have determined that it is advisable, necessary and in the City’s best interest to (i) finance public infrastructure projects (the “Project”), and (ii) pay certain costs of issuance associated with the Bonds; and

WHEREAS, the City desires to issue not to exceed \$700,000 aggregate principal amount of its General Obligation Bonds, Series 2023 (the “Bonds”), for the purpose of financing the Project; and

WHEREAS, the Act provides that the Corporate Authorities may provide that the ordinance authorizing the issue of bonds for working cash purposes shall be operative and valid without the submission thereof to the electors of the City for approval in accordance with the requirements of Sections 8-4-1 and 8-4-2 of the Act; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor of the City, on the 13th day of July, 2023, executed an Order calling a public hearing (the “Hearing”) for the 21st day of August, 2023, concerning the intent of the City Council to sell the Bonds; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in *The Mendota Reporter*, the same being a newspaper of general circulation in the City, and (ii) posting at least 48 hours before the Hearing a copy of said notice at the principal office of the City Council; and

WHEREAS, the Hearing was held on the 5th day of June, 2023, and at the Hearing, the City Council explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 21st day of August, 2023, and not less than seven (7) days have passed since the final adjournment of the Hearing; and

WHEREAS, the City anticipates accepting a proposed bond purchase agreement (upon execution by the City and Underwriter, to constitute the "Purchase Agreement") submitted by Bernardi Securities, Inc., Northfield, Illinois (the "Underwriter"), concerning the sale and purchase of the Bonds, and the Bonds are to be as described in the Preliminary Official Statement (including as supplemented and completed to constitute a final "Official Statement") in connection with the offering of the Bonds for sale, as supplemented by the Continuing Disclosure Undertaking (the "Undertaking") under Rule 15c2-12 ("Rule 15c2-12") of the Securities and Exchange Commission ("SEC"); and

WHEREAS, for convenience of reference only this Ordinance is divided into numbered sections with headings, which shall not define or limit the provisions hereof, as follows:

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NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Definitions

Certain words and terms used in this Ordinance shall have the meanings given them above in the preambles hereto and the meanings given them in this Section 1 unless the context or use clearly indicates another or different meaning is intended. Certain definitions are as follows:

“Applicable Acts” means, collectively, the Illinois Municipal Code, as supplemented and amended, 65 ILCS 5/1-1-1 *et seq.*, the Local Government Debt Reform Act of the State of Illinois, as supplemented and amended, 30 ILCS 350/1 *et seq.*, and the Omnibus Bond Acts, as supplemented and amended, 5 ILCS 70/8.

“Bond” or “Bonds” means the City’s General Obligation Bonds, Series 2023, authorized to be issued by this Ordinance, including bonds issued in exchange for or upon transfer or replacement of bonds previously issued under this Ordinance.

“Bond Order” means a certificate signed by the Designated Officials and under the seal of the City, setting forth and specifying details of the Bonds, including but not limited to, as the case may be, dated date, final principal amount, issue price, maturity schedule and interest rates, payment dates, optional and/or mandatory call provisions, conditional call notices, redemption premiums, capitalized interest, tax levies (“Levied Taxes”), reoffering premium, original issue discount (“OID”), authorization to sign a Purchase Agreement, and identify an Insurer, a Policy, Bond Registrar, Paying Agent and other fiscal agents, and the final maturity schedule.

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

“Bond Registrar” means the financial institution designated as Bond Registrar as provided in this Ordinance and set forth in the Bond Order in connection with the Bonds, and its successors and assigns.

“Bondholder” means a holder of the Bonds.

“City” means the City of Mendota, LaSalle County, Illinois.

“City Clerk” means the Clerk of the City.

“City Treasurer” means the Treasurer of the City.

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

“Corporate Authorities” means the Mayor and City Council of the City.

“Depository” means any automated depository for securities and a clearinghouse for securities transactions with respect to the Bonds, and its authorized successors, initially The Depository Trust Company (“DTC”), New York, New York.

“Designated Officials” shall mean the Mayor and the City Clerk.

“Fiscal Year” means the twelve-month period constituting the City’s fiscal year, not inconsistent with applicable law.

“Levied Taxes” means the receipts derived from the levy of general taxes without limit as to rate or amount as provided for in Section 11 of this Ordinance, securing and to pay the principal of and interest on the Bonds.

“Ordinance” means this Ordinance.

“Outstanding” or “Outstanding Bonds” means the Bonds which are outstanding and unpaid; provided, however, such term shall not include the 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 and interest thereof, or (ii) the provision for payment of which has been made by the City 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 and interest of which will be sufficient to pay at maturity or as called for redemption all the principal of and applicable premium on such Bonds, and will not result in the loss of the exclusion from gross income of the interest thereon under Section 103 of the Code.

“Paying Agent” means the financial institution to be designated as Paying Agent as provided in this Ordinance and set forth in the Bond Order in connection with the Bonds, and its successors and assigns.

“Purchase Agreement” means the Bond Purchase Agreement to be entered into by and between the City and the Underwriter in connection with the Bonds.

“Rule 15c2-12” means Rule 15c2-12 of the Securities and Exchange Commission (“SEC”).

“Undertaking” means the Continuing Disclosure Undertaking in connection with continuing disclosure obligations under Rule 15c2-12 for the Bonds.

“Underwriter” means Bernardi Securities, Inc., Northfield, Illinois, the purchaser in connection with the Bonds.

Section 2. Incorporation of Preambles

The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are full, true, and correct and do incorporate them into this Ordinance by this reference. The Corporate Authorities expressly provide that this Ordinance shall be operative and valid without the submission thereof to the electors of the City for approval in accordance with the requirements of Sections 8-4-1 and 8-4-2 of the Act and the requirements of the Bond Issue Notification Act, 30 ILCS 352/1 *et seq.*

Section 3. Authorization

It is hereby found and determined that the Working Cash Fund of the City be continued and the Corporate Authorities are authorized by law to borrow a sum not to exceed \$700,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City to said amount, the proceeds of said bonds to be used to pay the costs of the Project.

Section 4. Bond Details

There shall be issued and sold the Bonds in an aggregate principal amount of not to exceed \$700,000. The Bonds shall be designated “General Obligation Bonds, Series 2023”, shall be dated their date of issuance (the “Dated Date”), and shall also bear the date of authentication thereof. The Bonds shall be in fully registered book-entry form (hereinafter “Book-Entry”), shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. Subject to the Bond Order, the Bonds are hereby authorized to bear interest at a rate not to exceed 6.00% and mature in a principal amount on December 1 of each of the years (serially or subject to prior redemption, as set forth in the Bond Order), not to exceed \$175,000 for any year commencing not before 2023 and ending not later than 2034, as shall be specified in the Bond Order.

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 1 and December 1 of each year, commencing not earlier than the date set forth in the Bond Order. Interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15th day (whether or not a business day) of the calendar month next preceding any interest payment date (the “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. The principal of, and premium, if any, on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office maintained for such purpose by the Paying Agent or at the successor Paying Agent and locality. The Bond Registrar shall not be required to transfer or exchange any Bond during a period commencing the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding each interest payment date and ending on such interest payment

date or during a period of fifteen (15) days next preceding the mailing of a notice of redemption of any Bond which could designate all or a part of such Bond for redemption.

Section 5. Redemption

The Bonds shall be subject to redemption prior to maturity, if at all, as provided in this Section 5, subject to an applicable Bond Order.

(a) Optional Redemption. Bonds maturing on and after December 1 of the year specified in the Bond Order, shall be subject to redemption prior to maturity in whole or in part on any date on and after December 1 of the year specified in the Bond Order, at the option of the City, in any order of maturity designated by the City (but in inverse order if none is designated), at a redemption price equal to the principal amount to be redeemed, plus accrued interest to the redemption date, and otherwise shall not be subject to optional redemption.

(b) Mandatory Sinking Fund Redemption. This subsection (b) shall apply to the extent the Bond Order shall specify any Term Bonds, and otherwise shall not apply. Bonds specified in the Bond Order or the Purchase Agreement as Term Bonds (the "Term Bonds"), if any, are subject to mandatory sinking fund redemption in the principal amount on December 1 of the years so specified but corresponding to the principal maturities specified above in Section 4.

At its option before the 45th day (or such lesser time acceptable to the Bond Registrar) next preceding any mandatory sinking fund redemption date in connection with Term Bonds the City by furnishing the Bond Registrar and the Paying Agent an appropriate certificate of direction and authorization executed by the Mayor or City Manager may (i) deliver to the Bond Registrar for cancellation Term Bonds in any authorized aggregate principal amount desired; or (ii) furnish the Paying Agent funds for the purpose of purchasing any of such Term Bonds as arranged by the City; or (iii) receive a credit (not previously given) with respect to the mandatory sinking fund redemption obligation for such Term Bonds which prior to such date have been redeemed and cancelled. Each such Bond so delivered, previously purchased, or redeemed shall be credited at 100% of the principal amount thereof, and any excess shall be credited with regard to future mandatory sinking fund redemption obligations for such Bonds in chronological order, and the principal amount of Bonds to be so redeemed as provided shall be accordingly reduced. In the event Bonds being so redeemed are in a denomination greater than \$5,000, a portion of such Bonds may be so redeemed, but such portion shall be in the principal amount of \$5,000 or any authorized integral multiple thereof.

(c) Procedure. The City covenants that it will redeem Bonds pursuant to the redemption provisions applicable to such Bonds. Proper provision for redemption having been made, the City covenants that the Bonds so selected for redemption shall be payable as at maturity.

The City shall, at least 45 days prior to any optional redemption date (unless a shorter time shall be satisfactory to the Bond Registrar), notify the Bond Registrar of any optional redemption date and of the principal amount of Bonds to be redeemed (no such notice shall be required in the case of any mandatory sinking fund redemption of Term Bonds). In the event that less than all of the Bonds of a particular maturity are called for redemption as aforesaid, as necessary, the

particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than sixty (60) days or less than thirty (30) days prior to the redemption date by the Bond Registrar by such method of lottery as the Bond Registrar shall deem fair and appropriate; provided, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of the Bonds to be redeemed, presentment for payment being conclusively such a waiver, notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail not less than thirty (30) days and not more than sixty (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 each such registered owner to the Bond Registrar.

All notices of redemption shall include at least the information as follows: (1) the identification of the particular Bonds to be redeemed; (2) the redemption date; (3) the redemption price; (4) if less than all of the Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (5) 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 such date; and (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office maintained for such purpose by the Paying Agent.

Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, together with accrued interest, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice nor any defect in any notice so mailed to any particular registered owner of a Bond shall affect the sufficiency of such notice with respect to any other registered owner. 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 the redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of such Bonds for redemption in accordance with such notice, such Bonds shall be paid from available funds therefor by the Paying Agent at the redemption price. Interest

due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for the partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal, and premium, if any, shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be marked cancelled by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice set forth above, further notice shall be given by the Bond Registrar on behalf of the City as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Bonds being redeemed; (b) the date of issue of the Bonds as originally issued; (c) the rate of interest borne by each Bond being redeemed; (d) the maturity date of each Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Bonds being redeemed.

Each further notice of redemption shall be sent at least thirty (30) days before the redemption date to all registered securities depositories holding Bonds and in the Bond Registrar's sole discretion to one or more national information services that disseminate notice of redemption of obligations such as the Bonds.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Bond or Bonds, or portion thereof, being redeemed with the proceeds of such check or other transfer.

Section 6. Execution and Authentication

The Bonds shall be signed by the manual or facsimile signatures of the Mayor and Clerk of the Corporate Authorities. In case any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to hold such office before the issuance of such Bond, such Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Bond had not ceased to hold such office. Any Bond may be signed, sealed, or attested on behalf of the City by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Bond such person may not hold such office. No recourse shall be had for the payment of any Bonds against the Mayor or any member of the Corporate Authorities or any officer or employee of the City (past, present, or future) who executes the Bonds, or on any other basis.

Each Bond shall bear thereon a certificate of authentication executed manually by the Bond Registrar. No Bond shall be entitled to any right or benefit under this Ordinance or shall be valid or obligatory for any purpose 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. The certificate of authentication on any Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Transfer, Exchange, Registration, and Book-Entry

(a) *General.* The Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Bond shall be transferable only upon the registration books maintained by the Bond Registrar on behalf of the City for that purpose at the office maintained for such purpose by the Bond Registrar by the registered owner thereof in person or by such registered owner's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or such registered owner's duly authorized attorney. Upon the surrender for transfer of any such Bond, the City shall execute and the Bond Registrar shall authenticate and deliver a new Bond or Bonds registered in the name of the transferee of the same aggregate principal amount, maturity, and interest rate as the surrendered Bond. Bonds, upon surrender thereof at the office maintained for such purpose by the Bond Registrar, duly executed by the registered owner or such registered owner's attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of the denomination of \$5,000 or any authorized integral multiple thereof, less previous retirements.

For every such exchange or registration of transfer of Bonds, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed, or defaced Bonds.

The City, the Paying Agent and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon such registered owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent or the Bond Registrar shall be affected by any notice to the contrary.

(b) *Book-Entry-Only Provisions.* Unless otherwise provided in the Bond Order, the Bonds shall be issued in the form of a separate single fully registered Bond of each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond may be registered in the Bond Register therefor in a street name of the Depository, or any successor thereto, as nominee of the Depository. The Outstanding Bonds from time to time may be registered in the Bond Register in a street name, as nominee of the Depository. If not presently effective, the City Manager, Mayor

or City Treasurer is authorized to execute and deliver on behalf of the City such letters to or agreements with the Depository as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "Representation Letter"). Without limiting the generality of the authority given to the City Manager, Mayor or City Treasurer with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interest 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 a nominee of the Depository, the City and the Bond Registrar shall have no 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 foregoing, the City and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the nominee, or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds.

As long as the Bonds are held in a book-entry-only system, no person other than the nominee of the Depository, or any successor thereto, as nominee for the Depository, shall receive a Bond certificate with respect to any Bonds. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of the prior nominee, and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds as of the close of business on the fifteenth (15th) day of the month next preceding the applicable interest payment date, the reference herein to nominee in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the City determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the City, the Bond Registrar, the Paying Agent and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify the Depository and 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 a nominee of the Depository. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with

the provisions hereof. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of a nominee of the Depository, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 8. Bond Registrar and Paying Agent

The City covenants that it shall at all times retain a Bond Registrar and Paying Agent with respect to the Bonds and shall cause to be maintained at the office of such Bond Registrar a place where Bonds may be presented for registration of transfer or exchange, that it will maintain at the designated office of the Paying Agent a place where Bonds may be presented for payment, that it shall require that the Bond Registrar maintain proper registration books and that it shall require the Bond Registrar and Paying Agent to perform the other duties and obligations imposed upon each of them by this Ordinance in a manner consistent with the standards, customs and practices concerning municipal securities. The City may enter into appropriate agreements with the Bond Registrar and Paying Agent in connection with the foregoing, including as follows:

- (a) to act as Bond Registrar, authenticating agent, Paying Agent and transfer agent as provided herein;
- (b) to maintain a list of the registered owners of the Bonds as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (d) to furnish the City at least annually a certificate with respect to Bonds canceled and/or destroyed; and
- (e) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds Outstanding and payments made with respect to interest on the Bonds.

The Bond Registrar and Paying Agent shall signify their acceptances of the duties and obligations imposed upon them by this Ordinance. The Bond Registrar by executing the certificate of authentication on any Bond shall be deemed to have certified to the City 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 of the Bonds. The Bond Registrar and Paying Agent are the agents of the City for such purposes and shall not be liable in connection with the performance of their respective duties except for their own negligence or default. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds.

The City may remove the Bond Registrar or Paying Agent at any time. In case at any time the Bond Registrar or Paying Agent shall resign (such resignation to not be effective until a successor has accepted such role) or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar or Paying Agent, or of its property, shall be appointed, or if any public officer shall take charge or

control of the Bond Registrar or Paying Agent or of their respective properties or affairs, the City covenants and agrees that it will thereupon appoint a successor Bond Registrar or Paying Agent, as the case may be. The City shall mail or cause to be mailed notice of any such appointment made by it to each registered owner of Bonds within twenty (20) days after such appointment. Any Bond Registrar or Paying Agent appointed under the provisions of this Section shall be a bank, trust company or other qualified professional with respect to such matters, maintaining its principal office in the State of Illinois.

Section 9. Form of Bond

The Bonds shall be issued as fully registered Bonds conforming to the industry customs and practices of printing, including part on the front and part on the reverse of the certificates, as appropriate, the blanks to be appropriately completed when the Bonds are printed. The Bonds shall be prepared in compliance with the National Standard Specifications for Fully Registered Municipal Securities prepared by the American National Standards Institute and shall be in substantially the form, as follows:

[FORM OF BOND]

REGISTERED
No. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF LASALLE
CITY OF MENDOTA
GENERAL OBLIGATION BOND, SERIES 2023

Interest Rate Maturity Date Dated Date CUSIP
_____ % December 1, 20__ _____, 2023 _____

Registered Owner: CEDE & Co.

Principal Amount: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Mendota, LaSalle County, Illinois (the "City"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, and to pay interest on such Principal Amount from the Dated Date hereof, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum set forth above, computed on the basis of a 360-day year consisting of twelve 30-day months and payable in lawful money of the United States of America semiannually on June 1 and December 1 in each year, commencing _____, 20__, until the Principal Amount hereof shall have been paid, by check or draft mailed to the Registered Owner of record hereof as of the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding such interest payment date, at the address of such Registered Owner appearing on the registration books maintained for such purpose at the office maintained for such purpose by _____, as Bond Registrar (including any successors, the "Bond Registrar"). This Bond, as to principal and premium, if any, when due, will be payable in lawful money of the United States of America upon presentation and surrender of this Bond at the office of _____, _____, Illinois, as Paying Agent (including its successors, the "Paying Agent").

[Optional and mandatory redemption provisions, as applicable, to be inserted here.]

This Bond is one of a series of bonds issued by the City for working cash fund purposes, in full compliance with the provisions of the Illinois Municipal Code, 65 ILCS 5/8 *et. seq.*, the Local Government Debt Reform Act of the State of Illinois, 30 ILCS 350/1 *et seq.*, the Omnibus Bond Acts, 5 ILCS 70/8, and all laws amendatory thereof and supplementary thereto (collectively the "Applicable Acts"), and is authorized by the Mayor and City Council of the City (the "Corporate Authorities") by an ordinance duly and properly passed for that purpose, to which reference is hereby expressly made for all definitions and terms and to all the provisions

of which the holder by acceptance of this Bond assents. The Bonds are payable from ad valorem taxes levied against all of the taxable property in the City without limitation as to rate or amount, all in accordance with the provisions of the Applicable Acts.

This Bond is transferable only upon the registration books therefor by the Registered Owner hereof in person, or by such Registered Owner's attorney duly authorized in writing, upon surrender hereof at the office maintained for such purpose by the Bond Registrar, together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or by such a Registered Owner's duly authorized attorney, and thereupon a new registered Bond or Bonds, in the authorized denominations of \$5,000 or any authorized integral multiple thereof and of the same aggregate principal amount as this Bond shall be issued to the transferee in exchange therefor. In like manner, this Bond may be exchanged for an equal aggregate principal amount of Bonds of any authorized denomination. The Bond Registrar shall not be required to exchange or transfer any Bond during the period from the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding any interest payment date to such interest payment date or during a period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate all or a part of such Bond for redemption. The City or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this Bond. No other charge shall be made for the privilege of making such transfer or exchange. The City, the Paying Agent and the Bond Registrar may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal, premium, if any, and interest due hereon and for all other purposes whatsoever, and all such payments so made to such Registered Owner or upon such Registered Owner's order shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent or the Bond Registrar shall be affected by any notice to the contrary.

No recourse shall be had against the Mayor, any member of the Corporate Authorities or any other officer or employee of the City (past, present, or future) who executes any Bonds, for the payment of any Bonds or on any other basis. The City may remove the Bond Registrar or Paying Agent at any time and for any reason and appoint a successor.

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

It is hereby certified and recited 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, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

IN WITNESS WHEREOF, the City of Mendota, LaSalle County, Illinois, has caused this Bond to be executed by the manual or duly authorized facsimile signature of the Mayor, the seal of said City (or a facsimile thereof) to be affixed, imprinted, engraved, or otherwise reproduced hereon and countersigned by the manual or duly authorized facsimile signature of the City Clerk, all as of the Dated Date identified above.

**CITY OF MENDOTA,
LASALLE COUNTY, ILLINOIS**

BY: _____
Mayor

[SEAL]

Countersigned:

BY: _____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is described in the within-mentioned Ordinance and is one of the General Obligation Bonds, Series 2023, having a Dated Date of _____, 2023, of the City of Mendota, LaSalle County, Illinois.

BY: _____
Authorized Officer

ASSIGNMENT

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

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

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

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

Dated: _____

Signature guaranteed: _____

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

Section 10. Sale of Bonds.

The Designated Officials are hereby authorized to proceed, without any further authorization or direction from the Corporate Authorities, to sell and deliver the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Order as may be, and thereupon be deposited with the City Treasurer and, after authentication thereof by the Bond Registrar, be by said City Treasurer delivered to the Underwriter, upon receipt of the purchase price therefor, the same being not less than 95% of the principal amount of the Bonds plus accrued interest to date of delivery.

Prior to the sale of the Bonds, the Mayor, the City Clerk, or the City Treasurer is hereby authorized to approve and execute a commitment for the purchase of a Policy to further secure the Bonds, as long as the present value of the fee to be paid for the Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Policy.

Upon the sale of the Bonds, the Designated Officials shall prepare the Bond Order. In the Bond Order, the Designated Officials shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. The Bond Order shall be entered into the records of the City and made available to the Corporate Authorities at the next regular meeting thereof; but such action shall be for information purposes only, and the Corporate Authorities shall have no right or authority at such time to reject such sale as evidenced in the Bond Order.

Upon the sale of the Bonds, as evidenced by the execution and delivery of the Bond Order, the Designated Officials and any other officers of the City as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Purchase Agreement. Prior to the execution and delivery of the Purchase Agreement, the Designated Officials shall find and determine that no person holding any office of the City, either by election or appointment, is in any manner interested, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in the Purchase Agreement.

The Bonds before being issued shall be registered, numbered, and countersigned by the City Clerk, such registration being made in a book provided for that purpose, in which shall be entered the record of the ordinance authorizing the Corporate Authorities to borrow said money and a description of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due.

The use by the Underwriter of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "Official Statement") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the Corporate Authorities are hereby authorized to take any action as may be required

on the part of the City to consummate the transactions contemplated by the Purchase Agreement, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

Section 11. Tax Levy

The Bonds are and constitute general obligations of the City and the full faith and credit of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds shall be direct and general obligations of the City; and the City shall be obligated to levy ad valorem taxes upon all the taxable property within the City's corporate limits, for the payment of Bonds and the interest thereon.

In order to provide for the collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the City a direct annual tax for each of the years while the Bonds or any of them are Outstanding, in amounts sufficient for that purpose, and that there be and there is hereby levied upon all of the taxable property in the City, in addition to all other taxes, the direct annual taxes (the "Levied Taxes") for the levy years commencing not before 2023 and ending not later than levy year 2033, in amounts not to exceed \$175,000 per year, as shall be specified in the Bond Order.

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

The City covenants and agrees with the purchasers and the Bondholders that so long as any of the Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy and the City and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds, provided that when funds of the City are available and have been determined by the Corporate Authorities to pay debt service on the Bonds, the Corporate Authorities or such officers of the City acting with proper authority may direct the abatement of the tax levy for the Bonds in such amount, and proper notification of such abatement shall be filed with the County Clerk of LaSalle County, Illinois (the "County Clerk"), in a timely manner to effect such abatement.

Pursuant to Section 13 of the Local Government Debt Reform Act of the State of Illinois, as amended, the moneys deposited or to be deposited into the Bond Fund (as defined in this Ordinance), including any tax receipts derived from the Levied Taxes, are pledged as security for the payment of the Bonds. While any Bonds remain Outstanding and unpaid, the tax levies to be made as provided by this Ordinance shall be for the sole benefit of the owners of the Outstanding Bonds and such owners shall have and are granted a security interest in, and a lien upon, all rights, claims and interests of the City arising pursuant to those levies and all present and future proceeds of such levies. The security interest in and lien upon those rights, claims and interests are immediately valid and binding from the time the Bonds are issued, and shall immediately attach

to (a) the tax receipts wherever held, (b) amounts held in the Bond Fund and other funds pledged for the benefit of holders of the Bonds, and (c) those rights, claims and interests pledged hereby, without any physical delivery or further act and the lien of such pledge shall be immediately valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City or against the funds, rights, claims or interests pledged hereby irrespective of whether such parties have notice thereof.

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

Section 12. Filing of Ordinance

Forthwith upon the passage of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk, and it shall be the duty of said County Clerk to annually in and for each of the years 2023 to 2033 inclusive, ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in each of said years for the City, in order to raise the respective amounts aforesaid and in each of said years such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general purposes of the City, and when collected, the Levied Taxes shall be placed to the credit of a special fund to be designated "Series 2023 Bond and Interest Account" (the "Bond Fund"), which fund is hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 13. Creation of Funds and Appropriations

The principal proceeds of the sale of the Bonds shall be devoted to and used with due diligence for the purpose for which the Bonds are hereby authorized to be issued. The proceeds derived from the sale of the Bonds shall be used and are appropriated for the following purposes:

(a) Proceeds in an amount set forth in the Bond Order shall be deposited into the City's Working Cash Fund and is hereby allocated and appropriated for working cash fund purposes, which said fund shall be held apart, maintained, and administered as provided by the Act, and shall not be used for any other purpose whatsoever.

(b) The balance of the proceeds shall be deposited into a separate fund, hereby created, designated the "Expense Fund" to be used to pay expenses of issuance. Any excess in said fund shall be paid into the Bond Fund after six months from the date of issuance of the Bonds.

Section 14. General Covenants

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

(a) The City will punctually pay or cause to be paid from the Bond Fund the principal of, interest on and premium, if any, to become due in respect of 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 hereof.

(b) The City will pay and discharge, or cause to be paid and discharged, from the Bond Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Levied Taxes, or any part thereof, or upon any funds in the hands of the Paying Agent, or which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of such claims.

(c) The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the Levied Taxes and any other monies to be applied to the payment of debt service on the Bonds. Such books of record and accounts shall at all times during business hours of the City be subject to the inspection of the registered owners of not less than ten percent (10%) (or such lesser percentage as may be required by applicable law) of the principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

(d) The City will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds, including without limitation the right at all times to receive and apply the Levied Taxes and other monies to be applied to the payment of debt service on the Bonds, in the manner, at the time and with the effect contemplated by this Ordinance, with respect to which, among other things, the City covenants to strictly comply with all requirements of applicable law in connection therewith and herewith, and will warrant and defend their rights against all claims and demands of all persons.

(e) The City 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 owners of the Bonds, the Paying Agent and the Bond Registrar of the rights and benefits provided in this Ordinance.

(f) As long as any Bonds are Outstanding, the City will continue to deposit the Levied Taxes and other monies to be applied to the payment of debt service on the Bonds to the Bond Fund. The City covenants and agrees with the owners thereof that so long as any Bonds remain Outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to collect and apply the Levied Taxes and other monies to be applied to the payment of debt service on the Bonds in accordance with this Ordinance. The City and its officers will comply with all present and future applicable laws in order to assure that such taxes and monies may be collected as provided herein and deposited into the Bond Fund and applied in accordance with this Ordinance.

Section 15. Registered Form

The City recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain Tax Exempt. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 16. Rights and Duties of Bond Registrar

The Bond Registrar shall maintain a list of the names and addresses of all Bondholders and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar's standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder. Subject to modification by the express terms of any such agreement, such duties shall include the following:

- (a) to act as Bond Registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of registered owners and addresses as set forth herein and to furnish such list to the City 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 or upon earlier redemption or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds canceled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds Outstanding and payments made with respect to interest on the Bonds.

The Clerk is hereby directed to file a certified copy of this Ordinance with the Bond Registrar.

Section 17. Arbitrage

The Corporate Authorities certify and covenant with the registered owners of the Bonds from time to time Outstanding, that so long as any of the Bonds remain Outstanding, moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, will not be used in a manner which will cause such Bonds to be "private activity bonds", "arbitrage bonds" or "hedge bonds" under Sections 141, 148 and 149(g) of the Code and any lawful regulations promulgated

or proposed thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Corporate Authorities reserve the right, however, to make any investment of such moneys permitted by Illinois law and this Ordinance, if, when, and to the extent that Section 148 of the Code or applicable Income Tax Regulations shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the opinion of Bond Counsel of recognized competence in such matters, result in making the interest on any of the Bonds subject to federal income taxation. The Corporate Authorities further reserve the right to apply any applicable arbitrage rebate exception, with respect to which the City Treasurer or other authorized officer is authorized to make applicable elections and otherwise act.

Section 18. Discharge and Satisfaction of Bonds

The covenants, liens and pledges entered into, created, or imposed pursuant to this Ordinance may be fully discharged and satisfied with respect to the Bonds, or any of them, in any one or more of the following ways:

- (a) By paying the Bonds when the same shall become due and payable;
- (b) By depositing with the Paying Agent designated for the Bonds in the manner provided by this Ordinance and for such purpose, at or before the date of maturity, money in the necessary amount to pay the Bonds; and/or
- (c) By depositing in trust with a bank or trust company located in the State of Illinois for such purpose, at or before the date of maturity, direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, in an amount sufficient, including any income or increment to accrue thereon, but without the necessity of any reinvestment, to pay the Bonds, in accordance with their terms.

Upon such payment or deposit in the amount and manner provided by this Section, such Bonds shall no longer be deemed Outstanding for all purposes of this Ordinance, and all liability of the City with respect to such Bonds shall cease and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 19. Immunity of Officers and Employees

No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Ordinance contained against any past, present, or future Mayor, Council Member or other officer, employee, or agent of the City, or of any successor public corporation, as such, either directly or through the City or any successor public corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, council members, employees or agents as such is hereby expressly waived

and released as a condition of and consideration for the passage of this Ordinance and the issuance of the Bonds.

Section 20. Not Private Activity Bonds

None of the Bonds is a “private activity bond” as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

(a) No direct or indirect payments in violation of Section 141 of the Code are to be made on any Bond with respect to any private business use by any person other than a state or local governmental unit or private security or payment.

(b) None of the proceeds of the Bonds is to be used, directly or indirectly, in violation of Section 141 of the Code to make or finance loans to persons other than a state or local governmental unit.

Section 21. Arbitrage Rebate

The City recognizes that the provisions of Section 148 of the Code require a rebate to the United States of America in certain circumstances. The City hereby agrees to execute a Certificate re Arbitrage and Federal Tax Matters. In this connection, the City covenants, represents and certifies as follows:

(a) The City is a local governmental unit with general taxing powers.

(b) No Bond in this issue is a “private activity bond” as defined in Section 141(a) of the Code.

(c) All the net proceeds of the Bonds are to be used for the local government activities of the City described in this Ordinance (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City). There are no “subordinate entities” to the City.

Section 22. Certain Tax Covenants

The City agrees to comply with all provisions of the Code which, if not complied with by the City, would cause interest on the Bonds not to be tax exempt. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be true, correct and complete, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel approving the Bonds; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to pay to the United States, if necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (e) to file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable

by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

One purpose of this Section 22 is to set forth various facts regarding the Bonds and to establish the expectations of the Corporate Authorities and the City as to future events regarding the Bonds and the use of Bond proceeds. The certifications and representations made herein and at the time of the issuance of the Bonds are intended, and may be relied upon, as certifications and expectations described in Section 1.148-0 *et seq.* of the Income Tax Regulations dealing with arbitrage and rebate (the "Regulations"). The covenants and agreements contained herein and to be made at the time of the issuance of the Bonds are made for the benefit of the registered owners from time to time of the Bonds. The Corporate Authorities and the City agree, certify, covenant, and represent as follows:

(a) The Bonds are being issued to finance the Project and to pay certain costs of issuance of the Bonds, and all of the amounts received upon the sale of the Bonds, plus all investment earnings thereon (the "Proceeds") are needed for the purpose for which the Bonds are being issued.

(b) Proceeds of the Bonds will be applied as described above in Section 13.

(c) The City has on hand no funds which could legally and practically be used to finance the Project which are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes. Accordingly, no portion of the Proceeds will be used (i) directly or indirectly to replace funds of the City or any agency, department, or division thereof that could be used as herein provided, or (ii) to replace any proceeds of any prior issuance of obligations by the City. No portion of the Bonds is being issued solely for the purpose of investing Proceeds at a Yield higher than the Yield on the Bonds. For purposes of this Section 22, "Yield" or "yield" means that yield (that is, the discount rate) which when used in computing the present worth of all payments of principal and interest to be paid on an obligation (using semi-annual compounding on the basis of a 360-day year) produces an amount equal to the purchase price of the obligation, including accrued interest. The "issue price" of the Bonds is equal to the first offering price at which more than 10% of the principal amount of each maturity of the Bonds is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers).

(d) All principal proceeds of the Bonds, not directly applied for financing the Project or to pay for the Policy or other authorized issuance costs, as the case may be, will be deposited in the Expense Fund and used to pay costs of issuance of the Bonds, and any accrued interest and premium received on the delivery of the Bonds will be deposited in the Bond Fund and used to pay the first interest due on the Bonds. Earnings on investment of moneys in any fund or account will be credited to that fund or account. Issuance costs of the Bonds will be paid from the Expense Fund, and no other moneys are expected to be deposited therein. Interest on and principal of the Bonds will be paid from the Bond Fund.

(e) The Bond Fund is established to achieve a proper matching of revenues and earnings with debt service in each Bond Year (i.e., each December 2 to December 1 period). Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that any moneys deposited in the Bond Fund will be spent within the 12-month period beginning on the date of deposit therein. Any earnings from the investment of amounts in the Bond Fund will be spent within a one-year period beginning on the date of receipt of such investment earnings. Other than any amounts held to pay principal of matured Bonds that have not been presented for payment, it is expected that the Bond Fund will be depleted at least once a year, except for a reasonable carryover amount not to exceed the greater of (i) one-year's earnings on the investment of moneys in the Bond Fund or (ii) in the aggregate one-twelfth (1/12th) of the annual debt service on the Bonds.

(f) Other than the Bond Fund, no funds or accounts have been or are expected to be established, and no moneys or property have been or are expected to be pledged (no matter where held or the source thereof) which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purposes. Except for Proceeds applied to pay the cost of a Policy, if any, no property of any kind is pledged to secure, or is available to pay, obligations of the City to any credit enhancer or liquidity provider.

(g) (i) All amounts on deposit in the Expense Fund or the Bond Fund and all Proceeds, no matter in what funds or accounts deposited ("Gross Proceeds"), to the extent not exempted in (ii) below, and all amounts in any fund or account pledged directly or indirectly to the payment of the Bonds which will be available to pay, directly or indirectly, the Bonds or restricted so as to give reasonable assurance of their availability for such purpose contrary to the expectations set forth in (f) above, shall be invested at market prices and at a Yield not in excess of the Yield on the Bonds plus, for any amounts in the Expense Fund, 1/8 of 1%.

(ii) The following may be invested without Yield restriction:

(1) amounts invested in obligations described in Section 103(a) of the Code (but not specified private activity bonds as defined in Section 57(a)(5)(C) of the Code), the interest on which is not includable in the gross income of any registered owner thereof for federal income tax purposes ("Tax-Exempt Obligations");

(2) amounts deposited in the Bond Fund that are reasonably expected to be expended within 13 months from the deposit date and have not been on deposit therein for more than 13 months;

(3) an amount not to exceed 5% (but not to exceed \$100,000) of Bond proceeds;

(4) all amounts for the first 30 days after they become Gross Proceeds (i.e., the date of deposit in any fund or account securing the Bonds);

(5) all amounts derived from the investment of the Proceeds for a period of one year from the date received; and

(6) all amounts for any project in a project account for not to exceed a 3-year temporary period.

(h) Subject to (q) below, once moneys are subject to the Yield limits of (g)(i) above, such moneys remain Yield restricted until they cease to be Gross Proceeds.

(i) This subsection (i) incorporates the provisions of Section 10(b) concerning arbitrage rebate and Yield Reduction Payments.

(j) None of the Proceeds will be used, directly or indirectly, to replace funds which were used in any business carried on by any person other than a state or local governmental unit.

(k) The payment of the principal of or the interest on the Bonds will not in violation of Section 141 of the Code, directly or indirectly, be (A) secured by any interest in (i) property used or to be used for a private business use by any person other than a state or local governmental unit, or (ii) payments in respect of such property, or (B) derived from payments (whether or not by or to the City), in respect of property, or borrowed money, used or to be used for a private business use by any person other than a state or local governmental unit.

(l) None of the Proceeds will be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(m) No user of the Project other than a state or local government unit will use the Project on any basis other than the same basis as the general public, and no person other than a state or local governmental unit will be a user thereof as a result of (i) ownership, or (ii) actual or beneficial use pursuant to a lease or a management or incentive payment contract, or (iii) any other similar arrangement.

(n) Beginning on the 15th day prior to the sale date of the Bonds, the City has not sold or delivered, and will not sell or deliver, (nor will it deliver within 15 days after the date of issuance of the Bonds) any other obligations pursuant to a common plan of financing, which will be paid out of substantially the same source of funds (or which will have substantially the same claim to be paid out of substantially the same source of funds) as the Bonds or will be paid directly or indirectly from Proceeds.

(o) No portion of the Project is expected to be sold or otherwise disposed of prior to the last maturity of the Bonds.

(p) The City has not been notified of any disqualification or proposed disqualification of it by the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-0 *et seq.* of the Regulations.

(q) The Yield restrictions contained in (g) above or any other restriction or covenant contained herein need not be observed and may be changed if the City receives an opinion of Bond Counsel to the effect that such non-observance or change will not adversely affect the tax-exempt status of interest on the Bonds to which the Bonds otherwise are entitled.

(r) The City acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein and that Bond Counsel should be contacted if such changes do occur.

(s) The Corporate Authorities have no reason to believe the facts, estimates, circumstances, and expectations set forth herein are untrue or incomplete in any material respect. On the basis of such facts, estimates, circumstances, and expectations, it is not expected that the Proceeds or any other moneys or property will be used in a manner that will cause the Bonds to be hedge bonds, arbitrage bonds or private activity bonds within the meaning of Sections 149(g), 148 or 141 of the Code. To the best of the knowledge and belief of the Corporate Authorities, such expectations are reasonable, and there are no other facts, estimates and circumstances that would materially change such expectations.

(t) Execution of an arbitrage agreement or tax compliance agreement related to, among other things, arbitrage rebate and yield reduction payments is authorized.

Section 23. Qualified Tax-Exempt Obligations

The City recognizes the provisions of Section 265(b)(3) of the Code which provide that a “qualified tax-exempt obligation” as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986, for certain purposes. The City, for purposes of Section 265(b)(3) of the Code, hereby designates the Bonds as “qualified tax-exempt obligations”. The City by any such designation represents that the reasonably anticipated amount of tax-exempt obligations that will be issued by the City and all subordinate entities (of which there are none) of the City during the calendar year in which the Bonds are issued will not exceed \$10,000,000 within the meaning of or to be taken into account under Section 265(b)(3) of the Code. The City by any such designation covenants that in that connection it will not so designate and issue more than \$10,000,000 aggregate principal amount of tax-exempt obligations in such calendar year. For purposes of this Section, the term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in the Section 145 of the Code) but does not include other “private activity bonds” (as defined in Section 141 of Code).

Section 24. Policy of Insurer

The designation in the Bond Order of an Insurer, if any, is hereby authorized. The provisions of a Policy, if any, including the Insurer’s commitment and investment restrictions, are

incorporated into this Ordinance by reference, including without limitation that any investment restrictions and limitations in the commitment for and related to the Policy shall be deemed to be applicable restrictions and limitations on the Qualified Investments and the investments authorized by this Ordinance.

The Insurer's standard package of documents shall be appended to this Ordinance as operative provisions of this Ordinance by reference, provided that any failure to so spend shall not abrogate, diminish, or impair the effect thereof.

In the event there is no Policy, the reference in this Ordinance to an Insurer or a Policy shall be given no effect.

Section 25. Instruments of Further Assurance

The City covenants that it shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such ordinances and other actions supplemental hereto, and such further acts, agreements, instruments and transfers as may be reasonably required for the better assuring, transferring, conveying, pledging, assigning and confirming unto the owners of the Bonds their interest in the Levied Taxes and other amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds and the application of Bond proceeds, all as herein provided. Any and all interest in property hereafter acquired which is of any kind or nature herein provided to be and become subject to the lien hereof shall and without any further conveyance, assignment or act on the part of the City or any other person, become and be subject to the lien of this Ordinance as fully and completely as though specifically described herein, but nothing contained in this Section 25 shall be deemed to modify or change the obligations of the City under this Ordinance.

Section 26. 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 27. Repealer

All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 28. Effective Date

This Ordinance shall become effective immediately upon its passage.

PASSED: this 18th day of September, 2023, pursuant to a roll call vote as follows:

AYES: Peasley, Miller, Kim, Holland + Fitzpatrick

NAYS: None

ABSENT: Johnson, Hochstatter + Hessenberger

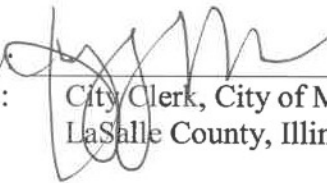
APPROVED by me this 18th day of September, 2023

Published in pamphlet form by authority of the Corporate Authorities on September 18, 2023.



By: _____
Its: Mayor, City of Mendota, LaSalle County,
Illinois

ATTEST:

By:  _____
Its: City Clerk, City of Mendota
LaSalle County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF LASALLE)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the City of Mendota, LaSalle County, Illinois (the "City"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the City and of the City Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing is a full, true, and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 18th day of September, 2023, insofar as the same relates to the adoption of an ordinance entitled:

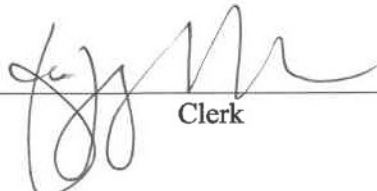
ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2023, OF THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$700,000 FOR THE PURPOSE OF FINANCING PUBLIC INFRASTRUCTURE PROJECTS AND PAYING FOR COSTS RELATED THERETO.

a true, correct, and complete copy of which said ordinance as passed at said meeting appears in the foregoing transcript of the minutes of said meeting.

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

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this 18th day of September, 2023.





Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF LASALLE)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of LaSalle County, Illinois, and as such official I do further certify that on the ____ day of _____, 2023, there was filed in my office a duly certified copy of Ordinance No. 09-18-23 entitled:

ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2023, OF THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$700,000 FOR THE PURPOSE OF FINANCING PUBLIC INFRASTRUCTURE PROJECTS AND PAYING FOR COSTS RELATED THERETO.

duly adopted by the City Council of the City of Mendota, LaSalle County, Illinois, on the 18th day of September, 2023, and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this ____ day of _____, 2023.

County Clerk of LaSalle County, Illinois

(SEAL)