

**CITY OF AURORA, KANE, DUPAGE, KENDALL
AND WILL COUNTIES, ILLINOIS
ORDINANCE NUMBER O18-_____
DATE OF PASSAGE OCTOBER 23, 2018**

AN ORDINANCE of the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois, providing for the issuance of Tax Increment Revenue Refunding Bonds, Series 2018B (River City TIF Number 3) in an aggregate principal amount of \$_____, for the purpose of refunding certain bonds heretofore issued by the City and now outstanding, and authorizing the sale of said bonds to the purchasers thereof.

WHEREAS, the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois (the “City”) has a population in excess of 25,000, as determined by the last official census, and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, the City is a home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois, and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS, the City has outstanding Tax Increment Revenue Bonds, Series 2008B (River City TIF Number 3), dated September 23, 2008 (the “Prior Bonds”); and

WHEREAS, the Prior Bonds were issued pursuant to the Tax Increment Allocation Redevelopment Act, as amended (the “TIF Act”), to pay certain redevelopment project costs that had been approved by the City Council of the City (the “Corporate Authorities”) in a redevelopment plan (the “Plan”) and project (the “Project”) for that portion of the City known as the River City Redevelopment Project Area (the “Project Area”) heretofore designated under the TIF Act, and are secured in part by the hereinafter defined Incremental Property Taxes, which are derived from the Project Area; and

WHEREAS, the Corporate Authorities deem it is necessary and desirable to refund a portion of the Prior Bonds (said portion of the Prior Bonds to be refunded, the same being all of the Prior Bonds due on or after December 30, 2019, being referred to herein as the “*Refunded Bonds*”) in order to realize debt service savings for the City (the “*Refunding*”); and

WHEREAS, the Refunded Bonds are further described in the Escrow Agreement as referenced in Section 11 hereof, and are presently outstanding and unpaid and are binding and subsisting legal obligations of the City; and

WHEREAS, the Corporate Authorities hereby determine that it is advisable and in the best interests of the City to borrow \$_____ at this time pursuant to the Act (as hereinafter defined) for the purpose of paying the costs of the Refunding and, in evidence of such borrowing, issue its tax increment revenue refunding bonds in a principal amount of \$_____ (the “*Series 2018B Bonds*”); and

WHEREAS, the Corporate Authorities hereby further determine that, prior to the issuance of the Series 2018B Bonds, it is advisable and in the best interests of the City to deposit lawfully available funds of the City in an amount sufficient to pay the Prior Bonds due on December 30, 2018, together with interest thereon, with the Prior Paying Agent (as hereinafter defined) or with the Escrow Agent (as hereinafter defined) pursuant to the Escrow Agreement; and

WHEREAS, in accordance with the terms of the Refunded Bonds, the Refunded Bonds may be called for redemption in advance of their maturity, and it is necessary and desirable to make such call for the redemption of the Refunded Bonds on their earliest possible call date, and provide for the giving of proper notice to the registered owners of the Refunded Bonds:

NOW, THEREFORE, Be It and It Hereby Is Ordained by the City Council of the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois, as follows:

Section 1. Definitions. The following words and terms used in this Ordinance shall have the following meanings unless the context or use indicates another or different meaning:

“*Act*” means, collectively, the the Illinois Municipal Code, as supplemented and amended, including the TIF Act; the home rule powers of the City under Section 6 of Article VII of the Illinois Constitution of 1970; and, in the event of conflict between the provisions of said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code.

“*Additional Bonds*” means any bonds issued in the future on a parity with and sharing ratably and equally in the Pledged Taxes and, to the extent so designated by the City in accordance with the provisions hereof, the Pledged Revenues with the Series 2018B Bonds.

“*Bondholder*” or “*holder*” or “*owner*” means the registered owner of any Bond.

“*Bond Register*” means the books for the registration and for the transfer of the Bonds as provided in this Ordinance.

“*Bond Registrar*” means Amalgamated Bank of Chicago, Chicago, Illinois, a corporation duly organized and validly existing under the laws of the State of Illinois, having trust powers, or any successor thereto or any successor designated as Bond Registrar in accordance with this Ordinance.

“*Bond Year*” means that twelve-calendar month period beginning on December 31 of any year and ending on December 30 of the immediately following year; *provided*, that the first Bond Year shall commence on the date of issuance of the Series 2018B Bonds and end of December 30, 2008.

“*Bonds*” means the Series 2018B Bonds and the Additional Bonds, authorized to be issued under this Ordinance.

“Business Day” means any day other than a day on which banks in the city of the principal corporate trust office of the Paying Agent are required or authorized to close.

“City” means the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois, and any successor to the duties or function of the City.

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

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

“Debt Service Reserve Requirement” means, with respect to each series of Bonds, ten percent (10%) of the original principal amount of such series of Bonds.

“Designated Officers” means the Mayor, the City Clerk or the Director of Finance/City Treasurer of the City, or designees or assigns.

“Escrow Agent” means Amalgamated Bank of Chicago, Chicago, Illinois acting in capacity as escrow agent.

“Escrow Agreement” means the escrow agreement by and between the City and the Escrow Agent as authorized in Section 11 hereof.

“Government Securities” means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of the United States of America and all securities or obligations, the prompt payment of the principal of and interest on which are guaranteed by a pledge of the full faith and credit of the United States of America.

“Incremental Property Taxes” means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Project Area over and above the Total Initial

Equalized Assessed Value of each such piece of property, all as determined by the County Clerk of The County of Kane, Illinois, in accord with Section 11-74.4-9 of the TIF Act.

“Independent” when used with respect to any specified person means such person who is in fact independent and is not connected with the City as an officer, employee, underwriter, or person performing a similar function. Whenever it is herein provided that the opinion or report of any Independent person shall be furnished, such person shall be appointed by the City, and such opinion or report shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

“Interest Payment Date” means a Stated Maturity of interest on the Bonds.

“Interest Requirement” means for any Bonds issued as serial Bonds and for any Bond Year the aggregate amount of interest on such Bonds having a Stated Maturity during such Bond Year.

“Maximum Annual Debt Service” means at any given time of determination an amount equal to the maximum Principal Requirement and Interest Requirement on the Bonds then outstanding in the then current or in any succeeding Bond Year by reason of Stated Maturities, scheduled mandatory prepayments or by operation of any mandatory sinking fund.

“Ordinance” means this ordinance as originally adopted and as the same may from time to time be amended or supplemented in accordance with the terms of this Ordinance.

“Outstanding” or *“outstanding”* refers to the Bonds which are outstanding and unpaid; *provided, however,* such term shall not include Bonds which (i) have matured and for which moneys are on deposit with proper paying agents, or are otherwise properly available, sufficient to pay all principal thereof and interest thereon, or (ii) the provision for payment of which has been made by the City by the deposit in an irrevocable trust or escrow account of cash and/or Government Securities, the principal of and interest on which will be sufficient to pay at maturity

or as called for redemption all of the principal of and interest and any applicable premium on such Bonds.

“Paying Agent” means Amalgamated Bank of Chicago, Chicago, Illinois, a national banking association duly organized and validly existing under the laws of the United States of America, having trust powers, or any successor thereto or any successor designated as Paying Agent in accordance with this Ordinance.

“Pledged Revenues” means certain “admissions tax” receipts and “wagering tax” receipts of the City, derived pursuant to Sections 12 and 13 of the Riverboat Gambling Act of the State of Illinois, as supplemented and amended, and received from gaming operations conducted in the City, after deducting certain prior commitments and pledges to the Aurora Civic Center Authority, together with any replacement tax.

“Pledged Taxes” means, collectively, the Incremental Property Taxes pledged hereunder as security for the Bonds, but excluding claims on certain Incremental Property Taxes previously pledged or committed by the City to certain developers and school districts.

“Principal Requirement” means for any Bond Year and for any Bonds the aggregate principal amount of such Bonds having a Stated Maturity during such Bond Year.

“Prior Paying Agent” means U.S. Bank National Association, Chicago, Illinois, a national banking association duly organized and validly existing under the laws of the United States of America, having trust powers.

“Project” means the redevelopment project heretofore approved by the Corporate Authorities pursuant to an ordinance adopted on September 26, 2000, in furtherance of the objectives of the Redevelopment Plan.

“Project Area” means the River City Redevelopment Project Area.

“Project Costs” means the sum total of all reasonable or necessary costs incurred or estimated to be incurred which are incidental to the Redevelopment Plan and the Project and which are authorized under the TIF Act and approved by the Corporate Authorities in the Redevelopment Plan.

“Purchase Price” means \$ _____, being par, plus a premium of \$ _____, an underwriter’s discount of \$ _____, and no accrued interest.

“Purchaser” means, collectively, Fifth Third Securities and Robert W. Baird & Co. Incorporated.

“Qualified Investments” means Government Securities and such other investments as shall be lawful for funds of the City from time to time under Illinois law.

“Redevelopment Plan” means the comprehensive program of the City for the Project Area heretofore approved by the Corporate Authorities by an ordinance adopted on September 26, 2000, together with any further amendments and supplements thereto.

“Regular Record Date” means the fifteenth day (whether or not a Business Day) of the calendar month of an Interest Payment Date.

“Series 2018B Bonds” means the Tax Increment Revenue Refunding Bonds, Series 2018B (River City TIF Number 3), authorized under this Ordinance.

“Special Tax Allocation Fund” means the River City Redevelopment Project Area Special Tax Allocation Fund of the City, which is a special tax allocation fund for the Project Area established pursuant to Section 11-74.4-8 of the TIF Act and created by an ordinance heretofore adopted by the Corporate Authorities on September 26, 2000, as continued and further described by Section 8 of this Ordinance.

“Stated Maturity” when used with respect to any Bond or any interest thereon means the date specified in such Bond as the fixed date on which the principal of such Series 2018B Bond

or Additional Bond or such interest is due and payable whether by maturity, mandatory redemption, or otherwise.

“*Tax Exempt*” means, with respect to any Series 2018B Bonds or any Additional Bonds the interest on which is excludible from gross income for federal income tax purposes, the status of interest paid and received thereon as excludible from the gross income of the registered owners thereof under the Code for federal income tax purposes.

“*Tax Year*” means the year for which an ad valorem tax levy is made by any and all taxing districts or municipal corporations having the power to tax real property in the Project Area. The 2008 Tax Year shall be that year during which ad valorem taxes levied for the year 2018 (collectible in the year 2019) are extended and collected, and so on.

“*TIF Act*” means the Tax Increment Allocation Redevelopment Act, as supplemented and amended.

“*Total Initial Equalized Assessed Value*” means the total initial equalized assessed value of the taxable real property within the Project Area as determined by the County Clerk of The County of Kane, Illinois, in accordance with the provisions of Section 11-74.4-9 of the TIF Act.

Section 2. Findings. The Corporate Authorities hereby find that the Redevelopment Plan has been approved, the Project Area has been designated, and tax increment allocation financing has been adopted, all in accordance with the provisions of the TIF Act, and that it is necessary and in the best interests of the City that the Refunding occur and the City issue the Series 2018B Bonds to finance the Refunding.

Section 3. Series 2018B Bond Details. (a) *Series 2018B Bonds.* To pay for the costs of the Refunding, tax increment allocation revenue refunding bonds of the City shall be issued and sold, and shall be designated “Tax Increment Revenue Refunding Bonds, Series 2018B (River City TIF Number 3).” The Series 2018B Bonds shall be dated the date of issuance (the

“Dated Date”), and shall also bear the date of authentication thereof, be in fully registered form in denominations of \$5,000 or integral multiples thereof (but no single Series 2018B Bond shall represent principal maturing on more than one date) and shall be lettered R and numbered 1 and upward. The Series 2018B Bonds shall be issued in an aggregate principal amount of \$ _____, and shall mature on December 30 of the years, and shall bear interest at the rates per annum as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	RATE OF INTEREST
2018		
2019		
2020		
2021		
2022		
2023		

Each Series 2018B 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 on the basis of a 360-day year of twelve 30-day months) being payable semiannually on June 30 and December 30 of each year, commencing December 30, 2018. Interest on each Series 2018B Bond shall be paid by check or draft in lawful money of the United States of America, to the person in whose name such Series 2018B Bond is registered on the applicable Record Date. The principal of and premium, if any, on the Series 2018B Bonds shall be payable at maturity in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust of office the Bond Registrar. Notwithstanding the foregoing, the principal of and premium, if any, and interest on any Series 2018B Bond shall be payable by wire transfer in immediately available funds to such wire transfer address within the continental United States of America as shall be requested by any owner of Series 2018B Bonds in an

aggregate principal amount of at least \$1,000,000, if such owner shall have requested payment by such method in writing, and shall have provided the Paying Agent with an account number and other necessary information for such purpose by the fifteenth day of the calendar month immediately preceding the applicable payment date; *provided*, that the payment of principal of and premium, if any, on each Series 2018B Bond shall be made only upon presentation and surrender of such Series 2018B Bond at the principal corporate trust office of the Paying Agent.

(b) *General Provisions.* The Series 2018B Bonds shall have impressed or imprinted thereon the official seal of the City or a facsimile thereof, and shall be signed by the manual or duly authorized facsimile signatures of the Mayor and the City Clerk of the City, as they shall determine, and in case any officer whose signature shall appear on any Series 2018B Bond shall cease to be such officer before the delivery of such Series 2018B Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

All Series 2018B Bonds shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Series 2018B Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Series 2018B Bond shall be conclusive evidence that such Series 2018B Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Series 2018B Bond shall be deemed to have been executed by the Bond Registrar if signed by an authorized agent of the Bond Registrar, but it shall not be necessary that the same agent sign the certificate of authentication on all of the Bonds issued under this Ordinance.

Section 4. Redemption Prior to Maturity. [The Series 2018B Bonds shall be subject to mandatory sinking fund redemption in part by lot in such manner as shall be designated by the Bond Registrar, on December 30, of the years and in the aggregate principal amounts at a redemption price of 100% of the principal amount thereof being redeemed:

YEAR	PRINCIPAL AMOUNT
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It shall not be necessary for the City to give the Bond Registrar any notice or other direction with respect to a mandatory redemption. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, and in the event there is more than one registered owner of a given maturity to be redeemed, the particular Series 2018B Bonds or portions of Series 2018B Bonds to be redeemed shall be selected by the Bond Registrar, by lot from the outstanding Series 2018B Bonds of such maturity or maturities selected, by such method as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Series 2018B Bonds or portions thereof so that any \$5,000 portion of a Series 2018B Bond shall be as likely to be called for redemption as any other such \$5,000 portion.

Unless waived by any registered owner of Series 2018B Bonds to be redeemed, official notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Series 2018B Bond or Series 2018B Bonds to be redeemed at the address shown on the Bond Register maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. Failure to give such notice by mail to any registered

owner of any Series 2018B Bonds (or portions thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of any other Series 2018B Bonds (or portions thereof) for which such notice is properly given.

All official notices of redemption shall state:

- (a) the date fixed for redemption;
- (b) the redemption price;
- (c) the identification of the Series 2018B Bonds to be redeemed, including (i) the date of issue of the Series 2018B Bonds as originally issued, (ii) the maturity date and interest rate borne by each Series 2018B Bond to be redeemed, (iii) the respective principal amount redeemed of each Series 2018B Bond to be redeemed in part, (iv) the CUSIP number of each Series 2018B Bond to be redeemed, and (v) any other descriptive information needed to identify accurately the Series 2018B Bonds being redeemed;
- (d) a statement that on the date fixed for redemption the redemption price will become due and payable upon each such Series 2018B Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such Series 2018B Bonds are to be surrendered for payment of the redemption price, which place of payment shall be at the designated corporate trust office of the Paying Agent, or at a successor Paying Agent and locality as may then be acting.

On or prior to any date fixed for redemption, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all Series 2018B Bonds or portions of Series 2018B Bonds which are to be redeemed prior to maturity on that date.

Official notice of redemption having been given as aforesaid, the Series 2018B Bonds or portions of Series 2018B Bonds so to be redeemed shall, on the date fixed for redemption,

become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price), such Series 2018B Bonds or portions of Series 2018B 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, shall affect the sufficiency of such notice with respect to other Series 2018B Bonds. Notice having been properly given, failure of a registered owner of a Series 2018B Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Series 2018B Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Upon surrender of such Series 2018B Bonds for redemption in accordance with said notice, such Series 2018B Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Series 2018B Bond, there shall be prepared for the registered owner a new Series 2018B Bond or Series 2018B Bonds of like tenor, of authorized denominations, of the same series, maturity, and interest rate, and in the amount of the unpaid principal.

If any Series 2018B Bond or any portion of any Series 2018B Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the date fixed for redemption at the interest rate borne by the Series 2018B Bond or the portion of Series 2018B Bond so called for redemption. All Series 2018B Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice of redemption, if the Series 2018B Bonds are owned by more than one person or one entity, further notice shall be given by the Bond Registrar on behalf of the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner invalidate, limit or delay the redemption action 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, and additionally shall contain (a) the CUSIP numbers of all Series 2018B Bonds being redeemed; (b) the date of issuance of such Series 2018B Bonds as originally issued; (c) the rate of interest borne by each Series 2018B Bond being redeemed; (d) the maturity date of each Series 2018B Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Series 2018B Bonds or portions thereof being redeemed.

Each further notice of redemption shall be sent at least thirty (30) days before the date fixed for redemption by legible facsimile transmission, registered or certified mail (postage prepaid) or overnight delivery service to The Depository Trust Company of New York, New York, and to at least one (1) national information service that disseminate notices of redemption of obligations such as the Series 2018B Bonds.

Upon the payment of the redemption price of Series 2018B Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Series 2018B Bonds being redeemed with the proceeds of such check or other transfer.]

Section 5. Registration of Series 2018B Bonds; Transfers; Exchanges; Persons Treated as Owners; Global Book Entry.

(a) *Registration of Bonds; Persons Treated as Owners.* The City shall cause the Bond Register to be kept at the office maintained for the purpose by the Bond Registrar, which is hereby constituted and appointed the Bond Registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of the Series 2018B Bonds.

Upon surrender for transfer of any Series 2018B Bond at the designated corporate trust office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Series 2018B Bond or Series 2018B Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Series 2018B Bond or Series 2018B Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Series 2018B Bond or Series 2018B Bonds of the same maturity of other authorized denominations. The execution by the City of any fully registered Series 2018B Bond shall constitute full and due authorization of such Series 2018B Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Series 2018B Bond.

The Bond Registrar shall not be required to transfer or exchange any Series 2018B Bond during the period commencing on any Record Date to and including the relevant Interest Payment Date thereon, nor to transfer or exchange any Series 2018B Bond after notice calling the same for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption thereof.

The person in whose name any Series 2018B Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and the payment of the principal of,

premium (if any) and interest on any Series 2018B Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2018B Bond to the extent of the sum or sums so paid.

No registered owner shall be charged a service charge for any transfer or exchange of Series 2018B Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of the same exchanged in the case of the issuance of a Series 2018B Bond.

(b) *Global Book-Entry System.* The City and/or the Bond Registrar may enter into an agreement with a securities depository registered under Section 17A of the Securities Exchange Act of 1934, as amended (the “*Securities Depository*”), including without limitation The Depository Trust Company, of New York, New York, which shall be the record owner of the Series 2018B Bonds, to establish procedures with respect to Series 2018B Bonds owned by such Securities Depository. Such agreement may impose additional requirements on the Bond Registrar with respect to the Series 2018B Bonds.

Section 6. Security. For the prompt payment of the principal of, premium, if any, and interest on the Bonds when due, the City hereby pledges the Pledged Taxes to the owners of the Bonds, as provided in this Ordinance. For the prompt payment of the principal of, premium, if any, and interest on the Series 2018B Bonds when due, the City hereby pledges the Pledged Revenues to the owners of the Series 2018B Bonds. The City may pledge the Pledged Revenues to the payment of the principal of, premium, if any, and interest on any Additional Bonds in the ordinance authorizing such Additional Bonds on a parity with the Series 2018B Bonds, but is not required to do so. In the event that the City does not so pledge the Pledged Revenues to any series of Additional Bonds, the Pledged Revenues shall not be used to pay the principal of, premium, if any, or interest on such series of Additional Bonds, but such Additional Bonds shall

otherwise rank on a priority with the Series 2018B Bonds and any other Additional Bonds under this Ordinance. The City may pledge the Pledged Revenues to the payment of the principal of, premium, if any, and interest on other obligations on a parity with the Series 2018B Bonds and any Additional Bonds (to the extent so pledged thereto), as provided in this Ordinance. With regard to the Pledged Revenues, the Series 2018B Bonds are on parity with the City's Tax Increment Revenue Refunding Bonds, Series 2018A (East River Area TIF Number 6) being issued simultaneously with the Series 2018B Bonds.

The Series 2018B Bonds, together with the interest and premium, if any, thereon, are special, limited obligations of the City, payable solely and only from the collection of the Pledged Taxes, the Pledged Revenues and the amounts on deposit in and pledged to the various funds and accounts as provided in this Ordinance. No owner of any Series 2018B Bond shall have the right to compel the exercise of any taxing power of the City for payment of principal thereof or interest or premium, if any, thereon. The Series 2018B Bonds do not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any statutory or constitutional provision.

Section 7. Form of Series 2018B Bonds. The Series 2018B Bonds shall be in substantially the following form; *provided, however,* that if the text of the Series 2018B Bonds is to be printed in its entirety on the front side of the Series 2018B Bonds, then the second paragraph of the front side of the Series 2018B Bonds and the legend, "See Reverse Side for Additional Provisions," shall be omitted and paragraphs on the reverse side of the Series 2018B Bonds shall be inserted immediately after the first paragraph on the front side; *provided further,* that the Series 2018B Bonds may be delivered in typewritten form:

(Form of Series 2018B Bond - Front Side)

REGISTERED
NO. R- _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTIES OF KANE, DUPAGE, KENDALL AND WILL

CITY OF AURORA

**TAX INCREMENT REVENUE REFUNDING BOND,
SERIES 2018B (RIVER CITY TIF NUMBER 3)**

See Reverse Side for
Additional Provisions

Interest Rate: ____% Maturity Date: December 30, 20__ Dated Date: October __, 2018 CUSIP No. 051688 ____

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois (the “City”), a municipality and a home rule unit of government organized and existing under the Constitution and the laws of the State of Illinois, hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above, except as the provisions relating to redemption prior to maturity may be applicable hereto, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent Interest Payment Date to which interest has been paid or duly provided, for at the Interest Rate per annum identified above, such interest to be payable on June 30 and December 30 of each year, commencing on December 30, 2018 (the “Interest Payment Dates”), until the Principal Amount is paid or duly provided for.

The Principal Amount of this Bond and premium, if any, hereon are payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated corporate trust office of Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent, or any successor thereto (the "*Paying Agent*"). Payment of the interest hereon shall be made to the Registered Owner hereof, as shown on the registration books of the City maintained by Amalgamated Bank of Chicago, Chicago, Illinois, as Bond Registrar (the "*Bond Registrar*"), at the close of business on the applicable Record Date, as defined in the Bond Ordinance hereinafter referred to, and shall be paid by check or draft of the Paying Agent, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar; *provided, however*, that the principal of, premium, if any, and interest on this Bond are payable by wire transfer to any owner of Series 2018B Bonds (as hereinafter defined) in an aggregate principal amount of at least \$1,000,000, if such owner shall have requested payment by such method in writing, and shall have provided the Paying Agent with an account number and other necessary information for such purpose on or before the fifteenth day of the calendar month immediately preceding the applicable payment date. If an Interest Payment Date is not a Business Day, as defined in the Bond Ordinance hereinafter referred to, at the place of payment, then payment may be made at that place on the next Business Day, and no interest shall accrue for the intervening period.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

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, and the City hereby covenants and agrees that it has made provision for the segregation of the Pledged Taxes and the Pledged Revenues and that it will properly account for the Pledged Taxes and the Pledged Revenues, and will comply with all the covenants of and maintain the funds and accounts as provided by the Bond Ordinance.

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

IN WITNESS WHEREOF, said City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois, by its City Council, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the Mayor and attested by its City Clerk, and its official seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

(SEAL)

Mayor

City Clerk

Date of Authentication: _____, _____

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:
Amalgamated Bank of Chicago,
Chicago, Illinois

This Bond is one of the Series 2018B Bonds described in the within mentioned Bond Ordinance and is one of the Tax Increment Revenue Refunding Bonds, Series 2018B (River City TIF Number 3), of the City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois.

Amalgamated Bank of Chicago,
as Bond Registrar

By _____
Authorized Agent

[Form of Series 2018B Bond - Reverse Side]

City of Aurora, Kane, DuPage, Kendall and Will Counties, Illinois

Tax Increment Revenue Refunding Bond,
Series 2018B (River City TIF Number 3)

This Bond and each bond of the series of which it forms a part in the aggregate principal amount of \$_____ (the "*Series 2018B Bonds*"), are issued pursuant to Division 74.4 of Article 11 of the Illinois Municipal Code, and all laws amendatory thereof and supplemental thereto (the "*TIF Act*"), and specifically as supplemented by the Local Government Debt Reform Act, as supplemented and amended (collectively, the "*Act*"), and the principal hereof and premium, if any, and interest hereon are payable solely from (i) the ad valorem taxes, if any, arising from the taxes levied upon taxable real property in the River City Redevelopment Project Area established by the City in accordance with the provisions of the TIF Act (the "*Project Area*") by any and all taxing districts or municipal corporations having the power to tax real property in the Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Project Area over and above the initial equalized assessed value of each such piece of property, all as determined by the County Clerk of The County of Kane, Illinois, in accordance with the provisions of the TIF Act (the "*Incremental Property Taxes*"), after deducting certain prior commitments and pledges of the Incremental Property Taxes, (ii) the amounts on deposit in and pledged to the various funds and accounts of the River City Redevelopment Project Area Special Tax Allocation Fund (the "*Special Tax Allocation Fund*") heretofore established by the City in connection with the designation of the Project Area, and (iii) on a parity with the City's outstanding Tax Increment Revenue Refunding Bonds, Series 2018A, certain admissions tax revenues and wagering tax revenues, after deducting certain prior commitments and pledges (the "*Pledged Revenues*"), to the extent such Pledged Revenues are available. The Incremental Property Taxes (after such deductions) constitute, collectively, the "*Pledged Taxes*" under the

hereinafter defined Bond Ordinance. The Series 2018B Bonds are being issued for the purpose of refunding outstanding obligations of the City, pursuant to the Act, and in an ordinance adopted by the City Council of the City (the “*Corporate Authorities*”), on October 23, 2018, and authorizing the issuance of the Series 2018B Bonds (the “*Bond Ordinance*”), to all the provisions of which the Registered Owner hereof assents by the acceptance of this Bond. The Series 2018B Bonds are special, limited obligations of the City, payable solely from the Pledged Taxes and Pledged Revenues and the amounts on deposit in and pledged to the various funds and accounts of the Special Tax Allocation Fund, all as provided in the Bond Ordinance. For the prompt payment of this Bond at maturity the Pledged Taxes are hereby irrevocably pledged, and the Pledged Revenues are hereby pledged as provided in the Bond Ordinance. THE SERIES 2018B BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. NO OWNER OF THIS BOND SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE CITY FOR PAYMENT OF THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THIS BOND.

Under the Act and the Bond Ordinance, the Pledged Taxes shall be deposited in the Special Tax Allocation Fund. Moneys on deposit in the Special Tax Allocation Fund shall be used first and are pledged for paying the principal of, premium, if any, and interest on the Series 2018B Bonds and any additional bonds issued on a parity with the Series 2018B Bonds under the Bond Ordinance (the “*Additional Bonds*”) and then in making any further required payments to the funds and accounts as provided by the terms of the Bond Ordinance. Under the Bond Ordinance, the Pledged Revenues shall be deposited and used to pay the principal of, premium, if any, and interest on the Series 2018B Bonds and, if the City so determines, certain Additional Bonds and certain other obligations of the City. Additional Bonds may be issued on a parity with the Series 2018B Bonds pursuant to the terms of the Bond Ordinance.

This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Series 2018B Bond or Series 2018B Bonds of authorized denominations of the same maturity and series and for the same aggregate principal amount will be issued to the transferee in exchange for this Bond.

The Series 2018B Bonds are issued in fully registered form in authorized denominations of \$5,000 or integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar upon the terms set forth in the Bond Ordinance.

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

[The Series 2018B Bonds are subject to mandatory sinking fund redemption in part as provided in the Bond Ordinance, on December 30 of the years and in the respective aggregate principal amounts, at a redemption price of 100% of the principal amount thereof being redeemed (unless any such principal amount shall have been reduced as provided below and in the Bond Ordinance by reason of the earlier redemption of such Series 2018B Bonds), as follows:

YEAR

PRINCIPAL AMOUNT

Unless waived by the registered owner of Series 2018B Bonds to be redeemed, 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, postage prepaid, 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 Series 2018B Bond or Series 2018B Bonds to be redeemed at the address shown on the registration books maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Series 2018B Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Series 2018B Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in such notice. Such notice may be waived in writing by a registered owner of a Series 2018B Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Notice of redemption having been given as aforesaid, the Series 2018B Bonds or portions of Series 2018B Bonds so to be redeemed shall, on the date fixed for redemption, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 2018B Bonds or portions of Series 2018B Bonds shall cease to accrue interest. Upon surrender of such Series 2018B Bonds for redemption in accordance with said notice, such Series 2018B Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due on or prior to the date fixed for redemption shall be as herein provided for the payment of interest otherwise due. Upon surrender for any partial redemption of any Series 2018B Bond, there shall be prepared for the Registered Owner a new Series 2018B

ASSIGNMENT

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

(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: _____

NOTICE: The signature to this 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.

Signature guaranteed: _____

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" meeting the requirements of the bond registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the bond registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Section 8. Special Tax Allocation Fund – Accounts. (a) *Accounts.* There is hereby continued the heretofore created special fund of the City, which fund shall be held separate and apart from all other funds and accounts of the City and shall be known as the "River City Redevelopment Project Area Special Tax Allocation Fund" (the "Special Tax Allocation Fund"). All of the Pledged Taxes and any other revenues from any source whatsoever (except for the Pledged Revenues, which shall be held as hereinafter provided) designated to pay the principal of, premium, if any, and interest on the Bonds shall be set aside as collected by the City Treasurer for deposit in the Special Tax Allocation Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance. The Bonds are secured by a pledge of all of the moneys on deposit in the Special Tax Allocation

Fund (other than the Pledged Revenues which have been pledged to the payment of the Series 2018B Bonds and which may, if so designated by the City, be pledged to certain Additional Bonds), and such pledge is irrevocable until the obligations of the City are discharged under this Ordinance.

As provided in the TIF Act, the Incremental Property Taxes are to be paid to the City Treasurer by the officers who collect or receive the Incremental Property Taxes. Whenever the City Treasurer receives any of the Incremental Property Taxes, he or she shall promptly deposit the same into the Special Tax Allocation Fund. The moneys on deposit in the Special Tax Allocation Fund shall be used solely and only for the purpose of carrying out the terms and conditions of this Ordinance, and shall be deposited as hereinafter provided to the separate accounts hereby created within the Special Tax Allocation Fund to be known as the “*Principal and Interest Account*,” the “*Reserve Account*” and the “*General Account*.”

As moneys are deposited by the City Treasurer into the Special Tax Allocation Fund, the City Treasurer shall credit to and deposit the same in the following accounts on the respective dates, after deducting certain prior commitments and pledges of the Incremental Property Taxes, in the order in which hereinafter mentioned, as follows:

(a) *The Principal and Interest Account.* On the fifteenth day of each June and December the City Treasurer shall first credit to and transfer into the Principal and Interest Account all of the Pledged Taxes. The Pledged Revenues shall be deposited directly into a separate, segregated subaccount in the Principal and Interest Account promptly after receipt by the City. On the fifteenth day of each June, the amount on deposit in the Principal and Interest Account shall be equal to the interest coming due on the Bonds the immediately following June 30 and at least one-half of the principal coming due on the Bonds on the immediately following December 30. On the fifteenth

day of each December, the amount on deposit in the Principal and Interest Account shall be equal to the principal and interest coming due on the Bonds on the immediately following December 30. Moneys to the credit of the Principal and Interest Account shall be used solely and only for the purpose of paying the principal of, premium, if any, and interest on the Bonds as the same become due at Stated Maturity or upon redemption prior to maturity. Pledged Revenues on deposit in the separate, segregated subaccount in the Principal and Interest Account shall be used to pay the principal of, premium, if any, and interest on the Bonds so designated for payment from the Pledged Revenues, before any other moneys on deposit in the Principal and Interest Account are used for such purpose. On each December 30, any moneys still on deposit in the Principal and Interest Account after the payment of the principal of, premium, if any, and interest coming due on the Bonds shall be transferred, first to the Reserve Account if the Debt Service Reserve Requirement is not on deposit in the Reserve Account, and then to the General Account.

(b) *The Reserve Account.* At the time of delivery of any Series 2018B Bonds, there shall be credited to the Reserve Account an amount sufficient to establish a balance on deposit in and to the credit of the Reserve Account which is equal to the Debt Service Reserve Requirement. The funds on deposit in and to the credit of the Reserve Account shall be used solely to pay the principal of or interest becoming due or subject to redemption prior to maturity on any Bonds then outstanding whenever funds are not available in the Principal and Interest Account therefor, and for that purpose the City shall promptly transfer (without further official direction of or action by the Corporate Authorities) from the Reserve Account to the Principal and Interest Account, as applicable, not less than five (5) days prior to the Stated Maturity or redemption of

principal of or interest on any such Bonds a sum which, together with the funds then on hand in the Principal and Interest Account shall be sufficient to pay such principal or interest.

On each Interest Payment Date, if the amount on deposit in and to the credit of the Reserve Account is less than an amount equal to the Debt Service Reserve Requirement, whether by withdrawal or investment loss or otherwise, the City shall credit the balance of the Pledged Taxes to the Reserve Account and, if the Pledged Taxes are insufficient for the purpose, shall transfer Pledged Revenues to the Reserve Account, until such credit balance equals Debt Service Reserve Requirement. Thereafter, no such payments shall be made into the Reserve Account, except that when any money is paid out of the Reserve Account, payments of Pledged Taxes and the Pledged Revenues shall be resumed and continued until the Reserve Account has been restored to an aggregate credit balance equal to Debt Service Reserve Requirement.

Moneys on deposit in and to the credit of the Reserve Account shall be used solely to pay the principal of or interest on the Bonds at any time when there are insufficient funds available in the Principal and Interest Account to pay such principal or interest. Any amount on deposit in the Reserve Account in excess of the Debt Service Reserve Requirement shall be transferred to the General Account.

Upon the issuance by the City of any Additional Bonds as hereinafter provided the City hereby covenants and warranties that it will immediately deposit to the Reserve Account an amount sufficient to establish a balance to the credit of and on deposit in the Reserve Account equal to the Debt Service Reserve Requirement; *provided, however,* that the Debt Service Reserve Requirement shall be calculated by including any such Additional Bonds.

(c) *The General Account.* All moneys remaining in the Special Tax Allocation Fund on each Interest Payment Date, after crediting the required amounts to the respective accounts hereinabove provided for, shall be transferred by the City Treasurer for credit to the General Account. At any time and from time to time as necessary, the City Treasurer shall transfer any moneys on deposit in the General Account to remedy any deficiencies in any prior accounts in the Special Tax Allocation Fund. Except as hereinbefore provided in this subsection (c), moneys on deposit in the General Account shall be used first to remedy any such deficiency in the Principal and Interest Account and the Reserve Account, in that order, and then for one or more of the following purposes, in the following order of priority among them:

(i) for the purpose of paying any Project Costs; or

(ii) to pay the principal of, premium, if any, and interest on any subordinate lien bonds; or

(iii) for the purpose of redeeming outstanding Bonds; or

(iv) for the purpose of purchasing Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase;
or

(v) for the purpose of creating such additional reserves as the City Treasurer may determine to be reasonably necessary, without further action of the Corporate Authorities; or

(vi) for the purpose of reimbursing the City for any transfers of general corporate funds of the City to the Special Tax Allocation Fund; or

(vii) for the purpose of distributing such funds to the taxing districts or municipal corporations having the power to tax real property in the Project Area in accordance with the TIF Act; or

(vii) for any other purpose set forth in the Redevelopment Plan for the Project as may be authorized under the TIF Act.

(d) *Investments.* The moneys on deposit in the Special Tax Allocation Fund and the various accounts therein may be invested from time to time in Qualified Investments. Any such investments may be sold from time to time as moneys may be needed for the purposes for which the Special Tax Allocation Fund and such accounts have been created. In addition, such investments shall be sold when necessary to remedy any deficiency in the Special Tax Allocation Fund and such accounts. All investment earnings or losses shall be attributed to the fund or account for which the investment was made.

Section 9. 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 Special Tax Allocation 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 thereof and this Ordinance.

(b) The City will pay and discharge, or cause to be paid and discharged, from the Special Tax Allocation Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Taxes, or any part thereof, or upon any funds in the hands of the City Treasurer, 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 said 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 Project and to the Pledged Taxes and the Pledged Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the owners of not less than ten per cent (10%) in aggregate principal amount of the Bonds then outstanding, or their representatives authorized in writing.

The City will prepare or cause the preparation of complete financial statements with respect to the preceding fiscal year showing the Pledged Taxes and the Pledged Revenues received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the Project, including the balances in all funds and accounts relating to the Bonds and the Project as of the end of such fiscal year, which statements shall be accompanied by a certificate or opinion in writing of an Independent certified public accountant. The City will furnish a copy of such statements to any registered owners of ten percent (10%) or more in aggregate principal amount of outstanding Bonds, upon the written request of such owners.

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

(e) The City will continue to implement the Project with all practicable dispatch in accord with its stated objectives and purposes in conformity with the Redevelopment Plan and the TIF Act.

(f) 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 registered owners of the Bonds of the rights and benefits provided in this Ordinance.

(g) So long as any Bonds remain outstanding, the City will take no action, nor will the City omit to take any action, which act or omission will in any way adversely affect the ability of the City to collect the Pledged Taxes or the Pledged Revenues, and the City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes and the Pledged Revenues will be collected, held and deposited in the funds and accounts as herein provided.

(h) So long as any Bonds remain outstanding, the City will not grant a lien on the Pledged Revenues senior to the prior commitment to the Aurora Civic Center Authority or the Series 2018A Bonds.

Section 10. Sale of the Series 2018B Bonds; Approval of Documents. As soon as may be after this Ordinance becomes effective, the Series 2018B Bonds shall be executed in the manner provided in this Ordinance and be delivered by a Designated Officer to the Purchaser upon payment of the Purchase Price. The purchase contract for the sale of the Bonds presented to the Corporate Authorities at this time is hereby approved and confirmed, it being hereby found and determined that said contract is in the best interests of the City and that no person holding an office of the City either by election or appointment, is in any manner financially interested, either

directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in said contract for the purchase of the Series 2018B Bonds. The Designated Officers are hereby authorized to execute said purchase contract as acceptance thereof, together with such additional documents, certificates and agreements, including but not limited to a Tax Exemption Certificate and Agreement relating to the Series 2018B Bonds, and to take all actions as shall be deemed necessary to effectuate the issuance and delivery of the Series 2018B Bonds and to perform the obligations of the City under this Ordinance. The Preliminary Official Statement of the City, dated October __, 2018, relating to the Series 2018B Bonds and heretofore presented to the Corporate Authorities is hereby ratified and approved. The Official Statement of the City, to be delivered within seven (7) days of the date of adoption hereof, relating to the Series 2018B Bonds (the "*Official Statement*") is hereby approved, and the Purchaser is hereby authorized on behalf of the City to distribute copies of the Official Statement to the ultimate purchasers of the Series 2018B Bonds.

Section 11. Use of Series 2018B Bond Proceeds. The proceeds derived from the sale of the Series 2018B Bonds shall be used as follows:

A. Accrued interest, if any, shall be credited to the Principal and Interest Account and applied to pay interest due on the Series 2018B Bonds.

B. The sum of principal proceeds of the Series 2018B Bonds as is necessary, together with such money in the debt service funds for the Refunded Bonds as may be advisable for the purpose, shall be used to provide for the Refunding, and the payment of such expenses as may be designated, pursuant to the provisions of the Escrow Agreement, in substantially the form now before the Corporate Authorities and attached hereto as *Exhibit A*, with the Escrow Agent as is designated, all in accordance with the provisions of the Escrow Agreement; the parties appearing signatory to such Escrow Agreement are

hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding. Amounts in the escrow will be held in cash or will be used to purchase Government Securities. The Escrow Agent and the Purchaser are each hereby authorized to act as agent for the City in the purchase of the Government Securities. Prior to the issuance of the Series 2018B Bonds, the City shall deposit with the Prior Paying Agent or with the Escrow Agent an amount from lawfully available funds sufficient to pay the principal on the Prior Bonds due on December 30, 2018, and interest thereon.

Section 12. Call of the Refunded Bonds. In accordance with the redemption provisions of the ordinance authorizing the issuance of the Refunded Bonds, the City by the Corporate Authorities does hereby make provisions for the payment of and does hereby call (subject only to the issuance and delivery of the Series 2018A Bonds) the Refunded Bonds on December 30, 2018.

Section 13. Arbitrage. The Corporate Authorities certify and covenant with the purchasers and owners of the Series 2018B Bonds from time to time outstanding, that so long as any of the Series 2018B Bonds remain outstanding, moneys on deposit in any fund or account in connection with the Series 2018B Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 2018B Bonds, or from any other sources, will not be used in a manner which will cause such Series 2018B Bonds to be “*arbitrage bonds*” within the meaning of Section 148(a) 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 said

Section 148(a) or regulations promulgated thereunder 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 nationally recognized competence in such matters, result in making the interest on the Series 2018B Bonds includible in gross income of the owners thereof for federal income tax purposes.

Section 14. Further Tax Covenants. The City agrees to comply with all provisions of the Code which, if not complied with by the City, would cause the interest on the Series 2018B 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 truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the Series 2018B Bonds; (c) to consult with such counsel and to comply with such advice as may be given; (d) to pay to the United States of America, if necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Series 2018B 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.

Section 15. Registered Form. The City recognizes that Section 149 of the Code requires the Series 2018B Bonds to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time the Series 2018B Bonds are delivered. In this connection, the City agrees that it will not take any action to permit the Series 2018B Bonds to be issued in, or converted into, bearer or coupon form.

Section 16. Continuing Disclosure Undertaking. Any Designated Officer is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) in customary form as approved by legal counsel to the City, or with such changes therein as the Designated Officer executing the Continuing Disclosure Undertaking on behalf of the City shall approve, his execution thereof to constitute conclusive evidence of his approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2018B Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 17. Additional Bonds and Additional Obligations. The City reserves the right to issue Additional Bonds from time to time for the purposes authorized in the Redevelopment Plan, and any such Additional Bonds shall share ratably and equally in the Pledged Taxes and, to the extent so designated by the City, the Pledged Revenues with the Series 2018B Bonds; *provided, however,* that no Additional Bonds shall be issued, except upon compliance with all of the following conditions:

- (a) All deposits and credits required to be made into the Principal and Interest Account and the Reserve Account shall have been made up to and including the date of adoption of any such ordinance authorizing the issuance of Additional Bonds.

(b) (i) The aggregate annual amount of Pledged Taxes deposited to the credit of the Special Tax Allocation Fund for the completed Tax Year immediately preceding the date of adoption of any ordinance authorizing the issuance of Additional Bonds, together with the Pledged Revenues deposited to the credit of the Principal and Interest Account to the extent that the Pledged Revenues are pledged to the payment of the Additional Bonds then proposed to be issued, shall have been equal to at least 150% of Maximum Annual Debt Service calculated for all succeeding years on all Bonds then outstanding and the Additional Bonds then proposed to be issued, *or*

(ii) the City shall have received a report of a nationally recognized Independent consultant, knowledgeable as to urban redevelopment, tax increment financing and municipal finance, which includes the information and conclusions as follows:

1. A description of the purposes for which such Additional Bonds are to be issued; and

2. A statement that, in such Independent consultant's opinion, based upon his or her review of executed redevelopment agreements and such other documents as he or she reasonably deems pertinent, Pledged Taxes to be generated, together with Pledged Revenues to the extent pledged, will be equal to at least 150% of Maximum Annual Debt Service calculated for all succeeding years on all Bonds then outstanding and the Additional Bonds then proposed to be issued.

(c) Any such Additional Bonds which may be issued in compliance herewith shall be payable as to principal and as to interest on the same dates of the year on which principal and interest come due on the Series 2018B Bonds.

(d) The City specifically reserves the right to issue bonds on a subordinate lien basis from time to time for the purposes authorized in the Redevelopment Plan.

Notwithstanding the foregoing restrictions, if, prior to the payment in full of the Series 2018B Bonds, the City shall determine, as hereinafter provided in Section 18 of this Ordinance, to refund part or all of the Series 2018B Bonds then outstanding, said Series 2018B Bonds may be refunded, and any refunding bonds or obligations so issued shall share ratably and equally in the Pledged Taxes and, to the extent so designated by the City, the Pledged Revenues, with the portion, if any, of the Series 2018B Bonds which is not refunded; *provided, further*, that if any portion of the Series 2018B Bonds is refunded such that the interest rate is increased or the refunding bonds or obligations mature at a date earlier than the maturity of the Series 2018B Bonds not refunded, then such refunding bonds or obligations shall be in all respects subordinate to the Series 2018B Bonds, and shall not share ratably and equally in the Pledged Taxes and the Pledged Revenues with the portion of the Series 2018B Bonds remaining outstanding, except that if it is found necessary to refund any annual installment of the Series 2018B Bonds at maturity or within one (1) year of maturity thereof in order to prevent a default, such refunding bonds or obligations may be issued to share ratably and equally in the Pledged Taxes and the Pledged Revenues with the portion of the Series 2018B Bonds not refunded notwithstanding the fact that the interest rate is increased, *provided, however*, that such refunding bonds or obligations shall not mature at a date earlier than the maturity of any installment of principal of and interest on said Series 2018B Bonds not refunded and then outstanding.

The City reserves the right to issue other obligations from time to time, and any such obligations shall share ratably and equally in the Pledged Revenues with the Series 2018B Bonds and any Additional Bonds to which the Pledged Revenues are pledged; *provided, however*, that no such obligations shall be issued, except upon compliance with all of the following conditions:

(a) All deposits and credits required to be made into the Principal and Interest Account and the Reserve Account and any similar funds and accounts relating to all other such obligations shall have been made up to and including the date of adoption of any such ordinance authorizing the issuance of such other obligations.

(b) (i) The aggregate annual amount of Pledged Revenues for the completed Tax Year immediately preceding the date of adoption of any ordinance authorizing the issuance of such other obligations shall have been equal to at least 150% of Maximum Annual Debt Service and maximum annual debt service on all such other obligations calculated for all proceeding years on all Bonds and such other obligations then outstanding and the additional obligations then proposed to be issued, or

(ii) the City shall have received a report of a nationally recognized Independent consultant, knowledgeable as to urban redevelopment, tax increment financing and municipal finance, which includes the information and conclusions as follows:

1. A description of the purposes for which such other obligations are to be issued; and

2. A statement that, in such Independent consultant's opinion, based upon his or her review of executed redevelopment agreements and such other documents as he or she reasonably deems pertinent, Pledged Revenues to be generated will be equal to at least 150% of Maximum Annual Debt Service and maximum annual debt service on all such other obligations calculated for all succeeding years on all Bonds and such other obligations then outstanding and the additional obligations then proposed to be issued.

(c) Any such additional obligations which may be issued in compliance herewith shall be payable as to principal and as to interest on the same dates of the year on which principal and interest come due on the Series 2018B Bonds.

The City is issuing its Tax Increment Revenue Refunding Bonds, Series 2018A (East River Area TIF Number 6) with a pledge of the Pledged Revenues on a parity with the liens on such Pledged Revenues in favor of the Series 2018B Bonds.

Section 18. Refunding Bonds. Refunding bonds issued to refund, whether at or in advance of maturity, Bonds issued under this Ordinance, may be issued by the Corporate Authorities hereunder.

Section 19. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the owners of all Bonds and upon any transfer shall add the name and address of the new owner and eliminate the name and address of the transferor owner.

Section 20. Rights and Duties of Bond Registrar and Paying Agent. If requested by the Bond Registrar or Paying Agent, any Designated Officer is authorized to execute the standard form of agreement between the City and the Bond Registrar or the Paying Agent with respect to the obligations and duties of the Bond Registrar or the Paying Agent as bond registrar or paying agent hereunder, which may 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 Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of any Bonds;
- (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 cancelled 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 City Clerk of the City is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and Paying Agent.

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

The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the City that it has all requisite power to accept and has accepted such duties and obligations. The Bond Registrar is the agent of the City, and shall not be liable in connection with the performance of its duties, except for its own negligence or willful wrongdoing. 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 the Paying Agent at any time. In case at any time the Bond Registrar or the Paying Agent shall resign, shall be removed, shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar or the Paying Agent, or of the property thereof, shall be

appointed, or if any public officer shall take charge or control of the Bond Registrar or the Paying Agent, or of the property or affairs thereof, 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 notice of any such appointment made by it to each registered owner of any Bond within twenty (20) days after such appointment. Any successor Bond Registrar or Paying Agent appointed under the provisions of this Section shall be a bank, trust company or national banking association.

Section 21. Evidence of Bondholder Action. Any request, direction or other instrument required by this Ordinance to be signed or executed by the owners of the Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such owners in person or by agent appointed in writing. Proof of the execution of any such request, direction or other instrument, or of the writing appointing such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any purpose of this Ordinance:

(a) The fact and date of the execution by any person of any such writing (other than an assignment of a Bond) may be proved by the certificate of any officer in any jurisdiction, who, by the laws thereof, has power to take acknowledgments within said jurisdiction, to the effect that the person signing such writing acknowledged before his or her execution thereof, or by an affidavit of a witness to such execution;

(b) The ownership of the Bonds shall be proved by the Bond Register.

Section 22. Payment and Discharge; Refunding. The Bonds may be discharged, payment provided for, and the City's liability of the City therefor terminated, as follows:

(a) *Discharge of Indebtedness.* If (i) the City shall pay or cause to be paid to the registered owners of the Bonds the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated therein and herein, (ii) all fees and

expenses of the Bond Registrar and the Paying Agent shall have been paid, and (iii) the City shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Ordinance expressed as to be kept, performed and observed by it or on its part, then these presents and the rights hereby granted shall cease, determine and be void. If the City shall pay or cause to be paid to the registered owners of all outstanding Bonds, or of a particular maturity or series thereof, the principal, premium, if any, and interest to become due thereon on the dates and in the manner stipulated therein and herein, such Bonds shall cease to be entitled to any lien, benefit or security under this Ordinance, and all covenants, agreements and obligations of the City to the owners of such Bonds shall thereupon cease, terminate and become void and discharged and satisfied.

(b) *Provision for Payment.* Bonds for the payment or redemption of which sufficient moneys and/or sufficient Government Securities shall have been deposited with the Paying Agent or with a similar institution having fiduciary powers and duties (whether upon or prior to the maturity or the redemption date of such Bonds) shall be deemed to be paid within the meaning of this Ordinance and no longer outstanding under this Ordinance; *provided, however,* that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given as provided therein or arrangements satisfactory to the Bond Registrar shall have been made for the giving thereof. Government Securities shall be considered sufficient only if said investments are not redeemable prior to maturity at the option of the issuer and mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal and redemption premiums, if any, when due on the Bonds without rendering the interest on any Series 2018B Bonds and any Tax

Exempt Additional Bonds includible in gross income of the owners thereof for federal income tax purposes.

The City may at any time surrender to the Bond Registrar for cancellation by it any Bonds previously authenticated and delivered hereunder, which the City may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) *Termination of City's Liability.* Upon the discharge of indebtedness under paragraph (a) hereof, or upon the deposit with the Paying Agent or similar institution of sufficient money and/or Government Securities (such sufficiency being determined as provided in paragraph (b) hereof) for the retirement of any particular Bond or Bonds, all liability of the City in respect of such Bond or Bonds shall cease, determine and be completely discharged and the owners thereof shall thereafter be entitled only to payment out of the money and the proceeds of the Government Securities deposited with the Paying Agent or similar institution as aforesaid for their payment.

Section 23. Supplemental Ordinances. Supplemental ordinances may be adopted as follows:

(a) *Supplemental Ordinances Not Requiring Consent of Bondholders.* The City, by the Corporate Authorities, may adopt an ordinance or ordinances supplemental hereto, which ordinance or ordinances thereafter shall form a part hereof, for any one or more of the following purposes:

(i) To add to the covenants and agreements of the City in this Ordinance contained, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the City;

(ii) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Ordinance, or in regard to matters or questions arising under this Ordinance, as the City may deem necessary or desirable and not inconsistent with this Ordinance and which shall not adversely affect the interests of the registered owners of the Bonds;

(iii) To designate one or more bond registrars or paying agents;

(iv) To issue Additional Bonds in accordance with this Ordinance; and

(v) As to Bonds which are authorized but unissued hereunder:

(1) to change the amount of such Bonds authorized, or

(2) to change in any way the terms upon which such Bonds may be issued or secured.

Any supplemental ordinance authorized by the provisions of this Section may be passed by the City without the consent of or notice to the registered owners of any of the Bonds at the time outstanding, notwithstanding any of the provisions of paragraph (b) of this Section.

(b) *Supplemental Ordinances Requiring Consent of Bondholders.* With the consent (evidenced as provided herein) of the registered owners of not less than two-thirds in aggregate principal amount of the Bonds at the time outstanding, the City, by the Corporate Authorities, may adopt from time to time and at any time an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; *provided*, that no such modification or amendment shall extend the maturity or reduce the interest rate on or otherwise alter or impair the obligation of the

City to pay the principal, interest or redemption premium, if any, on the date, at the place, at the rate and in the currency provided therein of any Bond without the express consent of the registered owner of such Bond, or permit the creation of a preference or priority of any Bond or Bonds over any other Bond or Bonds, or reduce the percentage of Bonds required for the affirmative vote or written consent to an amendment or modification, or deprive the registered owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the Pledged Taxes and/or the Pledged Revenues pledged thereto without the consent of the registered owners of all the Bonds (as the case may be) then outstanding.

It shall not be necessary for the consent of the owners of the Bonds under this paragraph to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

(c) *Supplemental Ordinance to Modify this Ordinance.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this Ordinance shall be modified and amended in accordance therewith and the respective rights, duties and obligations of the City under this Ordinance and all registered owners of Bonds outstanding hereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendments, and all the terms and conditions of any such supplemental ordinance shall be and be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

Section 24. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 25. Partial Invalidity. 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 26. Prior Inconsistent Proceedings. 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 27. Immunity of Officers, Employees and Members of City. No recourse shall be had for the payment of the principal of or premium, if any, 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 officer, director, member, 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, directors, 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 such Bonds.

[Remainder of page intentionally left blank]

Section 28. Effective Date; Publication in Pamphlet Form. This Ordinance shall become effective upon its passage and approval, and shall be published in pamphlet form immediately after its adoption. It is the intent of this Section to repeal subsection (h) of Section 2-319(h) of the City Code of Ordinances, for purposes of the Series 2018B Bonds, and said subsection (h) is therefore and hereby repealed for said purposes.

AYES:

NAYS:

ABSENT OR
NOT VOTING:

ADOPTED: October 23, 2018

APPROVED: October 23, 2018

Mayor, City of Aurora,
Kane, DuPage, Kendall and Will
Counties, Illinois

[SEAL]
ATTEST:

City Clerk, City of Aurora,
Kane, DuPage, Kendall and
Will Counties, Illinois

Recorded In City Records: October 23, 2008

Published in Pamphlet Form: October 23, 2008

