



SHELLY HUGGINS, CITY CLERK

CITY OF HERRIN

300 NORTH PARK AVENUE

HERRIN, ILLINOIS 62948

(618)942-3175 · Fax (618)988-9115

Email: shuggins@cityofherrin.com

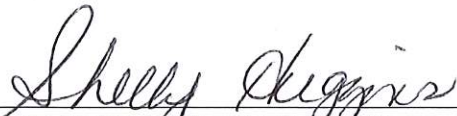
STATE OF ILLINOIS )  
WILLIAMSON COUNTY )  
CITY OF HERRIN )  
CERTIFICATE OF PUBLICATION )

I, SHELLY HUGGINS, DO HEREBY CERTIFY that I am the duly qualified City Clerk of the City of Herrin, Illinois, Williamson County, and as such clerk I am the keeper of the records and files of the City Council of said City.

I further certify that on July 24, 2023 the Corporate Authorities of the above municipality passed and approved Ordinance 25-2023 Providing For The Issuance Of Not To Exceed \$7,000,000 General Obligation Bonds, Series 2023, Of The City Of Herrin, Williamson County, Illinois, And Providing For The Levy And Collection Of A Direct Annual Tax Sufficient For The Payment Of The Principal Of And Interest On Said Bonds.

The pamphlet form of Ordinance 25-2023, included the Ordinance and a cover sheet thereof, was prepared and a copy of such Ordinance was posted in the municipal building and on the municipality's website, commencing on July 27, 2023 and continuing for at least 10 days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the City Clerk.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Herrin, Illinois at my office this 27<sup>th</sup> day of July, 2023.

  
\_\_\_\_\_  
SHELLY HUGGINS, CITY CLERK  
HERRIN, ILLINOIS

SEAL

CITY OF HERRIN

ORDINANCE NO. 25-2023

PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$7,000,000 GENERAL OBLIGATION BONDS, SERIES 2023, OF THE CITY OF HERRIN, WILLIAMSON COUNTY, ILLINOIS, AND PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS.

ADOPTED BY THE CITY COUNCIL OF THE  
CITY OF HERRIN, ILLINOIS, JULY 24, 2023

PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE CITY COUNCIL OF  
THE CITY OF HERRIN, WILLIAMSON COUNTY, ILLINOIS, THIS 27<sup>TH</sup> DAY OF  
JULY, 2023.

---

Shelly Huggins  
City Clerk

EXTRACT OF MINUTES of a regular public meeting of the City Council of the City of Herrin, Williamson County, Illinois, held at in said City, at 6:00 p.m., on the 24th day of July, 2023.

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the Mayor and the following Aldermen answered physically present at said location: Ahlgren, Shoemaker, Crumpton, York, Miller, Kinley, Ruppel

The following Aldermen were allowed by a majority of the City Council in accordance with and to the extent allowed by rules adopted by the City Council to attend the meeting by video or audio conference: NONE

---

No Alderman was not permitted to attend the meeting by video or audio conference. The following Aldermen were absent and did not participate in the meeting in any manner or to any extent whatsoever: Sizemore

---

The City Council then discussed a proposed capital infrastructure improvement project for the City and considered an ordinance providing for the issuance of General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

Whereupon Alderman York presented and read by title an ordinance as follows, a copy of which was provided to each Alderman of the City Council prior to said meeting and to everyone in attendance at said meeting who requested a copy:

AN ORDINANCE providing for the issuance of not to exceed \$7,000,000 General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

(the "Bond Ordinance") which was before the City Council and made available to any person requesting one.

Alderman York moved and Alderman Miller seconded the motion that the Bond Ordinance as presented and read by title be adopted.

The Mayor directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following Aldermen voted AYE: Miller, Kinley, Ruppel, Ahlgren, Shoemaker, York & Crompton  
and the following Aldermen voted NAY: Ø.

WHEREUPON, the Mayor declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting and did direct the City Clerk to record the same in full in the records of the City Council of the City of Herrin, Williamson County, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

Shelly Higgins  
City Clerk

---

ORDINANCE NUMBER 25-2023

AN ORDINANCE providing for the issuance of not to exceed \$7,000,000 General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

---

Adopted by the City Council on the 24th day  
of July, 2023.

## TABLE OF CONTENTS

SECTION	HEADING	PAGE
PREAMBLES	.....	1
SECTION 1.	DEFINITIONS .....	2
SECTION 2.	INCORPORATION OF PREAMBLES.....	5
SECTION 3.	DETERMINATION TO ISSUE BONDS.....	5
SECTION 4.	BOND DETAILS .....	5
SECTION 5.	BOOK ENTRY PROVISIONS .....	6
SECTION 6.	EXECUTION; AUTHENTICATION .....	8
SECTION 7.	REDEMPTION.....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 8.	REGISTRATION AND EXCHANGE OR TRANSFER OF BONDS; PERSONS TREATED AS OWNERS .....	9
SECTION 9.	FORM OF BOND .....	14
SECTION 10.	SECURITY FOR THE BONDS.....	20
SECTION 11.	SALE OF BONDS .....	20
SECTION 12.	TAX LEVY; ABATEMENT.....	20
SECTION 13.	FILING WITH COUNTY CLERK .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 14.	THE REFUNDING AND COSTS OF ISSUANCE .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 15.	ACCRUED INTEREST.....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 16.	CREATION OF FUNDS AND APPROPRIATIONS.....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 17.	REIMBURSEMENT.....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
SECTION 18.	NOT PRIVATE ACTIVITY BONDS .....	27
SECTION 19.	ADDITIONAL FUNDS AND ACCOUNTS AND ABATEMENT OF TAXES FOR SERIES 2008A BONDS.....	28
SECTION 20.	REGISTERED FORM .....	28
SECTION 21.	TAX COVENANTS .....	29
SECTION 22.	FURTHER TAX COVENANTS .....	31
SECTION 23.	NONCOMPLIANCE WITH TAX COVENANTS .....	33
SECTION 24.	OPINION OF COUNSEL EXCEPTION .....	33
SECTION 25.	RIGHTS AND DUTIES OF BOND REGISTRAR AND PAYING AGENT .....	33
SECTION 26.	DEFEASANCE .....	34
SECTION 27.	CONTINUING DISCLOSURE UNDERTAKING.....	35
SECTION 28.	PUBLICATION OF ORDINANCE .....	35

SECTION 29. SUPERSEDER .....35

ORDINANCE NUMBER 25-2023

AN ORDINANCE providing for the issuance of not to exceed \$7,000,000 General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

WHEREAS, the City of Herrin, Williamson County, Illinois (the “City”), by virtue of a successful referendum passed by the voters of the City at an election held on April 1, 2003, is a home rule unit pursuant to the provisions of Section 6 (Powers of Home Rule Units) of Article VII (Local Government) of the Constitution of the State of Illinois (the “State”) and accordingly may exercise any power and perform any function pertaining to its government and affairs, including as provided by the Illinois Municipal Code (Section 5/1-1-1, *et seq.* of Chapter 65 of the Illinois Compiled Statutes), as supplemented and amended, and also as provided by the Bond Authorization Act, the Registered Bond Act, the Bond Replacement Act, the Local Government Defeasance of Debts Law, and the Local Government Debt Reform Act of the State (the “*Debt Reform Act*”, and collectively, the “*Act*”) as supplemented and amended; and

WHEREAS, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS, the City Council of the City (the “*Corporate Authorities*”) has heretofore and it hereby is determined that it is advisable, necessary and in the best interests of the City and its residents that the City finance a portion of the costs of (a) the construction/equipping of a new fire station, as well as possible land acquisition and site improvements related to the station (together with all necessary rights in land, professional, legal, engineering, electrical, financial and other services, costs of borrowing, reserves, capitalized interest, if any, and other related costs, the



“*Project*”), and (b) payment of costs associated with the issuance of the Bonds (as hereinafter defined); and

WHEREAS, the estimated costs of the Project are not more than \$7,000,000 and investment earnings thereon; and

WHEREAS, the City has insufficient funds on hand and lawfully available to pay the costs of the Project, and it will be necessary to borrow said amount of not to exceed \$7,000,000 to pay the same, and in evidence of such borrowing to issue general obligation bonds of the City to an amount not to exceed \$7,000,000 (the “*Bonds*”); and

WHEREAS, the Bonds shall be payable from a direct annual ad valorem tax levied against all taxable property in the City, without limitation as to rate or amount; although it is the intention of the City to pay debt service on the Bonds from the specific fund of the City set forth in the Bond Order (as hereinafter defined); and

WHEREAS, the County Clerk of Williamson County, Illinois (the “*County Clerk*”), is herein authorized to extend and collect said taxes so levied for the payment of the Bonds without limitation as to rate or amount; and

WHEREAS, the Corporate Authorities have heretofore and it hereby is determined that it is advisable and necessary that such indebtedness be incurred in accordance with the Act as hereinafter defined, and without submitting the question of incurring such indebtedness to the electors of the City for their approval:

NOW THEREFORE Be It Ordained by the City Council of the City of Herrin, Williamson County, Illinois, in the exercise of its home rule powers, as follows:

*Section 1. Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the following

meanings, unless, in either case, the context or use clearly indicates another or different meaning is intended:

A. The following words and terms are as defined in the preambles hereto.

Bonds

City

Corporate Authorities

County Clerk

Project

B. The following words and terms are defined as set forth.

“*Act*” means the Illinois Municipal Code, as supplemented and amended, and also 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.

“*Bond*” or “*Bonds*” means one or more, as applicable, of the Bonds authorized to be issued by this Ordinance.

“*Bond Counsel*” means Ice Miller LLP.

“*Bond Moneys*” means all moneys on deposit from time to time in the Principal and Interest Account including investment income earned in the Principal and Interest Account.

“*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 person or institution, in its capacity as bond registrar for the Bonds, or successor or assigns, as set forth in each applicable Bond Order.

“*Business Day*” means any day other than a day on which banks in the City of Chicago, Illinois, are required or authorized to close.

“*Code*” means the Internal Revenue Code of 1986, as existing on the date of issuance of the Bonds.

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

“*Designated Officers*” means the Mayor or City Treasurer, or successors or assigns.

“*Ordinance*” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Corporate Authorities on the 24th day of July, 2023.

“*Paying Agent*” means a person or entity, in its capacity as paying agent for the Bonds, or successor or assigns, as set forth in each applicable Bond Order.

“*Principal and Interest Account*” means the Account established and defined in Section 15 of this Ordinance.

“*Record Date*” means the 15th day of the month next preceding any regularly scheduled interest payment date and the 15th day of the month next preceding any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled interest payment date.

“*Stated Maturity*” means with respect to any Bond or interest thereon the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable, whether by maturity or otherwise.

“*Tax-exempt*” means, with reference to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof for federal income tax purposes

except to the extent that such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

“*Term Bonds*” means Bonds subject to mandatory redemption by operation of the Principal and Interest Account and designated as term bonds herein.

“*Treasurer*” means the Treasurer of the City or successors or assigns.

C. Certain further words and terms used in various sections are defined therein.

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

*Section 3. Determination to Issue Bonds.* It is necessary and in the best interests of the City to undertake the Project and to pay all necessary costs thereof, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes. It is hereby found and determined that such borrowing of money is for a proper public purpose or purposes and is in the public interest and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

*Section 4. Bond Details.* For the purpose of providing for the costs of the Project, there shall be issued and sold the Bonds in a principal amount not to exceed \$7,000,000. The Bonds shall each be designated “*General Obligation Bond, Series 2023.*” The Bonds shall be dated the date of delivery (the “*Dated Date*”) specified in a Notification of Sale of Bonds (the “*Bond Order*”); and shall also bear the date of authentication thereof. The Bonds shall be in fully registered book-entry form, shall be in denominations of \$5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar, and shall become due and payable

(subject to prior redemption as hereinafter provided) on December 1 of the years (not to exceed 2049), in the amounts (not to exceed \$475,000 per year), and bearing interest at the rates percent per annum (not to exceed 6.00% per annum) as specified in the Bond Order. The Designated Officers are hereby given the full authority to execute and deliver a Bond Order for and on behalf of the City as herein provided. The Bond Order shall be made a part of the transcript of the proceedings related to the issuance of the Bonds.

Each Bond shall bear interest from the later of its Dated Date as herein provided 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 on 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 (the “*United States*”), to the person in whose name such Bond is registered at the close of business on the applicable Record Date and mailed to the registered owner of the Bond as shown in the Bond Registrar or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with the Depository. The principal of the Bonds shall be payable in lawful money of the United States upon presentation thereof at the office maintained for such purpose by the Paying Agent or at successor Paying Agent and locality.

*Section 5. Book Entry Provisions.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of “*Cede & Co.*”, or any successor thereto, as nominee of the Depository. All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of *Cede & Co.*, as nominee of the

Depository. The Treasurer, as representative of the City, is authorized to execute and deliver on behalf of the City, and as such agent for 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 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 interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of the Depository, none of the City, the Treasurer, the Paying Agent or the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the City, the Treasurer, the Paying Agent and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, Cede & Co., 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.

No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. 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 Cede & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the applicable record date, the name "Cede & Co." 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 Paying Agent and Bond Registrar, 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 City or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of the Depository. 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, but if the City does not select such alternate book-entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

*Section 6. Execution; Authentication.* The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall

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

*Section 7. Redemption.* (a) *Optional Redemption.* Bonds shall be subject to redemption prior to maturity as set forth in the Bond Order, in whole or in part on any date, in any order of maturity specified by the City (but in inverse order if none is specified) at a redemption price equal to the principal amount to be so redeemed, plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* Bonds maturing on December 1 of the years specified in a Bond Order are Term Bonds (the "*Term Bonds*"), subject to mandatory sinking fund redemption in the principal amount on December 1 of each of the years as specified in a Bond Order, and not otherwise.

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 as appropriate certificate of direction and authorization executed by the Mayor or City Treasurer 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) received 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.

*Section 8. Redemption 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 an optional redemption date (unless a shorter time shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount of Bonds to be redeemed. No such notice shall be required in the case of mandatory redemption under subsection (b) above. In the event that less than all of the Bonds of a particular series or 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 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 principal office of 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.

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 9. Registration and Exchange or Transfer 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 registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office maintained for the purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same

maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; provided, however, that the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of 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 Bonds except in the case of the exchange of a Bond for the unredeemed portion of a Bond or Bonds surrendered for redemption.

*Section 10. Form of Bond.* The Bonds shall be in substantially the form hereinafter set forth:





the applicable Record Date. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the City and the Bond Registrar for so long as this Bond is held by The Depository Trust Company, New York, New York, the Depository, or nominee, in book-entry only form as provided for same.

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 the Constitution and Laws of the State to exist or to be done precedent to and in the issuance of this Bond, including the authorizing Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

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

This bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$ \_\_\_\_\_ issued by the City for the purpose of paying costs of the Project, and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (the



“Ordinance”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 (such code and powers being the “Act”), and with the Ordinance, which has been duly passed by the City Council of the City, approved by the Mayor, and published, in all respects as by law required.

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

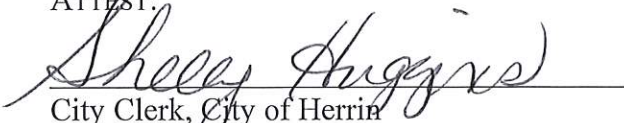
[Optional and mandatory redemption provisions, as applicable.]

IN WITNESS WHEREOF the City of Herrin, Williamson County, Illinois, by its City Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.



\_\_\_\_\_  
Mayor, City of Herrin,  
Williamson County, Illinois

ATTEST:



\_\_\_\_\_  
City Clerk, City of Herrin  
Williamson County, Illinois

[SEAL]

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

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds 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 Herrin, Williamson County, Illinois.

\_\_\_\_\_, as Bond Registrar and  
Paying Agent

By \_\_\_\_\_  
Its \_\_\_\_\_

Bond Registrar and Paying Agent:

\_\_\_\_\_  
\_\_\_\_\_

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 11. Security for the Bonds.* The Bonds are a general obligation of the City, for which the full faith and credit of the City are hereby irrevocably pledged and are payable from the levy of taxes on all of the taxable property in the City, without limitation as to rate or amount (the “*Levied Taxes*”), although it is the intention of the City to pay debt service on the Bonds from the specific Fund of the City set forth in the Bond Order.

*Section 12. Sale of Bonds.* The Designated Officers are hereby authorized to proceed, without any further authorization or direction from the City Council, to sell and deliver the Bonds to the Underwriter upon the payment of the price set forth in the Bond Order, the same being not less than 95% of the principal amount of the Bonds plus accrued interest to date of delivery, it being hereby found and determined that the sale of the Bonds to Bernardi Securities, Inc. (the “*Underwriter*”), is in the best interests of the City and that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Underwriter.

Prior to the sale of the Bonds, the Mayor or the City Treasurer is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance 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 Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Officers shall prepare the Bond Order, which shall include the pertinent details of sale as provided herein. In the Bond Order, the Designated Officers 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 Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or 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 by the Designated Officers, the Mayor, City Treasurer, 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 contract for the sale of the Bonds between the City and the Purchaser (the "*Purchase Contract*"). Prior to the execution and delivery of the Purchase Contract, the Designated Officers 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 Contract.

The Bonds before being issued shall be registered, numbered, and countersigned by the Treasurer, such registration being made in the Bond Register, in which shall be entered the record

of the resolution authorizing the Board 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 Purchaser 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 Board 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 Contract, this Ordinance, said Preliminary Official Statement, the Official Statement and the Bonds.

*Section 13. Tax Levy; Abatement.* For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity or upon mandatory redemption, there is hereby levied upon all of the taxable property within the City in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for the purpose; and there are hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual taxes as provided pursuant to the Bond Order (constituting the Levied Taxes) in an annual amount not to exceed \$500,000 for the levy years 2023 (collectible in 2024) through 2048 (collectible in 2049).

Interest or principal on the Bonds coming due at any time when there are insufficient funds on hand from the Levied Taxes to pay the same shall be paid promptly when due from current funds on hand (and not subject to a prior pledge) in advance of the collection of the Levied Taxes herein levied; and when the Levied Taxes shall have been collected, reimbursement shall be made to such funds in the amount so advanced.

(a) The Corporate Authorities reserve the complete right and discretion not to use funds available from any lawful source to abate such taxes or to use a portion of such funds to abate such

taxes, provided, however, that the Corporate Authorities shall annually determine an amount to be deposited and so direct the City Treasurer to deposit such amount into the Principal and Interest Account and the City Treasurer shall file written direction with the County Clerk to abate the taxes by the amount so deposited, and such deposits shall be made prior to any such abatement being filed with the County Clerk, as the tax extension officer for the City. No taxes will be abated unless and until the proper amount of such abatement has been deposited irrevocably into the Principal and Interest Account and dedicated to the payment of such Bonds. A certified copy of any such certificate of abatement and of any such proceedings abating taxes shall be filed with the County Clerk of The County of Williamson, Illinois (the "*County Clerk*"), in a timely manner to effect such abatement.

(b) The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding and unless and to the extent that moneys are then irrevocably on deposit in the Principal and Interest Account, the City will take no action or fail to take any action which in any way would adversely affect the ability of the issuer to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Levied Taxes may be levied, extended, collected, and deposited into such Principal and Interest Account, all as provided herein. Levied Taxes when received by or on behalf of the City shall be directly deposited into the Principal and Interest Account.

(c) Pursuant to Section 13 of the Debt Reform Act, the moneys deposited or to be deposited into the Principal and Interest Account, including any tax receipts derived from the taxes levied pursuant to this Ordinance, 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 Principal and Interest Account 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 14. Filing with County Clerk.* Promptly, as soon as this Ordinance becomes effective and prior to issuance of any Bonds, a copy of this Ordinance, certified by the City's City Clerk, shall be filed with the County Clerk; and such County Clerk shall in and for each of the years set forth in Section 8 of this Ordinance ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied in each such year and in such County; and such County Clerk shall extend the same for collection on the tax books in connection with any other taxes that may be levied in each such year in and by the City for general corporate purposes of the City; and in each such year such annual tax shall be levied and collected by and for and on behalf of the City in like manner as provided by law for the levy and collection of taxes for general corporate

purposes for each such year, without limit as to either rate or amount, and in addition to and in excess of all other taxes.

*Section 15. Special Accounts.* There are hereby created and established certain special accounts of the City, which are trust funds established for the purpose of carrying out the covenants, terms and conditions imposed upon the City by this Ordinance.

The Levied Taxes are to be paid to the City Treasurer or other appropriate financial officer who collects or receives the Levied Taxes. Whenever the City Treasurer or such officer receives any of the Levied Taxes, he or she shall promptly deposit the same into the appropriate account or accounts under this Ordinance and shall be used by the City solely and only for the purpose of carrying out the terms and conditions of this Ordinance and shall be deposited as hereinafter provided to separate accounts hereby created to be known as the “Principal and Interest Account (2023)” (the “Principal and Interest Account”) and the “Rebate Account”.

(a) *The Principal and Interest Account.* The City Treasurer or other appropriate financial officer shall first credit to and upon receipt shall immediately deposit into the Principal and Interest Account all funds allocated and pledged by the Corporate Authorities to pay debt service on the Bonds and receipts of any Levied Taxes extended and collected for such purpose. Such funds and Levied Taxes shall be immediately credited in full to the Principal and Interest Account. Moneys to the credit of the Principal and Interest Account shall be used solely and only for the purpose of paying principal of and redemption premium, if any, and interest on the Bonds, as the same become due upon maturity, redemption, or due date.

There is hereby created and established the “Pledged Account” as a separate account within the Principal and Interest Account. The City from time to time may direct the funding of the



Pledged Account from available funds for the purpose of abatement of taxes as provided in Section 13(a) of this Ordinance.

(b) *The Rebate Account.* There is hereby created a separate and special account to be known as the “Rebate Account”, into which there shall be deposited as necessary investment earnings in the Principal and Interest Account and/or the Bond Proceeds Fund to the extent required so as to maintain the tax-exempt status of interest on Bonds. All rebates, special impositions, or taxes for such purpose payable to the United States of America (Internal Revenue Service) under Section 148(f) of the Code shall be payable from the Rebate Account. In a similar manner, Yield Reduction Payments (and other required payments) shall be determined and, as applicable, paid.

(c) *Investments.* The moneys on deposit in the Bond Proceeds Fund and the accounts and subaccounts in (a) and (b) above may be invested from time to time in Qualified Investments. Any such investments may be sold from time to time by the City as moneys may be needed for the purposes for which the Bond Proceeds Fund and such accounts have been created. In addition, the City Treasurer or other appropriate financial officer shall sell such investments when necessary to remedy any deficiency in the Bond Proceeds Fund or such accounts and subaccounts created in (a) and (b) above. Any earnings or losses on such investments shall first be attributed to the applicable subaccounts of the Principal and Interest Account so long as the balance in such Account is less than the debt service requirements thereof. Investments shall be valued by the City at least annually at the lower of cost or market.

(d) *Yield Reduction Payments.* Unless the City shall have requested and received an approving written opinion of Bond Counsel to the contrary, moneys on deposit or credited to the Pledged Account shall be restricted as to yield to the yield on the Bonds, subject to “yield reduction

payments,” as applicable, under Section 1.148-5(e) of the Income Tax Regulations, which the City shall determine and, as applicable, pay in the same manner as arbitrage rebate under (a) above.

(e) *Project Fund.* From the principal proceeds of the Bonds, the sum necessary, as determined by the Designated Officers, shall be used to pay costs of the Project and to that end shall be deposited into a separate and segregated account of the City, hereby created, and to be known as the “2023 Project Fund” (the “Project Fund”). Monies on deposit in and to the credit of the Project Fund shall be disbursed from time to time as needed by the Treasurer, without further official action or direction of the Corporate Authorities, in accordance with normal City procedures for disbursements of corporate funds for capital projects. Upon the completion of the Project, as certified to the Treasurer by the architect or engineer in responsible charge of the Project, remaining funds, if any, on deposit in and to the credit of the Project Fund shall be transferred by the Treasurer, without further official action of or direction by the Corporate Authorities, to the Principal and Interest Account. Monies on deposit in and to the credit of the Project Fund may be invested by the Treasurer in any investments lawful under Illinois law for City funds, without further official action of or direction by the Corporate Authorities.

Without further official action of or direction by the Corporate Authorities, if necessary to ensure the timely payment of principal of and interest on the Bonds, monies on deposit in the Project Fund may be transferred by the Treasurer at any time to the Principal and Interest Account in anticipation of the collection of Levied Taxes. Any amount so transferred shall be promptly repaid upon the collection of Levied Taxes.

*Section 16. Reimbursement.* None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the

construction of the Project or expenditures for which an intent to reimburse it was properly declared under Treasury Regulations Section 1.150-2. This Ordinance adopted by the Corporate Authorities on July 24, 2023, is a declaration of official intent under Treasury Regulations Section 1.150-2 as to all costs of the Project paid after the date hereof and prior to issuance of the Bonds.

*Section 17. 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 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.

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

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

*Section 18. Additional Funds and Accounts.* In addition to the funds established hereunder, the Mayor is hereby authorized and directed to establish, and the Treasurer is further authorized to hold, any and all funds and/or accounts they deem necessary or convenient to the accomplishment of the purposes set forth in this Ordinance.

*Section 19. Bank Qualified Bonds.* Pursuant to Section 265(b)(3) of the Code, the City as applicable at the time of sale and delivery of Bonds shall designate such Bonds as “qualified tax-

exempt obligations” as defined in Section 265(b)(3) of the Code. 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 the Code).

*Section 20. 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 21. Tax Covenants.* In order to preserve the exclusion of interest on the Bonds from gross income for federal tax purposes under Section 103 of the Code and as an inducement to purchasers of the Bonds, the City represents, covenants, and agrees that:

(a) No more than 10% of the payment of the principal of or interest on the Bonds will be (under the terms of the Bonds, this Ordinance or any underlying arrangement), directly or indirectly, (i) secured by any interest in property used or to be used for a private business use or payments in respect of such property or (ii) derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(b) No more than 5% of the Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No more than 5% of the Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(c) The City reasonably expects, as of the date hereof, that the Bonds will not meet either the private business use test described in paragraph (a) above or the private loan test described in paragraph (b) above during the entire term of the Bonds.

(d) No more than 5% of the proceeds of the Bonds will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(e) The City will not take any action or fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the City act in any other manner which would adversely affect such exclusion.

(f) It shall not be an event of default under this Ordinance if the interest on any Bond is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds.

(g) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

The City hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor and City Clerk of the City, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be excludable from gross income for federal income tax purposes. In connection therewith, the City further 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 consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds as required pursuant to Section 148 of the Code and the regulations promulgated thereunder; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

*Section 22. 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 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 Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

The City further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” (the “*Rebate Requirement*”) to the United States:

A. Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.

B. Relating to applicable exceptions, the Treasurer or the Mayor is hereby authorized to make such elections under the Code as either such officer shall deem reasonable and in the best interests of the City. If such election may result in a “*penalty in lieu of rebate*” as provided in the Code, and such penalty is incurred (the “*Penalty*”), then the City shall pay such Penalty.

C. The Designated Officers shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a “*2023 General Obligation Bonds Rebate or Penalty, if applicable Fund*” (the “*148 Compliance Fund*”) for the Bonds, and such officers shall further, not less frequently than annually, cause to be transferred to the 148 Compliance Fund the amount determined to be the accrued liability under the Rebate Requirement or Penalty. Said Designated Officers shall cause to be paid to the United States Treasury, without further order or direction from the Corporate Authorities, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

D. Interest earnings in the Principal and Interest Account are hereby authorized to be transferred, without further order or direction from the Corporate Authorities, from time to time as required, to the 148 Compliance Fund for the purposes herein provided; and proceeds of the Bonds and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only as appropriated by the Corporate Authorities.

The City also certifies and further covenants with the Purchaser and registered owners of the Bonds from time to time outstanding that 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 source, will not be used in a manner which will cause the Bonds to be “*arbitrage bonds*” within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

*Section 23. Noncompliance with Tax Covenants.* Notwithstanding any other provisions of this Ordinance, the covenants and authorizations contained in this Ordinance (the “*Tax Sections*”) which are designed to preserve the exclusion of interest on the Bonds from gross income under federal law (the “*Tax Exemption*”) need not be complied with if the City receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

*Section 24. Opinion of Counsel Exception.* The City reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 16 through 22 herein, provided it shall first have received an opinion from Bond Counsel (or, in the event that Bond Counsel is unable or unwilling to provide such opinion, then from another attorney or a firm of attorneys of nationally recognized standing as bond counsel) to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax-exempt status for the Bonds.

*Section 25. Rights and Duties of Bond Registrar and Paying Agent.* The Bond Registrar and Paying Agent shall:



- (a) act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;
- (b) maintain a list of Bondholders as set forth herein;
- (c) cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer; and
- (d) furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

*Section 26. Defeasance.* Any Bond or Bonds which (a) are paid and canceled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Paying Agent or similar institution having trust powers to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Levied Taxes hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not. For purposes of this section, “*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

*Section 27. Continuing Disclosure Undertaking.* Any Designated Officer is hereby authorized to execute and deliver the Continuing Disclosure Undertaking (the “*Undertaking*”), in customary form as previously executed by the City and as provided by Bond Counsel, to effect compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. When such Undertaking is executed and delivered on behalf of the City, it will be binding on the City and the officers, agents, and employees of the City, and the same are hereby authorized 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 such Undertaking as executed and delivered. Notwithstanding any other provisions hereof, the sole remedies for failure to comply with such Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause to the City to comply with its obligations thereunder.

*Section 28. Publication of Ordinance.* A full, true, and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by authority of the Corporate Authorities.

*Section 29. Superseder.* All ordinances, resolutions and orders, or parts thereof, in conflict herewith, specifically the ordinance adopted by the Corporate Authorities on the 12th day of June, 2023, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

ADOPTED: July 24, 2023

AYES: Miller, Kinley, Ruppel, Ahlgran, Shoemaker,  
Crompton & York

NAYS: NONE

ABSENT: Sizemore

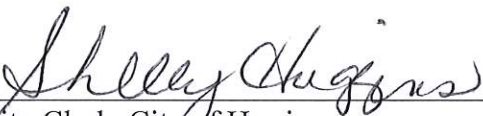
APPROVED: July 24, 2023



\_\_\_\_\_  
Mayor, City of Herrin,  
Williamson County, Illinois

Published in pamphlet form by authority of the City Council on July 24, 2023.

ATTEST:

  
\_\_\_\_\_  
City Clerk, City of Herrin  
Williamson County, Illinois

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF WILLIAMSON    )

**CERTIFICATION OF MINUTES AND ORDINANCE**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Herrin, Williamson 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 24th day of July, 2023, insofar as the same relates to the adoption of an ordinance entitled:

AN ORDINANCE providing for the issuance of not to exceed \$7,000,000 General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds

a true, correct and complete copy of which said ordinance as adopted 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 has complied with all of the provisions of said Act and said Code, except as said Act and said Code are validly superseded by the home rule powers of the City, 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 24th day of July, 2023.

  
\_\_\_\_\_  
City Clerk

[SEAL]

CITY CLERK TO ATTACH AGENDA

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF WILLIAMSON    )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Herrin, Williamson 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 on the 24th day of July, 2023, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of an ordinance of the City providing for the issuance of General Obligation Bonds, Series 2023, of the City and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City this 24th day of July, 2023.

[SEAL]

  
\_\_\_\_\_  
City Clerk

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF WILLIAMSON    )

**VIDEO/AUDIO ATTENDANCE CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Herrin, Williamson County, Illinois (the “City”), and that 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”) of the City, and as such official I do further certify as follows:

1. That at the regular meeting of the Corporate Authorities on the 24th day of July, 2023 (the “Meeting”), the following Alderman(men) attended the Meeting by video or audio conference, and that said Alderman(men) was/were prevented from physically attending the Meeting because of the reason(s) as follows:

ALDERMAN

REASON<sup>1</sup>



2. That said Alderman(men) notified me before the Meeting that he/she/they wished to attend the Meeting by video or audio conference.

3. That attached hereto as Exhibit 1 is a true, correct, and complete copy of the rules adopted by the Corporate Authorities for allowing an Alderman to attend a meeting of the Corporate Authorities by video or audio conference.

---

<sup>1</sup> Section 7 of the Open Meetings Act of the State of Illinois, as amended, provides the following three reasons a person may be prevented from physically attending a meeting: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

4. That the Meeting was duly called, noticed, and held in strict compliance with all of the provisions of the Open Meetings Act of the State of Illinois, as amended, the Code of Ordinances of the City, and the ordinances, resolutions, rules, regulations and proceedings of the Corporate Authorities.

IN WITNESS WHEREOF, I hereunto affix my official signature, this 24th day of July, 2023.

  
\_\_\_\_\_  
City Clerk

[Clerk to attach electronic attendance rules of City Council]



STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF WILLIAMSON    )

**CERTIFICATE OF FILING**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of the County of Williamson, Illinois, and as such officer I do hereby certify that on the \_\_\_\_ day of \_\_\_\_\_, 2023, there was filed in my office a properly certified copy of an ordinance passed by the City Council of the City of Herrin, Williamson County, Illinois, on the 24th day of July, 2023, and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$7,000,000 General Obligation Bonds, Series 2023, of the City of Herrin, Williamson County, Illinois, and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the County of Williamson, Illinois, at Wheaton, Illinois, this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
County Clerk of the County of Williamson, Illinois

[SEAL]



SHELLY HUGGINS, CITY CLERK

CITY OF HERRIN

300 NORTH PARK AVENUE

HERRIN, ILLINOIS 62948

(618)942-3175 · Fax (618)988-9115

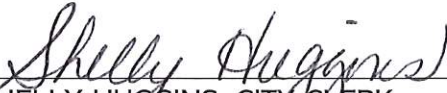
Email: shuggins@cityofherrin.com

STATE OF ILLINOIS  
WILLIAMSON COUNTY  
CITY OF HERRIN

I, SHELLY HUGGINS, DO HEREBY CERTIFY that I am the duly qualified City Clerk of the City of Herrin, Illinois, Williamson County, and as such clerk I am the keeper of the records and files of the City Council of said City.

I further certify that on July 24, 2023 the Corporate Authorities of the above municipality passed and approved Ordinance 25-2023 Providing For The Issuance Of Not To Exceed \$7,000,000 General Obligation Bonds, Series 2023, Of The City Of Herrin, Williamson County, Illinois, And Providing For The Levy And Collection Of A Direct Annual Tax Sufficient For The Payment Of The Principal Of And Interest On Said Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Herrin, Illinois at my office this 24<sup>th</sup> of July, 2023.

  
\_\_\_\_\_  
SHELLY HUGGINS, CITY CLERK  
HERRIN, ILLINOIS

SEAL