

ORDINANCE NO. 19-755

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019, OF THE CITY OF FRIEND, NEBRASKA, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED NINE HUNDRED TEN THOUSAND DOLLARS (\$910,000) TO REFUND CERTAIN OUTSTANDING BONDS OF THE CITY; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR A SINKING FUND AND FOR THE LEVY AND COLLECTION OF TAXES TO PAY SAID BONDS; PROVIDING FOR THE SALE OF THE BONDS AND AUTHORIZING THE CITY TO ENTER INTO A BOND PURCHASE AGREEMENT; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

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

Section 1. The Mayor and City Council (the “Council”) of the City of Friend, Nebraska (the “City”), hereby find and determine:

(a) That the City has heretofore issued interest-bearing bonds under Sections 17-516, R.R.S. Neb. 2012, as amended, which bonds remain unpaid and constitute a legal liability of the City as follows:

District Improvement Bonds of Street Improvement District Nos. 2013-1 to 2013-6 Inclusive, dated June 13, 2014, maturing from December 1, 2020 through December 1, 2028, in the outstanding principal amount of \$900,000 (“Outstanding Bonds”);

(b) That by taking up and paying off the Outstanding Bonds by an issue of General Obligation Refunding Bonds of the City, a substantial savings in the amount of yearly running interest will be made to the City;

(c) That by issuing its refunding bonds in the amount of not to exceed \$910,000 together with a deposit of other available funds of the City as and to the extent required, the Outstanding Bonds can be satisfied under the terms of the ordinance authorizing their issuance; and

(d) That the Outstanding Bonds have been authorized to be called for redemption and that all conditions, acts and things required by law to exist or to be done precedent to the issuance of General Obligation Refunding Bonds in the principal amount of not to exceed \$910,000 for the purpose of refunding all or a portion of the Outstanding Bonds under Sections 17-516 and 10-142, R.R.S. Neb. 2012 do exist and have been done as required by law.

Section 2. For purposes as set out in Section 1 hereof, bonds to be designated General Obligation Refunding Bonds, Series 2019 (the “Bonds”), in the principal amount of not to exceed \$910,000, which shall be in denominations of \$5,000 each or any integral multiple thereof as determined by the City Treasurer prior to delivery, are hereby authorized to be issued. The Bonds shall be dated as of their date of delivery and shall mature on the dates, be issued in the principal

Section 3. The City Treasurer is hereby designated as Paying Agent and Registrar for the Bonds, provided that the Mayor may, in his or her discretion, appoint a bank with trust powers or trust company to serve as Paying Agent and Registrar under the terms of this Ordinance as may be determined from time to time. The Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the Bonds at the office of the Paying Agent and Registrar in Friend, Nebraska or the office of any duly-appointed successor, as applicable. The names and registered addresses of the registered owner or owners of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar upon surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar will register such transfer upon said registration books and deliver to the transferee registered owner or owners (or send by registered mail to the transferee owner or owners at such owner's or owners' risk and expense), registered in the name of such transferee owner or owners, a new Bond or Bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the Bonds by this ordinance, one Bond may be transferred for several such Bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such Bonds may be transferred for one or several such Bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bond or Bonds shall be cancelled and destroyed. All Bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the City evidencing the same obligations as the Bonds surrendered and shall be entitled to all benefits and protection of this ordinance to the same extent as the Bonds upon transfer of which they were delivered. The City and the Paying Agent and Registrar shall not be required to transfer Bonds during any period from any Record Date until its immediately following interest payment. In the event that payments of interest due on the Bonds on an interest payment date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such interest payment date and shall be payable to the registered owners of the Bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 4. Bonds maturing more than five (5) years after their date of issue shall be subject to redemption, in whole or in part, prior to maturity at any time on or after the fifth anniversary of the date of delivery of such Bonds at a redemption price equal to 100% of the par amount thereof plus accrued interest on the principal amount redeemed to the date fixed for redemption. The City may select the Bonds to be redeemed from such optional redemption in its sole discretion but Bonds shall be redeemed only in the amount of \$5,000 or integral multiples thereof. Any Bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new Bond evidencing the unredeemed principal thereof. Notice of redemption of any Bond called for redemption shall be given at the direction of the Mayor and Council by the Paying Agent and Registrar by mail not less than thirty days prior to the date fixed for redemption, first class postage prepaid, sent to the registered owner of such Bond at said owner's registered address. Such notice shall designate the Bond or Bonds to be redeemed by number and maturity, the date of original issue, the date fixed for redemption and state that such Bond or Bonds are to be presented for prepayment at the office of the Paying Agent and Registrar. In case of any Bond partially redeemed, such notice

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Bonds.

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

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

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

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

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

(i) any successor securities depository or its nominee;

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section and the terms of the Paying Agent and Registrar's Agreement (if any).

(f) In the event of any partial redemption of a Bond unless and until such partially redeemed Bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of

OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

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

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this bond, does not exceed any limitations imposed by law. The City covenants and agrees that it will cause to be levied and collected annually a tax by valuation on all the taxable property in said City, in addition to all other taxes, sufficient in rate and amount to pay the interest on this bond when and as the same becomes due and to create a sinking fund to pay the principal of this bond when the same becomes due, to the extent not paid from other sources.

IN WITNESS WHEREOF, the Mayor and Council of the City of Friend, Nebraska, have caused this bond to be executed on behalf of the City by being signed by the Mayor and Clerk of the City, both of which signatures may be facsimile signatures, and by causing the official seal of the City to be affixed hereto which may be a facsimile seal, all as of the date of original issue shown above.

CITY OF FRIEND, NEBRASKA

By: _____ (Sample – Do Not Sign)
Mayor

ATTEST:

(Sample- Do Not Sign)
City Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by an ordinance passed and approved by the Mayor and Council of the City of Friend as described in said bonds.

By: _____ (Do not sign)
City Treasurer, as Paying Agent
and Registrar

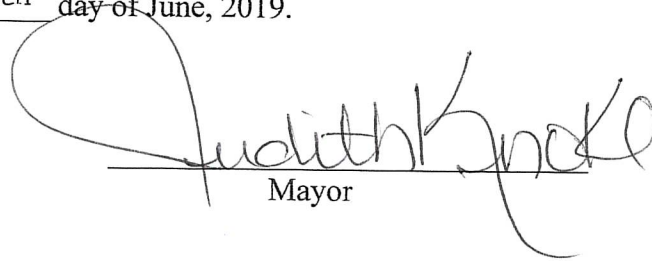
(FORM OF ASSIGNMENT)

held in any sinking fund for the payment of the Bonds, which would cause the Bonds to be arbitrage Bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and further covenants to comply with Sections 103 and 148 of the Code and all applicable regulations thereunder throughout the term of the Bonds. The City hereby covenants and agrees to take all actions necessary under the Code to maintain the tax-exempt status of interest payable on the Bonds with respect to taxpayers generally but not including insurance companies. The City hereby designates the Bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not anticipate issuing tax-exempt obligations in calendar 2019 in an amount in excess of \$10,000,000, taking into consideration the exception for current refunding bonds.

Section 12. In order to promote compliance with certain federal tax and securities laws relating to the bonds herein authorized (as well as other outstanding bonds) the policy and procedures attached hereto as Exhibit "A" (the "Post-Issuance Compliance Policy and Procedures") are hereby adopted and approved. To the extent that there is any inconsistency between the attached Post-Issuance Compliance Policy and Procedures and any similar policy or procedures previously adopted and approved, the Post-Issuance Compliance Policy and Procedures shall control.

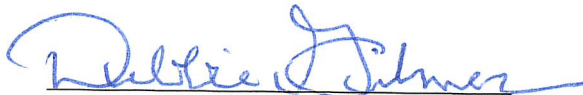
Section 13. This Ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this 4th day of June, 2019.



Mayor

ATTEST:



City Clerk

