

ORDINANCE NO. 084-086

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF TOWN OF ADDISON, TEXAS, GENERAL OBLIGATION BONDS, SERIES 1984, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,330,000, FOR THE PURPOSE OF PROVIDING FUNDS WITH WHICH TO MAKE VARIOUS PERMANENT PUBLIC IMPROVEMENTS FOR AND WITHIN THE TOWN; PRESCRIBING THE FORM OF SAID BONDS; LEVYING AND REQUIRING ASSESSMENT AND COLLECTION OF AN ANNUAL AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN THE TOWN TO PAY THE INTEREST ON SUCH BONDS AND TO CREATE A SINKING FUND FOR THE PAYMENT THEREOF AT MATURITY; ACCEPTING THE BEST BIDDER THEREFOR AND AWARDING THE SALE THEREOF; APPROVING THE OFFICIAL STATEMENT; ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT; AND DECLARING SAME TO BE EFFECTIVE IMMEDIATELY FROM AND AFTER ITS PASSAGE

WHEREAS, pursuant to a special election held in the Town of Addison on the 17th day of October, 1981, a majority of the duly qualified resident electors of said Town sustained certain propositions authorizing the City Council to issue general obligation bonds of the Town to mature serially over a period of years not to exceed forty (40) years from their date for the purpose of providing funds for making permanent public improvements, to-wit:

\$330,000 for providing a municipal service center; and

\$8,000,000 for the acquisition or improvement, or both, of land for parks; and

WHEREAS, it affirmatively appears that certain of the bonds authorized in the amount and for the purpose of providing funds for the acquisition or improvement, or both, of land for parks at the election of October 17, 1981, have heretofore been issued by the Town as part of its bonds designated Series 1981, dated December 1, 1981; and

WHEREAS, the City Council has determined to issue for their respective purposes such of the aforesaid authorized but unissued bonds as are hereinafter provided to be issued, it being understood that the City Council reserves the right and the authority to issue any remaining amounts of the aforesaid authorizations in one or more series at a future date or dates when, in the judgment of the City Council, such amounts are needed for their authorized purposes; a tabulation showing the amount of bonds authorized, the amounts previously issued, the amounts being issued pursuant to this Ordinance for the purposes indicated and the balance remaining for future bond issues being as follows:

<u>Purpose</u>	<u>Amount Voted</u>	<u>Amount Previously Issued</u>	<u>Amount Being Issued</u>	<u>Unissued Balance</u>
Municipal Service Center	\$ 330,000	\$ -0-	\$ 330,000	\$ -0-
Park Land Improvements and Acquisition	8,000,000	1,400,000	2,000,000	4,600,000

WHEREAS, the City Council considers it in the best interest of the Town at this time to authorize the issuance and delivery of the amounts thus reflected, all in a single issue, and all in accordance with the laws of the State of Texas and the Charter of the Town; therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

#### Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance, the following terms shall have the meanings specified below:

"Bond" means any of the Bonds.

"Bondholder" or "Holder" or "Owner" means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

"Bonds" means the Town's bonds entitled "Town of Addison, Texas, General Obligation Bonds, Series 1984" in aggregate principal amount of \$2,330,000 authorized to be issued by Section 3.01 of this Ordinance.

"Charter" means the Home Rule Charter of the Town as amended.

"Closing Date" means the date of the initial delivery of and payment for the Bonds.

"Code" means the Internal Revenue Code of 1954, as amended, including the regulations and published rulings thereunder.

"Construction Fund" means the construction fund established by Section 7.01(a)(ii) of this Ordinance.

"Event of Default" means any Event of Default as defined in Section 10.01 of this Ordinance.

"Interest and Sinking Fund" means the interest and sinking fund established by Section 7.01(a)(i) of this Ordinance.

"Paying Agent/Registrar" means First City Bank of Dallas, any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

"Record Date" means the Record Date as prescribed by Section 3.03(b) of this Ordinance.

"Register" means the Register specified in Section 3.06(a) of this Ordinance.

"Special Record Date" means the Special Record Date as prescribed in Section 3.03(b) of this Ordinance.

#### Section 1.02. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

#### Section 1.03. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

#### Section 1.04. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

## ARTICLE II

### SECURITY FOR THE BONDS

#### Section 2.01. Tax Levy for Payment of the Bonds.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Bonds, it having been determined that the existing and available taxing authority of the Town for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the Town.

(b) In order to provide for the payment of the debt service requirements on the Bonds, being (i) the interest on the Bonds, and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter while the Bonds or interest thereon remain outstanding and unpaid, a tax on each \$100 valuation of taxable property in the Town that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Bonds, and the tax shall not be diverted to any other purpose.

### ARTICLE III

#### AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

##### Section 3.01. Authorization.

The Town's permanent improvement bonds to be designated "Town of Addison, Texas, General Obligation Bonds, Series 1984," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas and the Charter of the Town, the Bonds to be issued in the aggregate principal amount of \$2,330,000 for the purpose of providing funds with which to make various permanent public improvements set forth in the preamble hereof, under and by virtue of Article 1175, Vernon's Texas Civil Statutes, as amended, and pursuant to the Charter of the Town.

##### Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall have an original issue date of November 1, 1984. The Bonds shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be numbered separately from one upward.

(b) The Bonds shall mature on May 1 in the years and as to the principal amounts set forth below, and interest on each Bond shall accrue from the later of the date thereof or the most recent interest payment date to which interest has been paid or provided for at the per annum rates of interest, payable semiannually on May 1 and November 1 of each year until maturity or prior redemption commencing November 1, 1985, all as set forth in the schedule below:

<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Year</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
1986	\$50,000	12.00%	1991	\$75,000	12.00%
1987	50,000	12.00%	1992	75,000	11.25%
1988	50,000	12.00%	1993	75,000	9.25%
1989	50,000	12.00%	1994	75,000	9.25%
1990	50,000	12.00%	1995	100,000	9.40%

1996	\$100,000	9.50%	2001	\$175,000	10.00%
1997	125,000	9.70%	2002	200,000	10.00%
1998	125,000	9.80%	2003	200,000	10.00%
1999	150,000	10.00%	2004	225,000	9.25%
2000	150,000	10.00%	2005	230,000	9.25%

**Section 3.03. Medium, Method and Place of Payment.**

(a) The principal of, premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owner whose name appears in the Register at the close of business on the 15th day of the month next preceding such interest payment date (the "Record Date"). However, in the event that interest is not paid on a scheduled interest payment date and remains unpaid for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Bond appearing on the Register at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest shall be paid by check (dated as of the interest payment date) and sent by the Paying Agent/Registrar to the person entitled to such payment, first class United States mail, postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such customary banking arrangements.

(d) The principal of each Bond shall be paid to the person in whose name such Bond is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the principal corporate office of the Paying Agent/Registrar.

**Section 3.04. Control, Execution and Initial Registration.**

(a) The Bonds shall be executed on behalf of the Town by the Mayor and countersigned by the City Secretary of the Town, by their facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Town had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the Town whose facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same officer of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent which Certificate shall be evidence that the bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Town, and has been registered by the Comptroller.

(d) On the Closing Date, one Bond (the "Initial Bond") representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, manually signed by the Mayor and City Secretary of the Town, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver the registered definitive Bonds, in integral multiples of \$5,000 for any one maturity, in accordance with instructions received from the Purchaser. It shall be the duty of the initial purchaser to furnish to the Paying Agent/Registrar, at least five (5) business days prior to the Closing Date, written instructions on forms which the purchaser must request of and obtain from, and which shall be provided by, the Paying Agent/Registrar designating the names in which Bonds are to be registered, the addresses of the registered Owners, the maturities, interest rates and denominations. If such written instructions are not received within the specified time period, the cancellation of the Initial Bond and delivery of definitive Bonds in exchange therefor may be delayed until such instructions are received.

#### Section 3.05. Ownership.

(a) The Town, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Bond is registered on the Record Date or on the Special Record Date as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the Town nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Town and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Bonds remain outstanding, the Town shall cause the Paying Agent/Registrar to keep at its principal corporate office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) Registration of any Bond may be transferred in the Register only upon the presentation and surrender thereof at the principal corporate office of the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Bond. To the extent possible the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the principal corporate office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds will be required to be delivered by the Paying Agent/Registrar to the registered owner of the Bond or Bonds in not more than three business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each bond issued in exchange for any Bond or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall convert and exchange the Bonds as provided herein, and each substitute Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such substitute Bond is delivered.

(e) The Town will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Bonds, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the Town hereby covenants with the Owners of the Bonds that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the Town nor the Paying Agent/Registrar shall be required (i) to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 30 calendar days, provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

### Section 3.07. Cancellation and Authentication.

(a) All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be cancelled and destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the Town with certificates of destruction of such Bonds.

(b) Each substitute Bond issued in conversion of and exchange for or replacement of (pursuant to the provisions of Section 3.07 hereof) any Bond or Bonds issued under this Ordinance shall have printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such bond, manually sign and date such Certificate, and no such Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Article 717k-6, V.A.T.C.S., as amended, and particularly Section 6 thereof, the duty of conversion and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the converted and exchanged or replaced Bonds shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bond which originally was delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the



registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in this Ordinance.

**Section 3.08. Replacement Bonds.**

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The Town or the Paying Agent/Registrar may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected herewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Holder first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar, and acceptable to the Town, to save it harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the Town and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Town and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Town or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the Town and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

#### ARTICLE IV

#### REDEMPTION OF BONDS BEFORE MATURITY

##### Section 4.01. Limitation on Redemption.

The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV.

##### Section 4.02. Optional Redemption.

(a) The Town reserves the option to redeem Bonds maturing on and after May 1, 1996, in whole or in part, before their respective scheduled maturity dates, on May 1, 1995, or on any interest payment date thereafter (such redemption date or dates to be fixed by the Town) at a price equal to the principal amount of the Bonds called for redemption plus accrued interest from the most recent interest payment date on which interest has been paid or duly provided for to the redemption date.

(b) The Town, at least 45 days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

##### Section 4.03. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed, the Town shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such principal amounts, for redemption.

(b) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the Town in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Bondholders.

(a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondholder receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the Town sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

(b) Upon presentation and surrender of any Bond called for redemption at the principal corporate office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Ordinance, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the Town defaults in the payment of the principal thereof, premium, if any, or accrued interest thereon, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond or portion thereof called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond or portion thereof shall continue to bear interest at the rate stated on the Bond until paid or until due provision is made for the payment of same.

Section 4.07. Lapse of Payment.

(a) Money set aside for the redemption of Bonds and remaining unclaimed by the Owners of such Bonds for four years after the date of redemption shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the Town to be used for any lawful purpose.

Thereafter, neither the Town, the Paying Agent/Registrar nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law.

(b) Money set aside for the redemption of Bonds and remaining unclaimed by the Owners of such Bonds after the redemption date shall be segregated in a special escrow account and held in trust, uninvested, without interest, for the account of such Owners.

## ARTICLE V

### PAYING AGENT/REGISTRAR

#### Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The Town hereby appoints First City Bank of Dallas, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Town and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The Town or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The Town hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Paying Agent/Registrar shall keep proper records of all payments made by the Town and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of such Bonds, all conversions and replacements of such Bonds, as provided in the Ordinance.

#### Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be (i) a bank, trust company, financial institution, or other entity duly qualified and legally authorized under the laws of the United States or of any state thereof, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

#### Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the Town will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the Town will promptly appoint a replacement.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, as presented at the meeting at which this Ordinance was considered, specifying the duties and responsibilities of the Town and the Paying Agent/ Registrar, is hereby approved with such changes as may be approved by the Mayor of the Town, and the Mayor of said Town is hereby authorized to execute such agreement.

Section 5.04. Termination.

The Town reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the Town (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar.

Section 5.05. Notice of Change to Bondholders.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Bondholder by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE BONDS

Section 6.01. Form Generally.

(a) The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The Bonds shall be printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.02. Form of Bond.

The form of Bond, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be as follows:

(a) [Form of Bond]

REGISTERED

REGISTERED

No. \_\_\_\_\_

\$ \_\_\_\_\_

United States of America  
State of Texas  
COUNTY OF DALLAS  
TOWN OF ADDISON, TEXAS  
GENERAL OBLIGATION BOND  
SERIES 1984

Interest Rate:

Maturity Date:  
(May 1)

Original Issue Date:

CUSIP NO.:

\_\_\_\_\_

\_\_\_\_\_

November 1, 1984

\_\_\_\_\_

The Town of Addison (the "Town"), in the County of Dallas, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Original Issue Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on May 1 and November 1 of each year, commencing November 1, 1985.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate office of the Paying Agent/Registrar executing the registration certificate appearing hereon. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the 15th day of the month next preceding such interest payment date. However, in the event that interest is not paid on a scheduled payment date and remains unpaid for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Town. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which date shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Holder of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing of such notice.

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

\* This Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$2,330,000 (herein referred to as the "Bonds"), issued pursuant to a certain Ordinance of the Town (the "Bond Ordinance") for the purpose of providing funds with which to make various permanent public improvements for and within the Town.

\* The Town has reserved the option to redeem the Bonds maturing on or after May 1, 1996, before their respective scheduled maturities in whole or in part in integral multiples of \$5,000 on May 1, 1995, or on any interest payment date thereafter, at a price equal to the principal amount of the Bonds so called for redemption plus accrued interest to the redemption date. If less than all of the Bonds are to be redeemed, the Town shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot Bonds, or portions thereof within such maturity or maturities and in such amounts, for redemption.

\* Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the registered owner of each of the Bonds to be redeemed in whole or in part. Notice having been so given, the Bonds or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice, and from and after such date, notwithstanding that any of the Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue.

\* As provided in the Bond Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the principal corporate office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar, and, thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

\* Neither the Town nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 30 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

\* The Town, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date or, if applicable, the Special Record Date) and for all other purposes, whether or not this Bond be overdue, and neither the Town nor the Paying Agent/Registrar shall be affected by notice to the contrary.

\* IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law and has been authorized by a vote of the properly qualified electors of the Town voting at an election held for that purpose within the Town; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that sufficient and proper provision for the levy and collection of taxes has been made, which, when collected, shall be appropriated exclusively to the timely payment of the principal of, premium, if any, and interest on the Bonds; and that the total indebtedness of the Town, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Town has caused this Bond to be executed in its name by the facsimile signature of the Mayor of the Town and countersigned by the facsimile signature of the City Secretary, and the official seal of the Town has been duly impressed or placed in facsimile on this Bond.

\_\_\_\_\_  
City Secretary, Town of Addison, Texas

\_\_\_\_\_  
Mayor, Town of Addison, Texas

[SEAL]



(b) [Form of Certificate of Paying Agent/Registrar]

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within-mentioned Ordinance. The series of Bonds of which this bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas under Register No. \_\_\_\_\_.

\_\_\_\_\_  
as Paying Agent/Registrar

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

(c) [Form of Assignment]

\*ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

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

(Social Security or other identifying number: \_\_\_\_\_ )  
the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed by an officer of a federal or state bank or a member of the National Association of Securities Dealers.

\* Note to printer: Paragraphs preceded by an asterik (\*) are to be printed on the reverse side of the bonds.

(d) Initial Bond Insertions.

(i) The Initial Bond shall be in the form set forth in paragraph (a) of this Section, except that:

A. immediately under the name of the Bond the headings "Interest Rate \_\_\_\_\_" and "Maturity Date \_\_\_\_\_" shall both be completed with the expression "as shown below";

B. in the first paragraph:

1. the words "on the Maturity Date specified above" shall be deleted and the following will be inserted: "on the first day of May in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Year	Principal Installments	Interest Rate
------	------------------------	---------------

(Information to be inserted from Section 3.02(b) hereof.)

2. the words "executing the registration certificate appearing hereon" shall be deleted and an additional sentence shall be added to the paragraph as follows: "The initial Paying Agent/Registrar is First City Bank of Dallas, Dallas, Texas"; and

C. the Initial Bond shall be numbered T-1.

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS

§  
§  
§  
§

REGISTER NO.

THE STATE OF TEXAS

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and further that this Bond has been registered this day by me.

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

[SEAL]

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds.

Section 6.04. Legal Opinion.

The approving legal opinion of Hutchison Price Boyle & Brooks, Bond Counsel, may be printed on the back of each Bond over the certification of the City Secretary of the Town, which may be executed in facsimile.

ARTICLE VII

CREATION OF FUNDS AND ACCOUNTS, INITIAL DEPOSITS  
AND APPLICATION OF MONEY

Section 7.01. Creation of Funds.

(a) The Town hereby establishes the following funds:

(i) the Town of Addison, Texas, General Obligation Bonds, Series 1984, Interest and Sinking Fund; and

(ii) the Series 1984 General Obligation Construction Fund.

(b) The Interest and Sinking Fund shall be maintained at an official depository of the Town, which must be a member of the Federal Deposit Insurance Corporation.

Section 7.02. Initial Deposits.

On the Closing Date, the Town shall cause the proceeds from the sale of the Bonds to be deposited as follows:

(i) first, an amount equal to all accrued interest and premium, if any, on the Bonds from their date until the Closing Date shall be deposited to the credit of the Interest and Sinking Fund; and

(ii) second, the remaining balance shall be deposited to the credit of the Construction Fund.

Section 7.03. Interest and Sinking Fund.

(a) The taxes levied under Section 2.01 of this Ordinance shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Bonds.

(b) If the amount of money in the Interest and Sinking Fund is at least equal to the aggregate principal amount of the outstanding Bonds plus the aggregate

amount of interest due and that will become due and payable on such Bonds, no further deposits to that fund need be made. In determining the aggregate principal amount of outstanding Bonds, there shall be subtracted the amount of any Bonds that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Bonds as such become due and payable.

Section 7.04. Construction Fund.

The Construction Fund shall be used for the purpose of making the permanent public improvements for which the Bonds were issued (as specified in Section 3.01 of this Ordinance) and for paying expenses incurred in connection with the issuance and delivery of the Bonds.

Section 7.05. Excess Bond Proceeds.

(a) Upon completion of the public improvements financed with the Bonds any amount (exclusive of that amount retained for the payment of costs of such improvements not then due and payable) that remains in the Construction Fund shall be transferred to the credit of the Interest and Sinking Fund and segregated in a special escrow account.

(b) The money in the escrow account shall be used for the redemption of Bonds at the earliest date that the Town has the option to redeem Bonds without premium or penalty.

## ARTICLE VIII

### INVESTMENTS

Section 8.01. Investments.

(a) Money in each fund created by this Ordinance, at the option of the Town, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Bondholders and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

(c) The money in an escrow account established under Section 7.05 of this Ordinance shall not be invested in securities or obligations that have a "higher yield," within the meaning of Section 103(c) of the Code, than the yield on the Bonds.

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from investment of the Construction Fund shall be either deposited to the credit of the Interest and Sinking Fund or retained in the Construction Fund until the project is completed.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

#### Section 9.01. Payment of the Bonds.

While any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Bonds as will accrue or mature on each November 1 or May 1.

#### Section 9.02. Other Representations and Covenants.

(a) The Town will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Bond; the Town will promptly pay or cause to be paid the principal of and interest on each Bond on the dates and at the places and manner prescribed in such Bond; and the Town will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The Town is duly authorized under the laws of the State of Texas to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable general obligations of the Town in accordance with their terms.

(c) The Town hereby represents that the proceeds of the Bonds are needed at this time to finance the costs of the capital improvements for which the Bonds were issued (as specified in Section 3.01 of this Ordinance); that based on current facts, estimates, and circumstances, it is reasonably expected that final disbursement of the proceeds of the Bonds will occur within three years after the Closing Date, that substantially binding obligations to commence such improvements will be incurred within six months after such date, and that the construction or acquisition of the improvements will proceed with due diligence to completion; that it is not reasonably expected that the proceeds of the Bonds or money deposited in the Interest and Sinking Fund will be used or invested in a manner that would cause the Bonds to be or become "arbitrage bonds," within the meaning of Section 103(c) of the Code; and that, except for the Interest and Sinking Fund, no other funds or accounts have been established or pledged to the payment of the Bonds.

(d) The Town will not take any action or fail to take any action with respect to the investment of the proceeds of the Bonds or any other funds of the Town, including amounts received from the investment of any of the foregoing, that, based upon the facts, estimates, and circumstances known on the Closing Date, would result in constituting the Bonds "arbitrage bonds," within the meaning of such Section 103(c) of the Code, and the Town will not take any deliberate action motivated by arbitrage that would have such result.

(e) Proper officers of the Town charged with the responsibility of issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates and circumstances in existence as of the Closing Date and stating whether there are any facts, estimates or circumstances that would materially change the Town's current expectations.

(f) The covenants and representations made or required by this Section are for the benefit of the Bondholders and may be relied upon by the Bondholders and bond counsel for the Town.

## ARTICLE X

### DEFAULT AND REMEDIES

#### Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Town, the failure to perform which materially, adversely affects the rights of the Bondholders, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Bondholder to the Town.

#### Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Bondholder or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the Town for the purpose of protecting and enforcing the rights of the Bondholders under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Bondholders hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Holders of Bonds then outstanding.

#### Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

## ARTICLE XI

### DISCHARGE

#### Section 11.01. Discharge by Payment.

When all Bonds have been paid in full as to principal and as to interest and premium, if any, or when all Bonds have become due and payable, whether at maturity or by prior redemption or otherwise, and the Town shall have provided for the payment of the whole amount due or to become due on all Bonds then outstanding, including all interest that has accrued thereon or that may accrue to the date of maturity or prior redemption, and any premium due or that may become due at maturity or prior redemption, by depositing with the Paying Agent/Registrar, for payment of the principal of such outstanding Bonds and the interest accrued thereon and any premium due thereon, the entire amount due or to become due thereon, and the Town shall also have paid or caused to be paid all sums payable under this Ordinance by the Town, including the compensation due or to become due the Paying Agent/Registrar, then the Paying Agent/Registrar, upon receipt of a letter of instructions from the Town requesting the same, shall discharge and release the lien of this Ordinance and execute and deliver to the Town such releases or other instruments as shall be requisite to release the lien hereof.

#### Section 11.02. Discharge by Deposit.

(a) The Town may discharge its obligation to pay the principal of, premium, if any, and interest on the Bonds and its obligation to pay all other sums payable or to become payable under this Ordinance by the Town, including the compensation due or to become due the Paying Agent/Registrar, by:

(i) depositing or causing to be deposited with the Paying Agent/Registrar an amount of money that, together with the interest earned on or capital gains or profits to be realized from the investment of such money, will be sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds to maturity or to the date fixed for prior redemption of such Bonds, and to pay such other amounts as may be reasonably estimated by the Paying Agent/Registrar to become payable under this Ordinance, including the compensation due or to become due the Paying Agent/Registrar; and

(ii) providing the Paying Agent/Registrar with an opinion of nationally recognized bond counsel acceptable to the Paying Agent/Registrar to the effect that the deposit specified in subdivision (i) of this subsection (a) will not cause the interest on the Bonds to become subject to federal income taxation.

(b) Subject to subsection (c) of this Section, upon compliance with subsection (a) of this Section, the Bonds shall no longer be regarded as outstanding and unpaid, and the Paying Agent/Registrar, upon receipt of a letter of instructions from the Town requesting the same, shall discharge and release the lien of this Ordinance and execute and deliver to the Town such releases or other instruments as shall be requisite to release the lien hereof.

(c) Before the discharge and release of the lien of this Ordinance pursuant to this Section, provision shall have been made by the Town with the Paying Agent/Registrar for:

(i) the establishment of a separate escrow account fund with the Paying Agent/Registrar for the deposit pursuant to subsection (a)(i) of this Section;

(ii) the payment to the Bondholders at the date of maturity or at the date fixed for prior redemption, as applicable, of the full amount to which the Bondholders would be entitled by way of principal, premium, if any, and interest to the date of such maturity or prior redemption;

(iii) the investment of such moneys by the Paying Agent/Registrar in securities or obligations maturing in sufficient time, in the judgment of the Paying Agent/Registrar, to make available the moneys required for such purposes;

(iv) the sending of written notice by registered or certified United States mail to the Holder of each Bond then outstanding within 30 days following the date of such deposit that such moneys are so available for such payment; and

(v) the payment to the Town, periodically or following final payment of the principal of, premium, if any, and interest on the Bonds, of any moneys, interest earnings, profits or capital gains over and above the amounts necessary for such purposes.

## ARTICLE XII

### AWARDING SALE OF THE BONDS AND APPROVAL OF OFFICIAL STATEMENT

#### Section 12.01. Awarding Sale of the Bonds.

The Bonds are hereby officially sold and awarded to MBank Capital Markets, being the lowest and best bid in accordance with the Notice of Sale and Bidding Instructions, at a price of par and accrued interest, and a discount of \$46,599.90, for the Bonds, bearing interest at the rates shown in Section 3.02 hereof.

#### Section 12.02. Approval of Official Statement, Notice of Sale and Bidding Instructions.

The form and substance of the Official Statement, dated October 23, 1984, relating to the Bonds authorized by this Ordinance, are hereby in all respects approved and adopted by the City Council, and the Mayor is hereby authorized and directed to deliver appropriate numbers of executed copies thereof to the purchasers of the Bonds. Said Official Statement as thus approved, executed and delivered may be used by said purchasers in the initial public offering and sale of the Bonds.



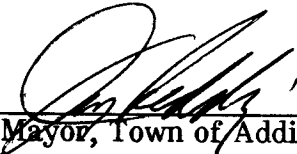
ARTICLE XIII

MISCELLANEOUS MATTERS

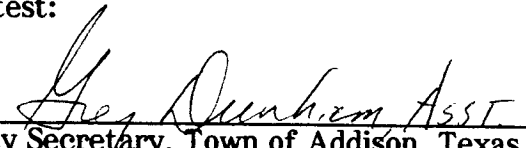
Section 13.01. Effectiveness.

This Ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the Town of Addison, Texas, pertaining thereto, and it is accordingly so ordained.

APPROVED AND ADOPTED this 1<sup>st</sup> day of November, 1984.

  
\_\_\_\_\_  
Mayor, Town of Addison, Texas

Attest:

  
\_\_\_\_\_  
City Secretary, Town of Addison, Texas

[SEAL]