

**CITY of ALBUQUERQUE
TWENTIETH COUNCIL**

COUNCIL BILL NO. F/S O-12-17 ENACTMENT NO. _____

SPONSORED BY: Lewis, Winter, Sanchez

ORDINANCE

AUTHORIZING THE ISSUE AND SALE OF A MAXIMUM PRINCIPAL AMOUNT OF \$50,000,000 CITY OF ALBUQUERQUE, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, TO BE ISSUED IN ONE OR MORE SERIES FOR THE PURPOSE OF STUDYING, DESIGNING, DEVELOPING, CONSTRUCTING, RECONSTRUCTING, REHABILITATING, RENOVATING, MODERNIZING, SIGNING, ENHANCING, LANDSCAPING AND OTHERWISE IMPROVING AND ACQUIRING PROPERTY FOR THE PASEO DEL NORTE AND INTERSTATE I-25 INTERCHANGE; PROVIDING FOR THE PAYMENT OF THE BONDS FROM GROSS RECEIPTS TAX REVENUES; PROVIDING FOR CERTAIN TERMS OR THE METHOD OF DETERMINING THE TERMS AND OTHER DETAILS OF THE BONDS; PROVIDING FOR CERTAIN DOCUMENTS PERTAINING TO THE BONDS; MAKING APPROPRIATIONS; RATIFYING ACTION PREVIOUSLY TAKEN; REPEALING ALL ACTIONS INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE ISSUE AND SALE OF THE BONDS.

Capitalized terms used in the following preambles have the same meaning as attributed to them in Section 1.(A) of this Bond Ordinance unless the context requires otherwise.

WHEREAS, the City is a legally and regularly created, established, organized and existing municipal corporation with Home Rule Powers; and

WHEREAS, pursuant to Section 7-9-4 NMSA 1978, the State imposes a gross receipts tax on persons engaging in business in the State, and pursuant to Sections 7-1-6.1 and 7-1-6.4 NMSA 1978 the City receives monthly distributions from the New Mexico Taxation and Revenue Department of a portion (currently 1.225% of the taxable gross

receipts reported for the City for the month for which such remittance is made) of such gross receipts taxes; and

WHEREAS, pursuant to Sections 7-1-6.1 and Section 7-1-6.46 NMSA 1978, the City receives monthly distributions from the New Mexico Taxation and Revenue Department in lieu of gross receipts tax revenue that the City would have received but for the deductions provided by Sections 7-9-92 and 7-9-93 NMSA 1978; and

WHEREAS, the City has previously sold and delivered Tax Obligations of which there remain Outstanding on the date of adoption of the Bond Ordinance by the Council the following aggregate principal amounts:

| <u>Series</u> | <u>Amount Outstanding</u> |
|--------------------|---------------------------|
| Series 2004A Bonds | \$31,965,000 |
| Series 2004B Bonds | \$27,555,000 |
| Series 2008A Bonds | \$8,890,000 |
| Series 2008B Bonds | \$10,450,000 |
| Series 2009A Bonds | \$10,535,000 |
| Series 2009B Bonds | \$27,425,000 |
| Series 2011A Bonds | \$22,660,000 |
| Series 2011B Bonds | \$11,650,000 |

WHEREAS, except for the Tax Obligations listed above, on the date of adoption of this Bond Ordinance, no portion of the Pledged Revenues has been pledged to the payment of any other Tax Obligations; and

WHEREAS, the Council has determined that it is in the best interests of the City and its residents that the Bonds be secured by a lien (but not an exclusive lien) on the Pledged Revenues on a parity with the lien of the Senior Tax Obligations; and

WHEREAS, the Act provides that any law which authorizes the pledge of any or all of the Pledged Revenues to the payment of any revenue bonds issued pursuant to the Act or which affects the Pledged Revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any such outstanding revenue bonds,

1 including the Bonds, unless such outstanding revenue bonds, including the Bonds, have
2 been discharged in full or provision has been fully made therefor; and

3 WHEREAS, the City is authorized by the Act to issue the Bonds in one or more series
4 the interest on which may be taxable for federal income tax purposes in order to raise funds
5 for the Project; and

6 WHEREAS, the Council determines that it is in the best interest of the City to sell
7 each series of Bonds to the Investment Bankers at a price not less than the Bonds' Sale
8 Price for each series, contingent upon approval by the Council of the final terms of each
9 series of Bonds in a Sale Resolution and upon approval by the Council of the terms of a
10 Bond Purchase Agreement, all within the parameters set forth in the Bond Legislation; and

11 WHEREAS, there will be on deposit with the City Clerk and presented to the City
12 Council in connection with the Sale Resolution:

- 13 1. The proposed form Bond Purchase Agreement;
- 14 2. The proposed form of Continuing Disclosure Undertaking;
- 15 3. The Preliminary Official Statement; and
- 16 4. The proposed form of Official Statement.

17 WHEREAS, all required authorization, consents or approvals of any State,
18 governmental body, agency or authority in connection with the authorization, execution and
19 delivery of the Bonds: (i) which are required to have been obtained by the date of the
20 adoption of the Bond Legislation have been obtained, and (ii) which will be required to be
21 obtained prior to any Closing Date, will have been obtained by that date.

22 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
23 ALBUQUERQUE:

24 SECTION 1. DEFINITIONS; CONSTRUCTION.

25 (A) DEFINITIONS. As used in the Bond Legislation, the following terms
26 shall, for all purposes, have the meanings specified in this Section 1.(A), unless the context
27 clearly requires otherwise (such meanings to be equally applicable to both the singular and
28 the plural forms of the terms defined):

29 ACT. The general laws of the State, including Sections 3-31-1 to 3-31-12 NMSA
30 1978, as amended and supplemented, the Home Rule Powers, the Charter of the City, and
31 all enactments of the Council, including the Bond Legislation, relating to the issuance of the
32 Bonds.

1 ACQUISITION FUND. The "City of Albuquerque, New Mexico Gross Receipts Tax
2 Bonds Project Acquisition Fund" created in Section 16.

3 AUTHORIZED DENOMINATIONS. \$5,000 and any integral multiple of \$5,000.

4 AUTHORIZED OFFICER. The Mayor, Chief Administrative Officer, Director of
5 Finance and Administrative Services and Treasurer of the City, or other officer or employee
6 of the City when designated by a certificate signed by the Mayor of the City from time to time.
7 The certificate may designate one or more alternates.

8 BOND COUNSEL. An attorney at law or a firm of attorneys designated by the City of
9 nationally recognized standing in matters pertaining to the issuance of bonds issued by
10 states and their political subdivisions.

11 BOND INSURANCE POLICY. Any policy of municipal bond insurance with respect to
12 a series of Tax Obligations insuring the payment, when due, of the principal of and interest
13 on all or part of that series.

14 BOND LEGISLATION. This Bond Ordinance and as to any series of Bonds, the
15 applicable Sale Resolution.

16 BOND ORDINANCE. This City Ordinance Twentieth Council Bill No. F/S O-12-17, as
17 amended or supplemented from time to time.

18 BOND PURCHASE AGREEMENT. A Bond Purchase Agreement among the City
19 and the Investment Bankers relating to the sale of a series of Bonds to the Investment
20 Bankers.

21 BOND REGISTER. The books maintained by the Registrar for the registration,
22 transfer and exchange of each series of Bonds.

23 BONDS. The "City of Albuquerque, New Mexico Gross Receipts Tax Revenue
24 Bonds" authorized by the Bond Ordinance and to be issued in one or more series in
25 accordance with the terms of the Bond Ordinance.

26 BUSINESS DAY. Any day other than (i) a Saturday or Sunday or (ii) any day on
27 which the offices of the City and banks located in the cities in which the principal offices of
28 the Paying Agent and Registrar are located are authorized or required to remain closed or
29 (iii) a day on which the New York Stock Exchange is closed.

30 CITY. The City of Albuquerque, in the County of Bernalillo and State of New Mexico.

31 CITY CHARTER. The Charter of the City adopted pursuant to the laws of the State at
32 a special election on June 29, 1971 and amended thereafter from time to time.

1 CLOSING DATE. The date of the original issue, sale and delivery to the Investment
2 Bankers or their designee, of a series of Bonds.

3 CODE. The Internal Revenue Code of 1986, as amended from time to time. Each
4 reference to a section of the Code in the Bond Legislation shall be deemed to include the
5 final and temporary United States Treasury regulations thereunder, as the same may be in
6 effect from time to time, to the extent the same are applicable, unless the context clearly
7 requires otherwise.

8 COMPLETION DATE. The date of completion of the construction, acquisition and
9 installation of the Project or, as to that portion of the Project to be funded by a series of
10 Bonds and as certified pursuant to Section 17.

11 CONTINUING DISCLOSURE UNDERTAKING. An undertaking of the City for the
12 benefit of respective Owners and beneficial owners of the each series of Bonds, if required
13 by law, pursuant to which the City will agree for the benefit of the respective Owners and
14 beneficial owners that, while the applicable Bonds are outstanding, the City will annually
15 provide certain financial information and operating data and will provide notice of certain
16 material events in accordance with Rule 15c2-12 promulgated under the Securities
17 Exchange Act of 1934.

18 COUNCIL. The governing body in which is vested the legislative power of the City.

19 COUNSEL. An attorney at law (who may be counsel to the City).

20 CREDIT FACILITY. A letter of credit, line of credit, Bond Insurance Policy or Surety
21 Bond, guaranty or similar agreement provided by a Credit Source whose senior unsecured
22 debt is rated no lower than "AAA" by Moody's, S&P and Fitch to the extent each such rating
23 agency is then rating such Obligations to provide support to pay the purchase price of, or the
24 payment when due of the principal of and interest on, such Obligations.

25 CREDIT SOURCE. Any bank, insurance company or other financial institution which
26 provides a Credit Facility for Tax Obligations.

27 DEBT SERVICE FUND. The "City of Albuquerque, New Mexico Gross Receipts Tax
28 Improvement Revenue Bonds Debt Service Fund" created in Section 16.

29 DEBT SERVICE REQUIREMENTS. With respect to Tax Obligations and for any
30 given period, the sum of: (i) the amount required to pay the interest, or to make
31 reimbursements for payments of interest, becoming due on the Tax Obligations during that
32 period; plus (ii) the amount required to pay the principal or accreted value, or to make
33 reimbursements for the payment of principal or accreted value, becoming due on the Tax

Obligations during that period, whether at maturity, an accretion term date or upon mandatory sinking fund redemption dates, plus (iii) the periodic payments required to be made by the City pursuant to a Qualified Exchange Agreement minus (iv) the periodic payments to be received by the City pursuant to a Qualified Exchange Agreement. No payments required for any Tax Obligations which may be tendered or otherwise presented for payment at the option or demand of the owners or holders of the Tax Obligations or which may occur because of the exercise of an option by the City, or which may otherwise become due by reason of any other circumstance or contingency, including acceleration or Exchange Termination Payments, which constitutes other than regularly scheduled payments on Tax Obligations shall be included in any computation of Debt Service Requirements for that period.

Unless, at the time of computation of Debt Service Requirements, payments on the Tax Obligations are owed to, or the Tax Obligations are owned or held by, the provider of a Credit Facility pursuant to the provisions of that Credit Facility, the computation of interest for the purposes of this definition shall be made without considering the interest rate payable pursuant to a Credit Facility.

In any computation of Debt Service Requirements relating to the issuance of additional Senior Tax Obligations, there shall be deducted from that computation of Debt Service Requirements amounts and investments which are irrevocably committed to make designated payments on the Tax Obligations during the applicable period, including, without limitation money on deposit in any debt service account, amounts on deposit in an escrow account irrevocably committed to make designated payments on the Tax Obligations during the applicable period and earnings on such investments which are payable during the applicable period.

For the purpose of the definition of Debt Service Requirements, the accreted value of capital appreciation bonds becoming due shall be included in the calculation of accrued and unpaid and accruing interest and principal only from and after the date which is one year prior to the date on which the accreted value becomes payable. In addition, the definition of Debt Service Requirements shall include any expense component.

DEFEASANCE OBLIGATIONS. The following obligations which are not redeemable at the option of the City:

- (1) Government Obligations; and

1 (2) if permitted by law, obligations described in Section 103(a) of
2 the Code, (a) provisions for the payment of the principal of, premium, if any, and interest on
3 which (i) shall have been made by the irrevocable deposit with a bank or trust company
4 acting as a trustee, escrow agent or holder of such obligations, securities described in clause
5 (1) of this definition, the maturing principal of and interest on which, when due and payable,
6 without further investment or reinvestment thereof, will provide sufficient money to pay when
7 due the principal of, premium, if any, and interest on such obligations, and (ii) which
8 securities described in clause (1) of this definition are not available to satisfy any other claim,
9 including any claim of such trustee or escrow agent or of any person claiming through such
10 trustee or escrow agent or to whom such trustee or escrow agent may be obligated, including
11 claims in the event of insolvency of such trustee or escrow agent or proceedings arising out
12 of such insolvency or (b) rated in its highest rating category (without regard to any refinement
13 or gradation thereof by numerical modifier or otherwise) by S&P, Moody's or Fitch.

14 DEPOSITORY. The following registered securities depository: The Depository Trust
15 Company, 55 Water Street, 22nd Fl., New York 10041-0099, Fax (212) 855-8440, in
16 accordance with then-current guidelines of the Securities and Exchange Commission, such
17 other address and/or such other securities depositories as an Authorized Officer may
18 designate.

19 ELECTRONIC MEANS. Telephone, telecopy, telegraph, facsimile transmission or
20 any other similar means of electronic communication. Any communication by telephone as
21 an Electronic Means shall be promptly confirmed in writing, which may be by one of the other
22 means of electronic communication listed in this definition.

23 EMMA. The Municipal Securities Rulemaking Board's Electronic Municipal Market
24 Access System located on its website at emma.msrb.org.

25 EVENT OF DEFAULT. Any of the events set forth in Section 28.

26 EXCHANGE ACT. Section 6-18-8.1 NMSA 1978, as amended from time to time.

27 EXCHANGE TERMINATION PAYMENT. The net amount payable pursuant to a
28 Qualified Exchange Agreement by the City or a Qualified Counterparty to compensate the
29 other party for any losses and costs that such other party may incur as a result of the early
30 termination of the obligations, in whole or in part, of the parties under that Qualified
31 Exchange Agreement.

32 EXPENSES. The reasonable and necessary fees, costs and expenses incurred by
33 the City in connection with the issuance of the Bonds and any transaction or event

1 contemplated by the Bonds and the Bond Legislation including, without limitation: (i) costs of
2 advertising and publication of legislation relating to any series of Bonds; (ii) costs of printing
3 certificates for any series of Bonds and any disclosure documents; (iii) legal fees and
4 expenses; (iv) fees and expenses of any (a) fiscal service providers, (b) underwriter
5 (including underwriter's discount), (c) financial advisor, (d) Independent Accountant, and (e)
6 Qualified Counterparty; (v) the initial premium payable to any bond insurer; (vi) disclosure
7 matters pertaining or allocable to any series of Bonds; and (vii) all reasonable and necessary
8 fees and administrative costs of the City relating to the foregoing.

9 FISCAL AGENT. Collectively, the Paying Agent and Registrar.

10 FISCAL YEAR. The twelve-month period commencing on the first day of July of each
11 year and ending on the 30th day of June of the next succeeding year, or any other twelve-
12 month period which the City or other appropriate authority establishes as the fiscal year for
13 the City.

14 FITCH. Fitch Ratings, its successors and their assigns, and, if such entity is
15 dissolved or liquidated or no longer performs the functions of a securities ratings agency, any
16 other nationally recognized securities rating agency designated by the City.

17 GOVERNMENT OBLIGATIONS. Direct obligations of, or obligations the principal of
18 and interest on which are unconditionally guaranteed by, the United States of America or
19 certificates or receipts established by the United States Government or its agencies or
20 instrumentalities representing direct ownership of future interests or principal payments on
21 direct obligations of, or obligations fully guaranteed by, the United States of America or any
22 of its agencies or instrumentalities, the obligations of which are backed by the full faith and
23 credit of the United States, which obligations are held by a custodian in safekeeping on
24 behalf of the holders of such receipts, and rated or assessed in its highest Rating Category
25 by S&P, if then rating any series of Bonds, Moody's, if then rating any series of Bonds, and
26 Fitch, if then rating any series of Bonds, as applicable.

27 GROSS RECEIPTS TAX INCOME FUND. The "City of Albuquerque Gross Receipts
28 Tax Income Fund" continued in Section 16.

29 HOME RULE POWERS. The authority of the City to exercise legislative powers
30 given pursuant to Article X, Section 6 of the Constitution of the State and the City Charter.

31 INDEPENDENT ACCOUNTANT. Any certified public accountant, registered
32 accountant, or firm of such accountants duly licensed to practice and practicing as such
33 under the laws of the State, appointed and paid by the City who (i) is, in fact, independent

1 and not under the domination of the City, (ii) does not have any substantial interest, direct or
2 indirect, with the City, and (iii) is not connected with the City as an officer or employee of the
3 City, but who may be regularly retained to make annual or similar audits of the books or
4 records of the City.

5 INSURED BANK. Any federally or state-chartered savings and loan association or
6 federally or state-chartered commercial bank, the deposits of which are insured by the
7 Federal Deposit Insurance Corporation and which has, or is the lead bank of a parent holding
8 company which has, combined capital, surplus and undivided profits of not less than
9 \$10,000,000.

10 INSURER. Any insurer or insurers issuing a Bond Insurance Policy or Surety Bond,
11 or both, for Tax Obligations.

12 INTEREST PAYMENT DATE. Each January 1 and July 1, or, if any January 1 or
13 July 1 is not a Business Day, the next succeeding Business Day, with the first such Interest
14 Payment Date for any series of Bonds to be established in the applicable Sale Resolution.

15 INVESTMENT BANKERS. The investment bankers, if any, or their successors and
16 assigns if approved in any Sale Resolution.

17 MATURITY DATE. The respective date on which any series of Bonds mature.

18 MOODY'S. Moody's Investors Service, Inc., a corporation organized and existing
19 under the laws of the State of Delaware, its successors and other assigns, and, if such
20 corporation is dissolved or liquidated or no longer performs the functions of a securities rating
21 agency, any other nationally recognized securities rating agency designated by the City.

22 NMFA. The New Mexico Finance Authority.

23 NMSA 1978. The compilation of the laws of the State known as New Mexico Statutes
24 Annotated, 1978 Compilation, as amended and supplemented from time to time.

25 OFFICIAL STATEMENT. The final disclosure document relating to the sale of any
26 series of Bonds (including the cover page and all summary statements, appendices and
27 other materials included or incorporated by reference or attached thereto), as amended or
28 supplemented.

29 OUTSTANDING. When used in reference to Tax Obligations, on any particular date,
30 the aggregate of all Tax Obligations issued and delivered under the applicable City ordinance
31 or resolution authorizing the issuance of the Tax Obligations, except:

32 (1) those canceled at or prior to such date or delivered to or
33 acquired by the City at or prior to such date for cancellation;

1 (2) those which have been paid or are deemed to be paid in
2 accordance with the City ordinance or resolution authorizing the issuance of the applicable
3 Tax Obligations, or otherwise relating thereto, provided that the payment of insured Tax
4 Obligations with the proceeds of a Bond Insurance Policy shall not result in those insured
5 Tax Obligations ceasing to be Outstanding;

6 (3) in the case of Variable Rate Obligations, any Tax Obligations
7 deemed tendered but not yet presented for payment; and

8 (4) those in lieu of or in exchange or substitution for which other
9 Tax Obligations shall have been delivered, unless proof satisfactory to the City and the
10 Paying Agent for the applicable Tax Obligations is presented that any Tax Obligations for
11 which Senior Tax Obligations were issued or exchanged are held by a bona fide holder or in
12 due course.

13 OWNER. The registered owner of a Bond as shown, from time to time, on the
14 registration books maintained by the Registrar.

15 PAYING AGENT. The City Treasurer or other agent for the City for the payment of
16 any series of the Bonds and any co-paying agent or successor paying agent which is a trust
17 company, national or state banking association or financial institution appointed by resolution
18 of the Council or by an Authorized Officer from time to time.

19 PAYMENT OBLIGATIONS. All obligations of the City to pay a Credit Source the
20 principal amount of, interest on, and fees, costs, expenses and other amounts related to
21 drawings, term loans and other advances and Tax Obligations held by that Credit Source,
22 pursuant to the relevant Credit Facility.

23 PERMITTED INVESTMENTS. Any of the following which at the time are legal
24 investments for the City for the money to be invested and any other investments which at the
25 time of investments are legal investments of the City for the money to be invested:

26 (1) Government Obligations;

27 (2) Obligations of, or obligations guaranteed as to principal and
28 interest by any agency or instrumentality of the United States which are backed by the full
29 faith and credit of the United States, but not including: General Services Administration—
30 participation certificates; Government National Mortgage Association (GNMA)—GNMA
31 guaranteed mortgage-backed securities and GNMA guaranteed participation certificates;
32 U.S. Department of Housing & Urban Development—local authority bonds; and U.S. Export-
33 Import Bank—all fully guaranteed obligations;

1 (3) Obligations of the following government-sponsored agencies:
2 Federal Home Loan Mortgage Corporation—participation certificates and senior debt
3 obligations; Farm Credit System (formerly: Federal Land Banks and Banks for
4 Cooperatives)—consolidated system-wide bonds and notes; Federal Home Loan Banks—
5 consolidated debt obligations; Federal National Mortgage Association—senior debt
6 obligations and mortgage-backed securities (excluding stripped mortgage securities which
7 are valued greater than par on the portion of unpaid principal); Student Loan Marketing
8 Association—senior debt obligations (excluding securities that do not have a fixed par value
9 and/or whose terms do not promise a fixed dollar amount at maturity or call date) and letter
10 of credit backed issues; Financing Corporation—debt obligations; and Resolution Funding
11 Corporation—debt obligations;

12 (4) Certificates of deposit, time deposits and banker's acceptances
13 of any bank or savings and loan association, the short-term obligations of which are rated in
14 the highest Rating Categories by S&P, Moody's or Fitch, provided that such deposits must be
15 fully secured by securities designated in paragraphs (1), (2), (3) and (9) of this definition and
16 held in safekeeping for, or on behalf of, or held in book-entry form in the name of, the City;

17 (5) Accounts with banks and savings and loan associations located
18 in Bernalillo County, provided that the banks and savings and loan associations, and the
19 collateral securing the investments permitted by this paragraph, satisfy the requirements of
20 applicable State law;

21 (6) Obligations the interest on which is excluded from gross
22 income of the recipient for federal income tax purposes which are rated in the highest Rating
23 Category by S&P, Moody's or Fitch;

24 (7) Money market instruments and other securities of commercial
25 banks, broker-dealers or recognized financial investors, which securities or institutions are
26 rated in the highest Rating Category by S&P and Moody's or Fitch, or which securities are
27 guaranteed by a person or entity whose long-term debt obligations are rated in the highest
28 Rating Category by S&P and Moody's or Fitch, including, without limitation, securities of, or
29 other interests in, any open end or closed end management type investment company or
30 investment trust registered under the provisions of 15 U.S.C. Sections 80(a)-1 *et. seq.*, which
31 invest only in, or whose securities are secured only by, obligations of the type set forth in
32 paragraphs (1), (2), (3) and (9) of this definition;

1 (8) The "short-term investment fund" described in Section
2 6-10-10.1 NMSA 1978 or other similar pooled fund maintained by the State for the
3 investment of public funds of local public bodies of the State;

4 (9) Stripped Securities: (i) U.S. Treasury STRIPS and (ii)
5 REFCORP STRIPS (stripped by Federal Reserve Bank of New York);

6 (10) Repurchase agreements involving the purchase and sale of,
7 and guaranteed investment contracts, the par value of which is collateralized by a perfected
8 first pledge of, or security interest in, or the payments of which are unconditionally
9 guaranteed by, securities described in paragraphs (1), (2), (3) and (9) of this definition, which
10 collateral is held by the City, or for the benefit of the City, by a party other than the provider of
11 the guaranteed investment contract or repurchase agreement, with a collateralized value of
12 at least 102% of the par value of such repurchase agreement or guaranteed investment
13 contract or 102% of the market value thereof, valued at intervals of no less than monthly and
14 which collateral is not subject to any other pledge or security interest;

15 (11) Cash insured at all times by the Federal Deposit Insurance
16 Corporation or otherwise collateralized with Government Obligations; and

17 (12) Agreements which permit the City to require a commercial
18 bank, broker-dealer or recognized financial institution to purchase from the City at a fixed
19 price obligations described in paragraphs (1), (2), (3) and (9) of this definition; provided that,
20 if required by law, the contract relating to such agreement is approved by resolution of the
21 Council and all other requirements of law relating to any such investment are satisfied and
22 provided further that such institution, or the guarantor of such institution or agreement, shall
23 be rated in one of the top two Rating Categories by S&P, Moody's or Fitch, or by another
24 national rating agency.

25 PERSON. Any individual, corporation, partnership (in which case each general
26 partner shall be deemed a Person), limited liability company, joint venture, association, joint
27 stock company, trust, unincorporated organization, government or any agency or political
28 subdivision of a government.

29 PLEDGED REVENUES. The revenues from the State gross receipts tax derived
30 pursuant to Section 7-9-4 NMSA 1978, imposed on persons engaging in business in the
31 State, which revenues are remitted monthly by the Revenue Division of the Taxation and
32 Revenue Department of the State to the City as authorized by Sections 7-1-6 and 7-1-6.4
33 NMSA 1978, and which remittances as of the date of adoption of this Bond Ordinance are

1 equal to one and two hundred twenty-five thousandths percent (1.225%) of the taxable gross
2 receipts reported for the City for the month for which such remittance is made; provided that
3 if a greater amount of such gross receipts tax revenues are hereafter provided to be remitted
4 to the City under applicable law, such additional amounts shall be included as revenues
5 pledged pursuant to the Bond Legislation; and provided further that the amount of revenues
6 pledged pursuant to the Bond Legislation shall never be less than the greater of: (i) 1.225%
7 of the taxable gross receipts remitted to the City as set forth above, or (ii) the maximum
8 amount at any time provided hereinafter to be remitted to the City under applicable law; and
9 provided further, the City intends that Section 3-31-6(C) NMSA 1978 applies expressly to the
10 amount of revenues pledged pursuant to the Bond Legislation. Pledged Revenues also
11 includes (i) the portion of the gross receipts tax distribution to the City to be made pursuant to
12 Section 7-1-6.46 NMSA 1978, which represents the amount of State gross receipts tax
13 revenues set forth in the sentence above that would have been remitted to the City but for
14 the deductions provided by Sections 7-9-92 and 7-9-93 NMSA 1978 and (ii) any similar
15 distributions made to the City in lieu of State gross receipts tax revenues, but State gross
16 receipts tax revenues do not include any similar distributions in lieu of any municipal local
17 option gross receipts tax revenues.

18 PRELIMINARY OFFICIAL STATEMENT. The initial disclosure document relating to
19 the sale of any series of Bonds (including the cover page and all summary statements,
20 appendices and other materials included or incorporated by reference or attached thereto),
21 as amended or supplemented.

22 PROJECT. Studying, designing, developing, constructing, reconstructing,
23 rehabilitating, renovating, modernizing, signing, enhancing, landscaping and otherwise
24 improving and acquiring property for the Paseo del Norte and Interstate I-25 interchange.

25 QUALIFIED COUNTERPARTY. Any Person entering into a Qualified Exchange
26 Agreement with the City, its successors and assigns, or any substitute Qualified
27 Counterparty, appointed or consented to from time to time by an Authorized Officer.

28 QUALIFIED EXCHANGE AGREEMENT. Any financial arrangement between the City
29 and a Qualified Counterparty which satisfies the requirements of the Exchange Act at the
30 time the agreement is entered into.

31 RATING CATEGORY. A generic securities rating category, without regard, in the
32 case of a long-term rating category, to any refinement or gradation of such long-term rating
33 category by a numerical modifier or otherwise.

1 REBATE FUND. The fund, if any, for any series of Bonds created by ordinance or
2 resolution of the City relating to any series of Bonds for the purpose of depositing funds to be
3 used to make rebate payments or alternative amounts in lieu of rebate to the federal
4 government.

5 RECORD DATE. The fifteenth day of the month immediately preceding each Interest
6 Payment Date.

7 REGISTRAR. The Treasurer or other agent for the City for the transfer and exchange
8 of the Bonds and any co-registrar or successor registrar which is a trust company, national or
9 state banking association or financial institution appointed by resolution of the Council or by
10 an Authorized Officer from time to time.

11 RELATED DOCUMENTS. Any Bond Purchase Agreement, Continuing Disclosure
12 Undertaking, and any other documents relating to the Bonds identified and approved in the
13 Bond Legislation.

14 S&P. Standard & Poor's Public Finance Group, a division of McGraw-Hill
15 Companies, Inc., its successors and their assigns and, if such corporation is dissolved or
16 liquidated or no longer performs the functions of a securities rating agency, any other
17 nationally recognized securities rating agency designated by the City.

18 SALE PRICE. The principal amount (plus any original issue premium and less any
19 original issue discount) of each series of Bonds less an underwriter's discount to be set forth
20 in a Sale Resolution not to exceed 1.0% of the principal amount of each series of Bonds
21 (which discount includes expenses, fees, and attorneys' fees of the Investment Bankers)
22 plus, in such case, accrued interest from the date of that series of Bonds to the Closing Date
23 for that series of Bonds.

24 SALE RESOLUTION. A resolution, and all amendments thereto of the Council
25 setting and approving specifications for any series of Bonds within the parameters set in the
26 Bond Ordinance, and relating to the issuance, sale and administration thereof.

27 SENIOR TAX OBLIGATIONS. The Series 2004A Bonds, the Series 2004B Bonds,
28 the Series 2008A Bonds, the Series 2008B Bonds, the Series 2009A Bonds, the Series
29 2009B Bonds, the Series 2011A Bonds, the Series 2011B Bonds, the Bonds, and any other
30 Tax Obligations, issued or incurred after the adoption of this Bond Ordinance payable from
31 the Pledged Revenues, with a lien on the Pledged Revenues on a parity with the lien on the
32 Pledged Revenues of the Bonds.

1 SERIES 2004A BONDS. The "City of Albuquerque, New Mexico Tax-Exempt Gross
2 Receipts Tax/Lodgers' Tax Refunding Revenue Bonds, Series 2004A."

3 SERIES 2004B BONDS. The "City of Albuquerque, New Mexico Taxable Gross
4 Receipts Tax/Lodgers' Tax Refunding Revenue Bonds, Series 2004B."

5 SERIES 2008A BONDS. The "City of Albuquerque, New Mexico Gross Receipts Tax
6 Refunding Revenue Bonds, Series 2008A."

7 SERIES 2008B BONDS. The "City of Albuquerque, New Mexico Gross Receipts Tax
8 Revenue Refunding Bonds (Beach, Bluewater and Manzano Vista Project), Series 2008B."

9 SERIES 2009A BONDS. The "City of Albuquerque, New Mexico Gross Receipts
10 Tax/Lodgers' Tax Refunding Revenue Bonds, Series 2009A."

11 SERIES 2009B BONDS. The "City of Albuquerque, New Mexico Gross Receipts Tax
12 Refunding Revenue Bonds, Series 2009B."

13 SERIES 2011A BONDS. The "City of Albuquerque, New Mexico Gross Receipts
14 Tax/Lodgers' Tax/Hospitality Fee Improvement and Refunding Revenue Bonds, Series
15 2011A."

16 SERIES 2011B BONDS. The "City of Albuquerque, New Mexico Gross Receipts
17 Tax/Stadium Revenues Refunding Revenue Bonds, Taxable Series 2011B."

18 SPECIAL RECORD DATE. A date established for payment of overdue interest on
19 the Bonds by the Paying Agent pursuant to Section 5.(B).

20 STATE. The State of New Mexico.

21 SUBORDINATE TAX OBLIGATIONS. All Tax Obligations now Outstanding or
22 hereafter issued or incurred with a lien on the Pledged Revenues subordinate to the lien of
23 the Senior Tax Obligations on the Pledged Revenues.

24 SURETY BOND. Any policy of insurance or surety bond with respect to a series of
25 Tax Obligations guaranteeing certain payments into a debt service reserve account or similar
26 account with respect to that series of Tax Obligations, purchased to satisfy, in whole or in
27 part, the reserve requirement for that series or to replace any money on deposit in a debt
28 service reserve account or similar account.

29 TAX OBLIGATIONS. Senior Tax Obligations and Subordinate Tax Obligations.

30 VARIABLE INTEREST RATE. An interest rate which varies or fluctuates from time to
31 time. Except for any historical period for which the actual rate or rates are determinable, and
32 unless otherwise stated in the Bond Legislation, interest shall be calculated for Variable

1 Interest Rate Obligations at the maximum interest rate then permitted on such Tax
2 Obligations by the City ordinance authorizing the issuance of such Tax Obligations.

3 VARIABLE RATE OBLIGATIONS. Tax Obligations, including reimbursement
4 obligations pursuant to a Credit Facility, the interest rate on which is subject to change from
5 time to time.

6 (B) RULES OF CONSTRUCTION. Except as otherwise expressly provided
7 in the Bond Legislation, or unless the context otherwise requires:

8 (1) The singular includes the plural and the plural includes the
9 singular.

10 (2) All accounting terms not otherwise defined in the Bond
11 Legislation have the meanings assigned to them in accordance with generally accepted
12 accounting principles in the United States.

13 (3) All references to Sections shall refer to Sections of this Bond
14 Ordinance unless otherwise stated.

15 (4) Words importing any gender include the other gender.

16 (5) "Herein," "hereby," "hereunder," "hereof," "hereinbefore" and
17 "hereafter" refer to the Bond Legislation and not solely to the particular portion of the Bond
18 Legislation in which such word is used.

19 SECTION 2. RATIFICATION. All action heretofore taken (not inconsistent with the
20 provisions of the Bond Legislation) by the Council and the officers of the City, directed toward
21 the issuance and sale of the Bonds, is ratified, approved and confirmed.

22 SECTION 3. FINDINGS. The Council declares that it has considered all relevant
23 information and data in making its findings and finds and determines that:

24 (A) The Pledged Revenues may lawfully be pledged to secure the payment
25 of the Bonds to the extent and in the manner provided in the Bond Legislation.

26 (B) The Bonds are issued pursuant to the Act.

27 (C) The issuance of the Bonds in one or more series and the construction,
28 acquisition and installation of the Project are in the interest of the public health, safety and
29 welfare of the residents of the City.

30 SECTION 4. AUTHORIZATIONS AND APPROVALS.

31 (A) AUTHORIZATION OF BONDS AND PROCEEDS OF BONDS. This
32 Bond Ordinance has been adopted by the affirmative vote of at least three-quarters of the
33 members of the Council. For the purpose of protecting the public health, conserving the

1 property, protecting the general welfare and prosperity of the citizens of the City and
2 achieving cost savings, it is declared necessary that the City issue, and the City is hereby
3 authorized to issue its Bonds as negotiable, fully registered bonds, pursuant to the Act and
4 as set forth in the Bond Legislation.

5 The Bonds are designated as the "City of Albuquerque, New Mexico Gross
6 Receipts Tax Improvement Revenue Bonds." The Bonds may be issued in one or more
7 series, with appropriate series and other designations, as set forth in a Sale Resolution to
8 further identify each series of Bonds. The issuance of the Bonds in a cumulative amount for
9 all series of Bonds not to exceed \$50,000,000 is authorized and approved. The actual
10 principal amount of each maturity of Bonds shall be stated in the applicable Sale Resolution.
11 Each series of Bonds shall be sold to the Investment Bankers or to the NMFA pursuant to a
12 Bond Purchase Agreement in a negotiated sale at a Sale Price.

13 Proceeds of the Bonds may also be used to pay Expenses and for any of the
14 other purposes set forth in the Bond Legislation. The payment of Expenses is authorized
15 and approved.

16 (B) PROJECT. The Project is authorized and approved. The Project will
17 include the studying, designing, developing, constructing, reconstructing, rehabilitating,
18 renovating, modernizing, signing, enhancing, landscaping and otherwise improving and
19 acquiring property for the Paseo del Norte and Interstate I-25 interchange.

20 SECTION 5. DETAILS OF THE BONDS.

21 (A) GENERAL DETAILS. The Bonds shall be issued only as fully registered
22 bonds and shall be numbered with such prefix or other distinguishing designations as the
23 Registrar may determine necessary or appropriate to distinguish one Bond from another and
24 each series of Bonds from another. Each series of Bonds shall be dated the date stated in
25 the appropriate Sale Resolution, issued in Authorized Denominations and shall bear interest
26 on the basis of a 360-day year and twelve 30-day months from the most recent date to which
27 interest has been paid or provided for or, if no interest has been paid or provided for, from
28 their date until maturity at the rate set forth in the appropriate Sale Resolution, payable
29 semiannually on January 1 and July 1 of each year beginning on the date set forth in the
30 appropriate Sale Resolution and shall mature on the date or dates stated in the appropriate
31 Sale Resolution; provided that the final Maturity Date of any series of Bonds shall not extend
32 beyond 30 years from the dated date of that series of Bonds. The net effective interest rate
33 on each series of the Bonds shall not exceed twelve percent (12%) per annum.

1 (B) PAYMENT OF BONDS; TRANSFERS TO PAYING AGENT. Payments
2 on the Bonds shall be made in such coin or currency of the United States of America as, at
3 the respective time of payment, is legal tender for the payment of public and private debts.
4 The City shall transfer funds to the Paying Agent for the Bonds on a timely basis so that the
5 Paying Agent may make payments of the principal of, premium, if any, and interest on the
6 Bonds when due, to the Owners and comply with the requirements of any Bond Insurer
7 relating to payments of Bonds. As soon as known to the City, the City shall notify the Paying
8 Agent if there is or will be an insufficient amount of money available to pay principal and
9 interest on the Bonds when due.

10 The principal of and premium, if any, on the Bonds shall be payable to the
11 Owners upon presentation and surrender of their Bonds at the principal office of the Fiscal
12 Agent.

13 Interest on the Bonds shall be payable on each Interest Payment Date by the
14 Paying Agent by check mailed on the date on which due to the Owners at the close of
15 business on the Record Date for such Interest Payment Date to the registered addresses of
16 Owners appearing on the registration books for the Bonds. In the case of any Owner of the
17 Bonds in an aggregate principal amount in excess of \$1,000,000 as shown on the
18 registration books who, prior to the Record Date for the Bonds next preceding any Interest
19 Payment Date, has provided the Paying Agent with wire transfer instructions, interest shall
20 be paid in immediately available funds in accordance with the wire transfer instructions
21 provided by that Owner.

22 If and to the extent that the City fails to make payment or provision for
23 payment of interest on any Bond on any Interest Payment Date, interest shall continue to
24 accrue on that Bond but shall cease to be payable to the Owner of that Bond as of the
25 applicable Record Date. When money becomes available for payment of the interest, (i) the
26 Registrar shall establish a Special Record Date for the payment of that interest which shall
27 be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and
28 (ii) the Registrar shall give notice by first-class mail of the proposed payment and of the
29 Special Record Date to each Owner not less than 10 days prior to the Special Record Date
30 and, thereafter, the interest shall be payable to the Owners at the close of business on the
31 Special Record Date.

1 While a Depository or its nominee is the owner of the Bonds, principal and
2 interest payments on the Bonds shall be made to the Depository, or its nominee, as required
3 by the Depository.

4 (C) BOOK-ENTRY. Unless otherwise stated in the Sale Resolution, the
5 Bonds shall initially be issued or registered in book-entry form, from time to time, with a
6 Depository acting as securities depository for the Bonds with no physical distribution of bond
7 certificates made to the public. A single certificate for each maturity date of the Bonds issued
8 in book-entry form shall be delivered to such Depository and immobilized in its custody. The
9 book-entry system shall evidence ownership of Bonds in Authorized Denominations, with
10 transfer of ownership effected on the books of the Depository and its participants
11 ("Participants"). As a condition to delivery of Bonds in book-entry form, the purchaser of the
12 Bonds shall, immediately after acceptance of delivery thereof, deposit those Bonds
13 certificates with such Depository, registered in the name of such Depository or its nominee.
14 Principal, premium, if any, and interest will be paid to such Depository or its nominee as the
15 registered Owner of those Bonds. The transfer of principal and interest payments to
16 Participants shall be the responsibility of such Depository; the transfer of principal and
17 interest payments to the beneficial owners of Bonds (the "Beneficial Owners") shall be the
18 responsibility of such Participants and other nominees of Beneficial Owners maintaining a
19 relationship with Participants (the "Indirect Participants"). The City shall not be responsible or
20 liable for maintaining, supervising or reviewing the records maintained by such Depository,
21 Participants or Indirect Participants.

22 If (i) the Bonds are not eligible for the services of the institution which has
23 been acting as the Depository for the Bonds, (ii) the institution that has been acting as the
24 Depository determines to discontinue its services with respect to the Bonds or (iii) the City
25 determines that a continuation of the system of book-entry transfers through the institution
26 that has been acting as the Depository ceases to be beneficial to the City or the Beneficial
27 Owners, the City shall either identify another Depository or certificates shall be delivered to
28 Beneficial Owners or their nominees. In the event of the discontinuation of the book entry
29 system for the Bonds, the Beneficial Owners or their nominees, upon authentication of the
30 Bonds and registration of the Bonds in the Beneficial Owners' or nominees' names, shall
31 become the Owners for all purposes. The City shall mail an appropriate notice to the
32 Depository for notification to Participants, Indirect Participants and Beneficial Owners of the

1 substitute Depository or the issuance of bond certificates to Beneficial Owners or their
2 nominees, as applicable.

3 Notwithstanding any other provision of the Bond Legislation to the contrary, as
4 long as all Bonds are registered in the name of a Depository or its nominee, all payments
5 with respect to principal of, redemption premium, if any, and interest on those Bonds, and all
6 notices with respect to those Bonds, shall be made and given by the Paying Agent or the City
7 to the Depository, by the Depository to its Participants or Indirect Participants and by the
8 Participants and Indirect Participants to the Beneficial Owners.

9 (D) BONDS NOT PRESENTED FOR PAYMENT. If any Bonds are not
10 presented for payment when the principal becomes due either at maturity or at the date fixed
11 for redemption thereof or otherwise, or if any check or draft mailed to an Owner in connection
12 with a payment of interest on any Bonds is not cashed by an Owner, and an amount
13 sufficient to pay those Bonds or interest is held by the Paying Agent for the benefit of the
14 Owners, the Paying Agent shall segregate and hold such money in trust without liability for
15 interest on that money to the Owners, for the benefit of the Owners of the applicable Bonds,
16 who shall, except as provided in the following paragraph, then be restricted to only the
17 amounts segregated for the satisfaction of any claim relating to that payment on such Bonds.

18 Any money which the Paying Agent segregates and holds in trust for the
19 payment of the principal of, premium or interest on Bonds which remains unclaimed for three
20 years after such payment has become due shall be paid to the City. After the payment of
21 such unclaimed money to the City, the Owners shall look only to the City for the payment of
22 those Bonds.

23 SECTION 6. REDEMPTION OF BONDS.

24 (A) OPTIONAL REDEMPTION. The Bonds may be subject to redemption
25 prior to maturity at the option of the City at the times and at the redemption prices set forth as
26 to each series of Bonds, in the applicable Sale Resolution. Unless money sufficient to pay
27 the principal of and premium, if any, on the Bonds to be redeemed pursuant to this Section
28 6.(A) is received by the Paying Agent prior to the giving of notice of redemption in
29 accordance with Section 6.(D), that notice shall state that the redemption is conditional upon
30 the receipt of that money by the Paying Agent by 2:00 p.m. on the redemption date. If an
31 amount sufficient to redeem all Bonds called for redemption is not received by that time, (i)
32 the Paying Agent shall redeem only those Bonds for which the redemption price was
33 received, (ii) the Bonds to be redeemed shall be selected in the manner set forth in Section

1 6.(C) and (iii) the redemption notice shall have no effect with respect to those Bonds for
2 which the redemption price was not received and those Bonds shall not be redeemed. The
3 Registrar shall give notice to the Owners of the Bonds previously called for redemption which
4 shall not be redeemed, in the manner in which notice of redemption was given, identifying
5 the Bonds which shall not be redeemed, stating that the redemption did not take place with
6 respect to those Bonds and shall promptly return any Bonds which shall not be redeemed
7 which were previously delivered by the Owners of those Bonds.

8 (B) MANDATORY SINKING FUND REDEMPTION.

9 Each series of Bonds may be subject to mandatory sinking fund redemption
10 prior to maturity as set forth in the appropriate Sale Resolution.

11 As and for a sinking fund for the redemption of a series of Bonds subject to
12 mandatory sinking fund redemption, on or before July 1 in each of the years and in the
13 principal amounts stated in the applicable Sale Resolution, the City shall transfer into the
14 applicable account of the Debt Service Fund the Pledged Revenues required for the
15 payments of principal on those Bonds with a priority as set forth in Section 19 so that there is
16 on deposit on the required redemption date in the Debt Service Fund amounts sufficient to
17 redeem the Bonds called for redemption (after credit as provided below). Subject to the last
18 paragraph of this subsection (C), Bonds which are term bonds shall be subject to mandatory
19 sinking fund redemption at a redemption price equal to 100% of the principal amount thereof
20 plus accrued interest to the redemption date on July 1 in the years and in the principal
21 amounts stated in the applicable Sale Resolution.

22 At its option, to be exercised on or before the 45th day next preceding any
23 July 1 mandatory sinking fund redemption date, the City may irrevocably elect to (i) deliver to
24 the Paying Agent for cancellation Bonds of the same series and Maturity Date, as the case
25 may be, in any aggregate principal amount and/or (ii) receive a credit in respect of its sinking
26 fund redemption obligation for any Bonds of the same series and Maturity Date which, prior
27 to such date, have been redeemed (otherwise than through the operation of the sinking fund)
28 and canceled by the Paying Agent and not theretofore applied as a credit against any sinking
29 fund redemption obligation. Each Bond so delivered or previously redeemed shall be
30 credited by the Paying Agent at the principal amount thereof against the amounts required to
31 be paid by the City on the respective July 1 mandatory sinking fund redemption date or dates
32 designated by the City and the principal amount of Bonds to be redeemed by operation of
33 such sinking fund on such date shall be accordingly reduced.

1 (C) PARTIAL REDEMPTION. If less than all of the Outstanding Bonds are
2 to be redeemed, the Maturity Dates of the Bonds to be redeemed shall be selected by the
3 City. If less than all Bonds of a given series and Maturity Date are redeemed, the Bonds of
4 that series and Maturity Date to be redeemed shall be selected by lot in such manner as
5 determined by the Fiscal Agent. However, the portion of any Bonds to be redeemed and the
6 portion of any Bond not redeemed shall both be in Authorized Denominations. If, as
7 indicated in a certificate of an Authorized Officer delivered to the Fiscal Agent, the City has
8 offered to purchase all Bonds then Outstanding and less than all of the Bonds have been
9 tendered to the City for purchase, the Fiscal Agent, at the direction of an Authorized Officer,
10 shall select for redemption all, or any part designated by the City, of the Bonds which have
11 not been tendered.

12 In selecting Bonds for redemption, the Fiscal Agent shall treat each Bond as
13 representing that number of Bonds which is obtained by dividing the principal amount of any
14 Bond by the minimum Authorized Denomination. If it is determined that one or more, but not
15 all, of the units of principal amount represented by any Bond is to be called for redemption,
16 then, upon notice of intention to redeem such unit or units, the Owner of such Bond (except
17 with respect to Bonds registered to a Depository or its nominee, in which case a notation as
18 to the amount redeemed may be made on such Bonds) shall promptly surrender such Bond
19 to the Fiscal Agent for (i) payment to such Owner of the redemption price of the unit or units
20 of principal amount called for redemption, and (ii) delivery to such Owner of a new Bond of
21 the same series and Maturity Date in the aggregate principal amount of the unredeemed
22 balance, without charge therefor.

23 If the Owner of any such Bond fails to present that Bond to the Fiscal Agent
24 for payment, that Bond nevertheless shall become due and payable on the date fixed for
25 redemption to the extent of the unit or units of principal amount called for redemption and
26 interest shall cease to accrue on that principal amount.

27 (D) NOTICE. Notice of redemption of Bonds shall be given by the Fiscal
28 Agent by sending a copy of such notice by registered or certified first class, postage prepaid
29 mail not less than 30 days prior to the redemption date of the Bonds being redeemed, to all
30 Depositories, to EMMA, and to the Owner of each Bond, or portion thereof, to be redeemed
31 at the address shown as of the fifth day prior to the mailing of notice on the Bond Register.
32 The City shall give the Fiscal Agent notice of the redemption date and the Maturity Date and
33 the principal amounts of each maturity of Bonds to be called for redemption pursuant to

1 Section 6.(A) at least five Business Days prior to the date that the Fiscal Agent is required to
2 give Owners notice of redemption. Bonds to be called for redemption pursuant to Section
3 6.(B) shall be called for redemption by the Fiscal Agent without the necessity of any notice to
4 the Fiscal Agent from the City. Neither the City's failure to give such notice, the Fiscal
5 Agent's failure to give such notice to any Depository (other than as the Owner of Bonds
6 being redeemed), or the registered Owner of any Bonds to be redeemed, or any defect
7 therein, nor the failure of the Depository to notify a Participant or any Participant or Indirect
8 Participant to notify a Beneficial Owner of any such redemption, shall affect the validity of the
9 proceedings for the redemption of any Bonds for which proper notice was given.

10 The official notice of redemption to Owners shall state:

- 11 (1) the CUSIP numbers of the Bonds to be redeemed,
- 12 (2) the redemption date,
- 13 (3) the redemption price,
- 14 (4) the Bonds to be redeemed,
- 15 (5) if less than all Outstanding Bonds are to be redeemed, the
16 bond numbers and Maturity Dates of the Bonds to be redeemed and, in the case of a partial
17 redemption of a Bond, the principal amount to be redeemed,
- 18 (6) that, subject to the provisions of Section 6.(A), if applicable, on
19 the redemption date, the redemption price will become due and payable on each Bond or
20 portion thereof called for redemption, and that interest thereon shall cease to accrue from
21 and after that date,
- 22 (7) the place where such Bonds are to be surrendered for payment
23 of the redemption price, the name of a contact person (if the book-entry system described in
24 Section 5.(C) is in effect), and the phone number at the office of the Paying Agent, and
25 (8) if the redemption is pursuant to Section 6.(A), that the
26 redemption is conditional, if applicable, stating the conditions set forth in Section 6.(A).

27 The Paying Agent shall comply with any other terms regarding redemption
28 and notice of redemption, as are required by any agreement with a Depository.

29 Except as provided in Section 6.(A), notice having been given in the manner
30 provided above, the Bonds or part thereof called for redemption shall become due and
31 payable on the redemption date designated and the Bonds, or part thereof to be redeemed,
32 for which the redemption price is on deposit with the Fiscal Agent, shall not be deemed to be
33 Outstanding and shall cease to bear or accrue interest from and after such redemption date.

1 Subject to Section 6.(A), upon presentation of a Bond to be redeemed at the office of the
2 Fiscal Agent on or after the redemption date, or, so long as the book-entry system is used for
3 determining beneficial ownership of the Bond being redeemed, upon satisfaction of the terms
4 of any other arrangement between the Fiscal Agent and the Depository, the Fiscal Agent will
5 pay such Bonds or portion thereof called for redemption.

6 (E) BONDS NOT PRESENTED FOR REDEMPTION. Money for payment
7 of the principal of, premium, if any, and interest, to the date fixed for redemption, on Bonds
8 called for redemption which are not presented for payment on the date fixed for redemption
9 shall be set aside by the Fiscal Agent in trust for the Owners of such Bonds and held as set
10 forth in Section 5.(D). Interest on such Bonds shall cease to accrue on the date fixed for
11 redemption.

12 (F) CANCELLATION. All Bonds which have been redeemed or received for
13 transfer shall be canceled and destroyed by the Fiscal Agent and shall not be reissued and a
14 counterpart of the certificate of destruction evidencing such destruction shall be furnished by
15 the Fiscal Agent to the City.

16 SECTION 7. APPROPRIATION.

17 (A) APPROPRIATION FROM SALES TAX REFUNDING DEBT SERVICE
18 FUND TO CAPITAL ACQUISITION FUND. The following funds reserved in the Sales Tax
19 Refunding Debt Service Fund (405) are hereby appropriated as a transfer to the Capital
20 Acquisition Fund 305.

| <u>Debt Service Fund</u> | <u>Amount</u> |
|--------------------------|---------------|
| Transfer to Fund 305 | \$3,000,000 |

23 (B) APPROPRIATION FROM CAPITAL ACQUISITION FUND TO THE
24 PROJECT. That the following appropriation is hereby made in the Capital Acquisition Fund
25 305 to the Project as indicated below:

| <u>Project</u> | <u>Sources</u> | <u>Amounts</u> |
|------------------------|------------------------|----------------|
| Paseo del Norte & I-25 | Transfer from Fund 405 | \$3,000,000 |
| Paseo del Norte & I-25 | Bond Proceeds | \$47,000,000 |

29 The scope of the project is to plan, design, right of way acquisition and reconstruction
30 of the existing Paseo del Norte and I-25 Interchange.

31 SECTION 8. REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP OF
32 BONDS.

1 (A) REGISTRATION, TRANSFER AND EXCHANGE. The City shall cause
2 books for the registration, transfer and exchange of the Bonds to be kept at the principal
3 office of the Registrar. Upon surrender for transfer or exchange of any Bonds at the principal
4 office of the Registrar duly endorsed by the Owner or his attorney duly authorized in writing,
5 or accompanied by a written instrument or instruments of transfer or exchange in form
6 satisfactory to such Registrar and properly executed, the City shall execute and the Registrar
7 shall authenticate and deliver in the name of the transferee or Owner a new Bond or Bonds
8 of the same Maturity Date, series, interest rate and same aggregate principal amount in
9 Authorized Denominations.

10 (B) OWNER OF BONDS. The person in whose name any Bond is
11 registered shall be deemed and regarded as its absolute Owner for all purposes, except as
12 may otherwise be provided with respect to the payment of interest on Bonds in Section 5.(B).
13 Payment of the principal on any Bonds shall be made only to or upon the order of its Owner
14 or his legal representative. All such payments shall be valid and effectual to satisfy and
15 discharge the liability on Bonds to the extent of the amount paid.

16 (C) REPLACEMENT OF BONDS. If any Bond is lost, stolen, destroyed or
17 mutilated, the Registrar shall, upon receipt of that Bond if mutilated, and evidence,
18 information or indemnity which the Registrar may reasonably require, authenticate and
19 deliver a replacement Bond or Bonds of the same aggregate principal amount, Maturity Date,
20 series and interest rate, bearing a number or numbers not then outstanding. If any lost,
21 stolen, destroyed or mutilated Bond has matured or been called for redemption, the Registrar
22 may direct the Paying Agent to pay that Bond in lieu of replacement.

23 (D) CHARGES. Exchanges and transfers of Bonds shall be made without
24 charge to the Owners or any transferee except that the Registrar may make a charge
25 sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to
26 be paid with respect to that transfer or exchange.

27 (E) BONDS CALLED FOR REDEMPTION. The Fiscal Agent shall not be
28 required to transfer or exchange any Bonds during the five-day period preceding the mailing
29 of notice calling Bonds for redemption.

30 (F) UNAUTHENTICATED BONDS. The officers of the City are authorized
31 to deliver to the Registrar fully registered but unauthenticated Bonds in such quantities as
32 may be convenient to be held in custody by the Registrar pending the use thereof as
33 provided in the Bond Legislation.

1 SECTION 9. NEGOTIABILITY. Bonds shall be fully negotiable and shall have all
2 the qualities of negotiable paper, and the owner or owners thereof shall possess all rights
3 enjoyed by the owners of negotiable instruments under the provisions of the Uniform
4 Commercial Code—Investment Securities in effect in the State.

5 SECTION 10. SPECIAL LIMITED OBLIGATIONS. The Bonds and all payments of
6 principal, premium, if any, and interest thereon, (whether at maturity or on a redemption date)
7 and the obligations of the City for all other payments, fees, costs, interest and expenses
8 under the Bond Legislation and under all Related Documents shall be special limited
9 obligations of the City payable solely from the Pledged Revenues, which revenues are
10 pledged and are payable as set forth in Sections 19 and 20. However, the Bonds are also
11 payable from amounts on deposit in the Acquisition Fund and the Debt Service Fund.

12 Owners and the parties under any Related Documents may not look to any general or
13 other fund of the City for the payment of the principal of or interest on, or the fees, costs and
14 expenses relating to, such obligations, except the designated special funds pledged therefor.
15 Neither the Bonds nor the obligations of the City under any Related Documents shall
16 constitute an indebtedness of the City within the meaning of any constitutional, charter or
17 statutory prohibition or limitation, nor shall they be considered or held to be general
18 obligations of the City, and the Bonds shall recite that they are payable and collectable solely
19 out of the Pledged Revenues and from any other sources stated in the Bond Legislation and
20 that the Owners may not look to any general or other municipal fund for the payment of the
21 principal, premium, if any, or interest, as applicable, on the Bonds or for the payment of any
22 amounts owed under any Related Documents.

23 SECTION 11. EXECUTION AND CUSTODY OF BONDS.

24 (A) FILING MANUAL SIGNATURES. Prior to the execution of any Bonds
25 pursuant to Sections 6-9-1 through 6-9-6 NMSA, the Mayor, City Clerk and City Treasurer
26 shall each file with the Secretary of State of New Mexico his or her manual signature certified
27 by him or her under oath; provided that such filing shall not be necessary for any officer
28 where any previous filing may have legal application.

29 (B) EXECUTION. Bonds shall be signed with the manual or facsimile
30 signature of the Mayor and the manual or facsimile signature of the City Treasurer or City
31 Clerk. There shall be placed on each Bond the printed, engraved, stamped or otherwise
32 placed facsimile or imprint of the City's corporate seal. Bonds when authenticated and
33 bearing the manual or facsimile signatures of the officers in office at the time of their signing

1 shall be valid and binding obligations of the City, notwithstanding that before delivery of those
2 Bonds, any or all of the persons who executed those Bonds shall have ceased to fill their
3 respective offices. The Mayor, City Clerk and City Treasurer, at the time of the execution of
4 the Bonds, each may adopt as and for his or her own facsimile signature the facsimile
5 signature of his or her predecessor in office if such facsimile signature appears upon any of
6 the Bonds or certificates pertaining to the Bonds. No manual or facsimile signature of any
7 officer of the City shall be required if the Bonds are issued in book-entry form without the
8 delivery of any physical securities.

9 (C) CUSTODY. The Registrar shall hold in custody all Bonds signed and
10 attested by the Mayor, City Clerk and City Treasurer until ready for delivery to the purchaser,
11 transferee or Owner. The City shall, from time to time, at the written request of the Registrar,
12 provide the Registrar an adequate supply of Bonds.

13 (D) AUTHENTICATION. No Bonds shall be valid or obligatory for any
14 purpose unless the certificate of authentication has been duly executed by the Registrar.
15 That Registrar's certificate of authentication shall be deemed to have been duly executed if
16 manually signed by an authorized officer of the Registrar, but it shall not be necessary that
17 the same officer sign the certificate of authentication on all Bonds.

18 SECTION 12. APPOINTMENT OF FISCAL AGENT. The initial Fiscal Agent for the
19 Bonds shall be the City Treasurer, unless otherwise set forth in the Sale Resolution. The
20 Paying Agent and Registrar shall be the same Person for the Bonds, unless otherwise set
21 forth in the Sale Resolution.

22 SECTION 13. SUCCESSOR REGISTRAR OR PAYING AGENT. If the Registrar or
23 Paying Agent initially appointed shall resign, or if the City shall determine to appoint a
24 successor or co-Registrar or co-Paying Agent or shall reasonably determine that a Registrar
25 or Paying Agent has become incapable of fulfilling its duties under the Bond Legislation, the
26 City may, upon notice mailed to each Owner at the address last shown on the registration
27 books, appoint a successor or co-Registrar or Paying Agent. Every such successor or co-
28 Registrar or Paying Agent shall be a bank or trust company located and in good standing in
29 the United States with a capital stock, surplus and undivided profits, however denominated,
30 of not less than \$75,000,000 or the City Treasurer, or any successor in office.
31 Notwithstanding any other provision of the Bond Legislation, no removal, resignation or
32 termination of the Paying Agent shall take effect until a successor shall be appointed.
33 Additional provisions relating to the Registrar and the Paying Agent and the payment of the

1 Bonds may be in a separate paying agent agreement executed on behalf of the City by an
2 Authorized Officer.

3 SECTION 14. BOND FORM. Each series of Bonds shall be in substantially the
4 form set forth in the Sale Resolution for each series, with only such changes as are not
5 inconsistent with the Bond Legislation.

6 SECTION 15. SALE OF BONDS.

7 Each series of Bonds shall be sold to the Investment Bankers or to the NMFA
8 at the Sale Price for that series, pursuant to the terms of the Bond Legislation and the
9 appropriate Bond Purchase Agreement. If a series of Bonds is sold to Investment Bankers,
10 after that series of Bonds has been duly executed and authenticated by the Registrar, upon
11 receipt of the Sale Price for that series by the City that series of Bonds shall be delivered to
12 the Investment Bankers by an Authorized Officer or to the Depository, if any, on behalf of the
13 Investment Bankers if the Bonds of that series are issued in book-entry form. If a series of
14 Bonds is sold to the NMFA, after that series of Bonds has been duly executed and
15 authenticated by the Registrar, upon receipt of the Sale Price for that series by the City, that
16 series of Bonds shall be delivered to the NMFA.

17 SECTION 16. FUNDS. The City creates or continues, as applicable, the following
18 funds:

19 (A) GROSS RECEIPTS TAX INCOME FUND. Continues the Gross
20 Receipts Tax Income Fund previously established and maintained by the City.

21 (B) ACQUISITION FUND. Creates the Acquisition Fund to be maintained
22 by the City. Separate accounts in the Acquisition Fund may be created by the City in each
23 Sale Resolution.

24 (C) DEBT SERVICE FUND. Creates the Debt Service Fund to be
25 maintained by the City. Separate accounts in the Debt Service Fund may be created by the
26 City in each Sale Resolution.

27 (D) ADDITIONAL FUNDS. The City shall create any additional funds which
28 may be required.

29 SECTION 17. BOND PROCEEDS; DEBT SERVICE FUND DEPOSIT;
30 APPROPRIATIONS.

31 The total amount of proceeds from the sale of any series of Bonds shall be applied
32 and appropriated as set forth in the applicable Sale Resolution for that series. Proceeds of
33 any series of Bonds that are deposited in the Acquisition Fund or any account thereof shall

1 be applied to the Project or the appropriate portion thereof or for the payment of Expenses
2 related to that series of Bonds and for any other purpose related to the Project or incidental
3 to the issuance or administration of the Bonds permitted by the Bond Legislation; provided
4 that the City may pay Expenses related to any series of Bonds from the proceeds of that
5 series of Bonds without first depositing such proceeds in the Acquisition Fund or any account
6 thereof. The Completion Date for any portion of the Project funded by a series of Bonds
7 shall be evidenced by a certificate of an Authorized Officer stating that portion of the Project
8 have been completed. As soon as practicable, and in any event not more than 60 days after
9 the Completion Date, any balance remaining in the applicable account of the Acquisition
10 Fund (other than any amount certified by an Authorized Officer as being necessary for costs
11 of the Project not then due and payable) shall be transferred to the applicable account of that
12 Debt Service Fund and used by the City for the payment of the principal of or interest next
13 coming due on that series of Bonds. The Investment Bankers or the NMFA shall not be
14 responsible for the application or use by the City or by its officers of the Bond proceeds or of
15 any other funds designated in the Bond Legislation.

16 On the Closing Date, the City Treasurer or other Authorized Officer may approve
17 variations in the amounts to be deposited, transferred and used as set forth in this Section 17
18 as necessary or desirable, to the extent permitted by law.

19 SECTION 18. APPROVAL OF DOCUMENTS; PAYMENT OF EXPENSES.

20 (A) DOCUMENT APPROVAL. As to any series of Bonds, the Council shall
21 approve in the applicable Sale Resolution, if necessary, a Bond Purchase Agreement,
22 Continuing Disclosure Undertaking, and Preliminary Official Statement in substantially the
23 forms presented to the Council at that time with such changes and additions necessary and
24 appropriate for the issuance of such series of Bonds. Additional Related Documents for the
25 applicable series of Bonds shall also be identified and approved by the Council in the
26 applicable Sale Resolution.

27 (B) EXPENSES. All Expenses shall be paid directly by the City to the party
28 entitled thereto using moneys available from the proceeds of the Bonds or from the Gross
29 Receipts Tax Income Fund, pursuant to the priorities established by Section 19.

30 (C) FURTHER ACTS. From and after the date of the adoption of the Bond
31 Legislation, the officers, agents and employees of the City are authorized, empowered and
32 directed to do all such acts and things and to execute all such documents as may be

1 necessary to issue the Bonds and to carry out and comply with the provisions of the Bond
2 Legislation and the Related Documents.

3 SECTION 19. DEPOSIT AND PRIORITIES FOR USE OF PLEDGED REVENUES.

4 (A) DEBT SERVICE FUND. So long as any Bonds are Outstanding, either
5 as to principal or interest, or both, the Pledged Revenues shall be set aside and deposited as
6 follows:

7 Pledged Revenues shall, immediately upon receipt thereof by the City, be set
8 aside and deposited into the Gross Receipts Tax Income Fund. All money deposited into the
9 Gross Receipts Tax Income Fund shall be held separate and apart from the City's general
10 fund and applied only in accordance with the provisions of the Bond Legislation and any
11 other City ordinance authorizing the issuance of Tax Obligations. Money shall not be
12 accumulated in or transferred from the Gross Receipts Tax Income Fund for the payment of
13 the principal of, premium, if any, or interest on the Bonds or other Tax Obligations after the
14 payment each month of, or the setting aside of funds each month sufficient to pay, the
15 amounts required to be deposited pursuant to this Section 19. The following payments shall
16 be made from the Pledged Revenues:

17 Firstly, as a first charge on the Pledged Revenues, the amounts necessary to
18 pay the Debt Service Requirements on Senior Tax Obligations at the time Outstanding shall
19 be withdrawn from the Gross Receipts Tax Income Fund and shall be concurrently credited
20 to the Debt Service Fund (including any account therein established by a Sale Resolution) or
21 any relevant debt service account, with the same priority and, if insufficient to pay all of the
22 enumerated Debt Service Requirements, pro rated in proportion to the amounts of such Debt
23 Service Requirements (monthly, in the case of the Bonds, in accordance with Section
24 20.(G)):

25 (1) Prior to each interest payment date, that amount necessary to
26 pay or reimburse the next maturing installment of interest of each series of Senior Tax
27 Obligations then Outstanding.

28 (2) Prior to each principal payment date, that amount necessary to
29 pay the next regularly scheduled installment of principal, whether at maturity or a mandatory
30 sinking fund redemption date, of each series of Senior Tax Obligations then Outstanding.

31 (3) Prior to their respective due dates, the amounts necessary to
32 pay or reimburse the provider of a Credit Facility for payments of Debt Service Requirements
33 (but not tender price) on Senior Tax Obligations made by the relevant Credit Source. The

1 tender price of a series of Senior Tax Obligations and any interest payment owed to any
2 Credit Source which exceeds the amount of interest which would be payable at the maximum
3 bond interest rate on that series, shall not be reimbursed from the Gross Receipts Tax
4 Income Fund with the priority set forth in this Section 19.(A) but shall be reimbursed with the
5 priority set forth in Section 19.(B).

6 (4) The City may pay the Debt Service Requirements on the Bonds
7 and, unless otherwise required under the ordinance or resolution under which they were
8 issued, any other Tax Obligations that are Senior Tax Obligations from Pledged Revenues
9 as described in Section 19 in such order, in whole or in part, as to the use of Pledged
10 Revenues as the City may from time to time determine in its sole discretion.

11 (B) OTHER SENIOR TAX OBLIGATIONS. To the extent not required to be
12 deposited or paid pursuant to Sections 19.(A), Pledged Revenues available in the Gross
13 Receipts Tax Income Fund shall be used, as necessary, to pay (i) payment obligations owed
14 by the City to a Credit Source for Senior Tax Obligations, including the tender price of and
15 certain interest payments on, Senior Tax Obligations paid by that Credit Source; and (ii) fees,
16 expenses and interest owed by the City to any other provider of fiscal services for a series of
17 Senior Tax Obligations. Amounts from the Gross Receipts Tax Income Fund to be used to
18 pay interest pursuant to this Section 19.(B) shall be deposited by the City into a separate
19 account maintained by the City on or before the due date thereof.

20 (C) DEBT SERVICE RESERVE REQUIREMENTS. To the extent not
21 required to be deposited or paid pursuant to Sections 19.(A) or 19.(B), Pledged Revenues
22 available in the Gross Receipts Tax Income Fund shall be used, as necessary, to pay any
23 debt service reserve account as required by the terms of any ordinance or resolution
24 authorizing the issuance of Senior Lien Tax Obligations.

25 (D) SUBORDINATE TAX OBLIGATIONS. To the extent not required to be
26 deposited or paid pursuant to Sections 19.(A), 19.(B) or 19.(C), Pledged Tax Revenues
27 available in the Gross Receipts Tax Income Fund shall be used, as necessary, to pay Debt
28 Service Requirements on Subordinate Tax Obligations as the same accrue.

29 (E) USE OF SURPLUS PLEDGED REVENUES. To the extent not required
30 in any month to be deposited or paid pursuant to Sections 19.(A), 19.(B), 19.(C) or 19.(D),
31 any moneys remaining in the Gross Receipts Tax Income Fund may be transferred from the
32 Gross Receipts Tax Income Fund, and applied as required by the terms of any ordinance or
33 resolution authorizing the issuance of any Tax Obligations and, if not so required to be

1 applied, to any other lawful purpose or purposes authorized by applicable law, as determined
2 by the City, subject to any limitations imposed by the Code.

3 SECTION 20. GENERAL ADMINISTRATION OF FUNDS.

4 (A) USE OF AMOUNTS AND TERMINATION OF DEPOSITS IN DEBT
5 SERVICE FUNDS.

6 (1) MONEY IN DEBT SERVICE FUNDS. Except as provided in
7 Section 20.(A)(2), the money credited to the Debt Service Fund including any account therein
8 established by a Sale Resolution shall be used by the City only to pay, or to reimburse a
9 Credit Source for the payment of, the Debt Service Requirements of the applicable series of
10 Bonds. Money on deposit in the Debt Service Fund and any account therein shall be
11 transferred to the Paying Agent on or before each relevant payment date.

12 (2) TERMINATION UPON DEPOSITS TO MATURITY. No
13 payment needs to be made into the Debt Service Fund or to any applicable account therein if
14 no Debt Service Requirements on the Bonds are then past due and the amounts on deposit
15 in the applicable account of the Debt Service Fund for the payment of the applicable series of
16 Bonds are at least equal to all Debt Service Requirements on the applicable series of Bonds
17 prior to their Maturity Dates or mandatory redemption dates, or to any date for which the City
18 has exercised or has obligated itself to exercise its option to redeem the applicable series of
19 Bonds prior to their Maturity Dates or redemption dates, as the case may be. In such event,
20 money in the applicable series of Debt Service Fund shall be used for the payment of the
21 Debt Service Requirements or such optional redemption payments, if applicable, when due,
22 on the applicable series of Bonds. Any money in those accounts in excess of the amounts
23 required by the preceding sentence may be used as provided in Section 19.(E).

24 (B) CREDIT OR DEFICIENCY. In making the determinations of the
25 amounts to be transferred from the Gross Receipts Tax Income Fund as provided in Section
26 19 or this Section 20, the City may take into account any amount then on deposit in any fund
27 relating to the Bonds which is available and required to be used for the designated payment.
28 If any deposit made to a fund for the payment of the Bonds is less than the amount required
29 to be deposited, the City shall pay or credit to that fund from Pledged Revenues in the Gross
30 Receipts Tax Income Fund the first money available to pay that deficiency using the priorities
31 set forth in Section 19 and this Section 20.

32 (C) TRANSFER OF MONEY. Each payment of principal and interest
33 coming due on the Bonds shall be transferred from the applicable fund to the Paying Agent.

1 (D) VARIABLE INTEREST RATE. In making the computations required by
2 Section 19 and this Section 20, interest on Variable Interest Rate Tax Obligations which
3 Cannot be computed exactly shall be computed at the maximum interest rate permitted for
4 those Obligations unless otherwise required by the City ordinance authorizing the issuance
5 of such Obligations.

6 (E) INVESTMENT OF MONEY. Any money in any fund created or
7 continued in Section 16 shall be invested in Permitted Investments. The investments
8 purchased using money in any such fund shall be deemed at all times to be part of that fund.
9 The interest accruing in the funds and any profit realized therefrom shall be credited to the
10 fund in which the relevant investments are deemed to be held. Any loss resulting from such
11 investment shall be charged to the applicable fund. The City Treasurer shall present for
12 redemption or sale on the prevailing market any obligations purchased as an investment of
13 money in the applicable fund whenever it shall be necessary to do so in order to provide
14 money to meet any payment or transfer from such fund. Neither the City Treasurer nor any
15 other officer of the City shall be liable or responsible for any loss resulting from any such
16 investment made in accordance with the Bond Legislation.

17 (F) DEPOSITS OF FUNDS. The money and investments deposited in the
18 funds created or continued in Section 16 shall be maintained and kept in one or more
19 Insured Banks. Each payment shall be made into and credited to the proper fund at the
20 designated time, except that when the designated time is not a Business Day, then such
21 payment shall be made on the next succeeding Business Day. Nothing herein shall prevent
22 the establishment of one or more such funds in insured banks for all of the accounts
23 designated in Section 16.

24 (G) DEPOSITS OF PLEDGED REVENUES FOR BONDS.

25 (1) The City shall make substantially equal monthly deposits in the
26 applicable account in the Debt Service Fund in order to pay the amount of interest on the
27 applicable series of Bonds which will become due on the Interest Payment Date next
28 following the date of deposit. The monthly deposits required in the preceding sentence shall
29 begin in the calendar month subsequent to the Closing Date for that series of Bonds.

30 (2) Deposits to the applicable account in the Debt Service Fund for
31 the next installment of principal becoming due on the applicable series of Bonds shall be
32 made in substantially equal monthly deposits commencing in the first month which is less
33 than 13 months prior to the month in which that installment of principal is due.

1 (H) VALUATION. The "value" of Permitted Investments shall be determined
2 at least every six months as follows:

3 (1) if the price of the investment is not set as described in Section
4 20.(H)(4), as to investments the bid and asked prices of which are published on a regular
5 basis in The Wall Street Journal (or, if not there, then in The New York Times): the average
6 of the bid and asked prices for such investments published on or more recently prior to such
7 time of determination;

8 (2) as to investments the bid and asked prices of which are not
9 published on a regular basis in The Wall Street Journal or The New York Times: the average
10 bid price at such time of determination for such investments by any two nationally recognized
11 government securities dealers (selected by the City in its absolute discretion) at the time
12 making a market in such investments or the bid price published by a nationally recognized
13 pricing service;

14 (3) as to certificates of deposit and bankers acceptances: the face
15 amount thereof, plus accrued interest;

16 (4) as to investments in clauses (1), (2), (3) and (9) of the definition
17 of Permitted Investments pursuant to which a financial institution is obligated to purchase the
18 investment from the City at a fixed price through maturity of the investment: the price set
19 forth in such agreement, provided that such institution, or the guarantor of such institution or
20 agreement, shall be rated in one of the top two Rating Categories by S&P, Moody's and Fitch
21 if then rating the Bonds, or by another national rating agency; and

22 (5) as to any investment not specified above: the cost of the
23 Permitted Investments (including any amount paid as accrued interest) or the principal
24 amount thereof, whichever is less; except that Permitted Investments purchased at a
25 premium may initially be valued at the cost thereof, but in each year after such purchase
26 shall be valued at a lesser amount determined by ratably amortizing the premium over the
27 remaining term.

28 No loss or profit on Permitted Investments shall be deemed to take place as a result
29 of fluctuations in the market quotations prior to the sale or maturity thereof.

30 (I) TIMING. Deposits for the payment of principal of and interest on other
31 Senior Tax Obligations required by Section 19.(B) may be made more or less frequently than
32 monthly.

33 SECTION 21. LIEN ON PLEDGED REVENUES; PROCEEDS; ETC.

1 (A) BONDS. Payments of Debt Service Requirements on the Bonds are
2 secured by an irrevocable lien on and the City grants and confirms to the owners of the
3 Bonds a security interest in the Pledged Revenues for the payment of the principal or
4 premium, if any, and interest on the Bonds. The Bonds shall be issued as Senior Tax
5 Obligations.

6 The City pledges and grants a security interest in and lien (but not an
7 exclusive lien) on the money and Permitted Investments on deposit in the applicable account
8 in the Debt Service Fund, the applicable account in the Acquisition Fund and any other fund
9 (other than any Rebate Fund) held pursuant to the Bond Legislation for the corresponding
10 series of Bonds for the payment of such Bonds.

11 (B) OTHER RELATED DOCUMENTS. Payments under any other Related
12 Documents shall be secured by an irrevocable lien on, and the City grants to the parties
13 entitled to payments under those Related Documents, a security interest in, the Pledged
14 Revenues for those payments.

15 (C) REBATE PAYMENTS. Any investment income which is required to be
16 rebated to the United States pursuant to Section 148(f) of the Code is not subject to the
17 pledge and security interest provided in this Section 21.

18 SECTION 22. EQUALITY OF BONDS. Except as specifically stated in the Bond
19 Legislation, each series of the Bonds from time to time Outstanding shall not be entitled to
20 any priority one over the other in the application of the Pledged Revenues, regardless of the
21 time or times of their issuance, it being the intention of the Council that there shall be no
22 priority among the series of the Bonds, regardless of the fact that they may be actually
23 issued and delivered at different times.

24 SECTION 23. ADDITIONAL BONDS OR OTHER OBLIGATIONS PAYABLE FROM
25 PLEDGED REVENUES.

26 (A) LIMITATIONS UPON ISSUANCE OF SENIOR TAX OBLIGATIONS. No
27 provision of the Bond Legislation shall be construed to prevent the issuance by the City of
28 additional Senior Tax Obligations, nor to prevent the issuance of bonds or other obligations
29 refunding all or a part of any Senior Tax Obligations. However, before any additional Senior
30 Tax Obligations are issued:

31 (1) The City shall then be current in the accumulations required to
32 be made pursuant to any ordinance or resolution authorizing the issuance of any Senior Tax
33 Obligations; and

1 (2) With respect to additional Senior Tax Obligations:

2 (a) The Pledged Revenues received by the City for either
3 (i) the Fiscal Year or (ii) any twelve consecutive months out of the eighteen calendar months
4 immediately preceding the date of the issuance of such additional Senior Tax Obligations
5 shall have been sufficient to pay an amount representing two hundred and twenty-five
6 percent (225%) of the combined maximum annual principal and interest payments (excluding
7 any reserves therefor) coming due in any subsequent Fiscal Year on: (i) the then
8 Outstanding Senior Tax Obligations, and (ii) the Senior Tax Obligations proposed to be
9 issued.

10 (b) A written certificate or opinion by an Independent
11 Accountant or City Treasurer that such annual Pledged Revenues are sufficient to pay the
12 amounts required by paragraph (a) above shall be conclusively presumed to be accurate in
13 determining the right of the City to authorize, issue, sell and deliver the proposed additional
14 Senior Tax Obligations.

15 (c) In making the computations required by this Section
16 23.(A)(2) and Section 24.(B), that part of the interest rate on Variable Rate Obligations which
17 cannot be computed exactly shall be computed at the maximum interest rate then permitted
18 on such obligations by the City ordinance authorizing the issuance of such obligations.

19 (B) SUBORDINATE TAX OBLIGATIONS PERMITTED. No provision of the
20 Bond Legislation shall be construed to prevent the issuance by the City of Subordinate Tax
21 Obligations.

22 (C) SUPERIOR TAX OBLIGATIONS PROHIBITED. No provision of the
23 Bond Legislation shall be construed to permit the City to issue, and the City shall not issue,
24 obligations payable from the Pledged Revenues having a lien thereon prior and superior to
25 the Senior Tax Obligations.

26 SECTION 24. REFUNDING BONDS PAYABLE FROM PLEDGED REVENUES.
27 The provisions of Section 23 are subject to the following exceptions:

28 (A) PRIVILEGE OF ISSUING REFUNDING TAX OBLIGATIONS.
29 Outstanding Tax Obligations may be refunded, regardless of whether the priority of the lien
30 for the payment of the refunding obligations on the Pledged Revenues is different than the
31 lien of the refunded Tax Obligations on Pledged Revenues, except as provided in Section
32 23.(C) and in Sections 24.(B), 24.(C) and 24.(D).

1 (B) LIMITATIONS UPON ISSUANCE OF REFUNDING TAX
2 OBLIGATIONS. No Refunding Tax Obligations shall be issued as Senior Tax Obligations
3 unless:

4 (1) The Tax Obligations refunded are Senior Tax Obligations and
5 the issuance of the refunding Tax Obligations does not increase the maximum annual Debt
6 Service Requirements of the refunded Tax Obligations and all other Outstanding Senior Tax
7 Obligations on the refunding date; or

8 (2) The refunding Senior Tax Obligations are issued in compliance
9 with Section 23.(A).

10 (C) REFUNDING PART OF A SERIES. While any series of Bonds are
11 Outstanding, except as set forth in subparagraph (3) below, the refunding Tax Obligations
12 shall enjoy complete equality of lien on the Pledged Revenues with the portion of any Tax
13 Obligations of the same series which is not refunded and the Owners of the refunding Tax
14 Obligations shall be subrogated to all of the rights and privileges enjoyed by the Owners of
15 the refunded Tax Obligations.

16 A part of a series of Outstanding Tax Obligations may be refunded only with
17 the consent of the Owners of the unrefunded portion of that series unless:

18 (1) The issuance of the refunding Tax Obligations does not
19 increase the maximum annual Debt Service Requirements evidenced by the refunded Tax
20 Obligations and by the Outstanding Tax Obligations of such series not refunded on the
21 refunding date; or

22 (2) The refunding Senior Tax Obligations are issued in compliance
23 with Section 23.(A); or

24 (3) The lien on the Pledged Revenues for the payment of the
25 refunding Tax Obligations is subordinate to the lien thereon for the payment of the
26 unrefunded portion of the series.

27 (D) LIMITATIONS UPON ISSUANCE OF REFUNDING TAX
28 OBLIGATIONS. Any refunding Tax Obligations shall be issued with such details as the City
29 may provide by ordinance and resolution, but without any impairment of any contractual
30 obligations imposed upon the City by any proceedings authorizing the issuance of any
31 Outstanding Obligations.

32 SECTION 25. PROTECTIVE COVENANTS. The City covenants and agrees, so
33 long as any series of Bonds remain Outstanding:

1 (A) USE OF PROCEEDS OF TAX OBLIGATIONS. The City shall proceed
2 without delay to apply the proceeds of each series of Tax Obligations to the purposes for
3 which they are issued.

4 (B) PAYMENT OF TAX OBLIGATIONS. The City shall promptly pay Debt
5 Service Requirements on each series of Tax Obligations at the place, on the date and in the
6 manner specified in the City ordinances and resolutions and the documents relating to those
7 Tax Obligations.

8 (C) CITY'S EXISTENCE. The City shall maintain its corporate identity and
9 existence unless another political subdivision by operation of law succeeds to the liabilities
10 and rights of the City under the Bond Legislation, without adversely affecting to any
11 substantial degree the privileges and rights of any Owner.

12 (D) PROHIBITION OF ANY EXTENSION OF INTEREST PAYMENTS. In
13 order to prevent any accumulation of claims for interest after maturity, the City shall not
14 directly or indirectly extend or assent to the extension of time for the payment of any claim for
15 interest on any Bonds. If the time for payment of any interest is extended, such payment
16 shall not be made by the City, in case of default under the Bond Legislation, until the prior
17 payment in full of the Debt Service Requirements on all Bonds on which the payment of
18 interest has not been extended.

19 (E) RECORDS. The City shall keep proper books of record and account,
20 separate and apart from all other records and accounts, showing complete and correct
21 entries of all transactions relating to the Pledged Revenues.

22 (F) AUDITS. The City shall, within 270 days following the close of each
23 Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be
24 completed by an Independent Accountant showing the receipts and disbursements in
25 connection with the Pledged Revenues.

26 (G) DUTY TO IMPOSE TAX. If State law or the City Charter or any City
27 ordinance or part thereof, which affects the Pledged Revenues, shall ever be held to be
28 invalid or unenforceable, the City shall immediately take any action which is legally available
29 to the City necessary to produce sufficient Pledged Revenues to comply with the obligations
30 of the City under the Bond Legislation.

31 (H) IMPAIRMENT OF CONTRACT. In accordance with Section 3-31-6(C)
32 NMSA 1978, no law, ordinance or resolution of the City which affects the Pledged Revenues
33 or the Bonds shall be repealed or otherwise directly or indirectly modified in such a manner

1 as to impair adversely Outstanding Bonds or obligations of the City under the Bond
2 Legislation or any Related Documents, unless the Bonds or obligations have been
3 discharged in full or provision has been fully made therefor.

4 SECTION 26. REPRESENTATIONS AND WARRANTIES OF THE CITY. The City
5 represents and warrants that:

6 (A) HOME RULE POWER; EXISTENCE. The City has Home Rule Powers
7 and has been validly created and is operating under the laws of the State and the City's
8 Charter.

9 (B) AUTHORITY. The City has all requisite power and authority under the
10 laws of the State and the Home Rule Powers to enter into, execute and deliver the Related
11 Documents, to issue and sell the Bonds and to perform its covenants contained in the Bond
12 Legislation.

13 (C) EXECUTION AUTHORIZED. The execution and delivery of the Related
14 Documents and use of the disclosure documents for the Bonds and the issuance and sale of
15 the Bonds shall be duly authorized by the Council and, no further authorization or approval of
16 such execution, use, delivery, issuance or sale is required by law.

17 (D) ENFORCEABILITY OF BONDS. The Bonds, when issued, delivered
18 and paid for, shall constitute valid and binding special, limited obligations of the City
19 enforceable in accordance with their terms and entitled to the benefits and security of the
20 Bond Legislation, subject to the limitations contained in the Bond Legislation and subject to
21 any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the
22 enforcement of creditors' rights generally and the enforceability of indemnification provisions
23 and except to the extent that the enforceability thereof may be limited by the availability of
24 equitable remedies.

25 (E) ENFORCEABILITY OF RELATED DOCUMENTS. The Related
26 Documents, when executed and delivered by the City shall constitute valid and binding
27 special limited obligations of the City enforceable in accordance with their terms, subject to
28 any applicable bankruptcy, insolvency, moratorium or other laws affecting the enforcement of
29 creditors' rights generally and the enforceability of indemnification provisions except to the
30 extent that the enforceability thereof may be limited by the availability of equitable remedies.

31 (F) NO CONFLICT. The execution and delivery of the Related Documents,
32 Bonds and the other agreements contemplated by the Bond Legislation and compliance with
33 the provisions thereof, shall not conflict with nor constitute on the part of the City a breach of

1 or a default under any existing law, court or administrative regulation, decree, order or, to the
2 knowledge of the City, any agreement, indenture, mortgage or lease to which the City is a
3 party or by which it is or may be bound.

4 (G) OTHER LIENS. Other than as described and identified by the Bond
5 Legislation, there are no liens or encumbrances of any nature on or against the Pledged
6 Revenues on the date of adoption of the Bond Legislation.

7 SECTION 27. TAX COMPLIANCE. The City covenants that it shall use, and shall
8 restrict the use and investment of, the proceeds of any series of Bonds intended by the City
9 to be issued as bonds the interest on which will not be included as gross income for federal
10 income tax purposes in such manner and to such extent as may be necessary so that (a) any
11 series of Bonds intended by the City to be issued as bonds the interest on which will not be
12 included as gross income for federal income tax purposes shall not (i) constitute private
13 activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Code,
14 or (ii) be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the
15 interest thereon shall not be treated as a preference item under Section 57 of the Code. The
16 City further covenants (a) that it shall take or cause to be taken such actions that may be
17 required of it for the interest on any series of Bonds intended by the City to be issued as
18 bonds the interest on which will not be included as gross income for federal income tax
19 purposes to be and to remain excluded from gross income for federal income tax purposes,
20 (b) that it shall not take or authorize to be taken any actions that would adversely affect that
21 exclusion, and (c) that it, or persons acting for it, shall, among other acts of compliance, (i)
22 apply the proceeds of any series of Bonds intended by the City to be issued as bonds the
23 interest on which will not be included as gross income for federal income tax purposes to the
24 governmental purposes of the borrowings, (ii) restrict the yield on investment property, (iii)
25 make timely and adequate rebate payments or payments of alternative amounts in lieu of
26 rebate to the federal government, (iv) maintain books and records and make calculations and
27 reports, and (v) refrain from certain uses of those proceeds and, as applicable, of property
28 financed with such proceeds, all in such manner and to the extent necessary to assure such
29 exclusion of that interest under the Code.

30 Authorized Officers are authorized (a) to make or effect any election, selection,
31 designation, choice, consent, approval, or waiver on behalf of the City with respect to any
32 series of Bonds intended by the City to be issued as bonds the interest on which will not be
33 included as gross income for federal income tax purposes as the City is permitted or required

1 to make or give under the federal income tax laws, including, without limitation thereto, any of
2 the elections available under Section 148 of the Code for the purpose of assuring, enhancing
3 or protecting favorable tax treatment or status of any series of Bonds intended by the City to
4 be issued as bonds the interest on which will not be included as gross income for federal
5 income tax purposes or interest thereon or assisting in the compliance with requirements for
6 that purpose, reducing the burden or expense of such compliance, reducing the rebate
7 amount or payments of penalties, or making payments of special amounts in lieu of making
8 computations to determine, or paying, excess earnings as rebate, or obviating those
9 amounts or payments, as determined by that officer, which action shall be in writing and
10 signed by the officer, (b) to take any and all other actions, make or obtain calculations, make
11 payments, and make or give reports, covenants and certifications of and on behalf of the
12 City, as may be appropriate to assure the exclusion of interest from gross income and the
13 intended tax status of any series of Bonds intended by the City to be issued as bonds the
14 interest on which will not be included as gross in come for federal income tax purposes, and
15 (c) to give one or more appropriate certificates of the City, for inclusion in the transcripts of
16 the proceedings for any series of Bonds intended by the City to be issued as bonds the
17 interest on which will not be included as gross income for federal income tax purposes,
18 setting forth the reasonable expectations of the City regarding the amount and use of all the
19 proceeds of any series of Bonds intended by the City to be issued as bonds the interest on
20 which will not be included as gross income for federal income tax purposes, the facts,
21 circumstances and estimates on which they are based, and other facts and circumstances
22 relevant to the tax treatment of the interest on and the tax status of any series of Bonds
23 intended by the City to be issued as bonds the interest on which will not be included as gross
24 income for federal income tax purposes.

25 SECTION 28. EVENTS OF DEFAULT. Each of the following events is an "Event of
26 Default":

27 (A) NONPAYMENT OF PRINCIPAL. As to any series of Bonds, failure to
28 pay the principal of that series of Bonds when the same becomes due and payable, either at
29 maturity, or by proceedings for prior redemption, or otherwise.

30 (B) NONPAYMENT OF INTEREST. As to any series of Bonds, failure to
31 pay any installment of interest on that series of Bonds on the due date thereof.

32 (C) INCAPABLE TO PERFORM. The City shall for any reason be rendered
33 incapable of performing its obligations under the Bond Ordinance or the Sale Resolution.

1 (D) DEFAULT OF ANY OTHER PROVISION. Default by the City in the due
2 and punctual performance of its covenants or conditions, agreements and provisions
3 contained in any series of Bonds or in the Bond Ordinance or the applicable Sale Resolution
4 on its part to be performed, and the continuance of such default (other than a default set forth
5 in Sections 28.(A), 28.(B) or 28.(C)) for 60 days after written notice specifying such default
6 and requiring the same to be remedied has been given to the City by the Owners of 25% in
7 aggregate principal amount of that series of Bonds then Outstanding.

8 SECTION 29. REMEDIES UPON DEFAULT.

9 (A) REMEDIES UPON DEFAULT. Upon the happening and during the
10 continuance of any Event of Default relating to a series of Bonds the Owners of not less than
11 25% in aggregate principal amount of the Bonds then Outstanding affected by the Event of
12 Default, including but not limited to a trustee or trustees therefor may proceed against the
13 City to:

14 (1) protect and enforce the rights of the Owners by mandamus or
15 other suit, action or special proceedings in equity or at law, in any court of competent
16 jurisdiction, either for the appointment of a receiver or for the specific performance of any
17 covenant or agreement contained in the Bond Legislation or for the enforcement of any
18 proper legal or equitable remedy as those Owners may deem necessary or desirable to
19 protect and enforce their respective rights;

20 (2) enjoin any act or thing which may be unlawful or in violation of
21 any right of any Owner;

22 (3) require the Council to act as if it were the trustee of an express
23 trust; and

24 (4) any combination of those remedies.

25 All proceedings shall be instituted and maintained for the equal benefit of all
26 Owners of the Bonds then Outstanding. The failure of an Owner to exercise any right
27 granted by this Section 29 shall not relieve the City of any obligation to perform any duty.
28 Each right or privilege of any such Owner (or trustee or receiver therefor) is in addition and
29 cumulative to any other right or privilege and the exercise of any right or privilege by or on
30 behalf of any Owner shall not be deemed a waiver of any other right or privilege of such
31 Owner.

32 (B) GENERAL. No remedy in the Bond Legislation is intended to be
33 exclusive of any other remedy or remedies, and each and every such remedy shall be

1 cumulative, and shall be in addition to every other remedy given under the Bond Legislation
2 or now or hereafter existing at law or in equity or by statute.

3 All rights, remedies and powers provided by the Bond Legislation may be
4 exercised only to the extent that the exercise thereof does not violate any applicable
5 provision of law and all the provisions relating to an Event of Default or the exercise of
6 remedies upon the occurrence of an Event of Default are intended to be subject to all
7 applicable provisions of law which may be controlling and to be limited to the extent
8 necessary so that they shall not render the Bond Legislation invalid or unenforceable under
9 the provisions of any applicable law.

10 SECTION 30. APPLICATION OF MONEY. All money received with respect to any
11 right given or action taken under the provisions of the Bond Legislation after the occurrence,
12 and during the continuance, of an Event of Default with respect to the Bonds, except as
13 otherwise specified in the Bond Legislation, after payment of the costs, fees and expenses of
14 the proceedings resulting in the collection of such money, shall be deposited in the
15 applicable account of the Debt Service Fund and applied to the payment of the applicable
16 series of the Bonds in accordance with the terms and provisions of Section 19.

17 Whenever money is to be applied pursuant to the provisions of this Section 30, it shall
18 be applied at such times, and from time to time, as the Paying Agent determines, having due
19 regard to the amount of money available for application and the likelihood of additional
20 money becoming available in the future. Whenever the Paying Agent determines to apply
21 such money, the Paying Agent shall fix a Special Record Date and the date (which shall be
22 an Interest Payment Date unless the Paying Agent deems another date more suitable) upon
23 which payment is to be made and on such date interest on the amounts of principal to be
24 paid on such dates shall cease to accrue. The Paying Agent shall give notice to the Owners
25 of the deposit of any such money and of the fixing of any such date, and shall not be required
26 to make payment of principal to the Owner of any Bonds until presented to the Paying Agent
27 for appropriate endorsement or for cancellation if fully paid.

28 SECTION 31. DUTIES UPON DEFAULT; RIGHTS CONFERRED. Upon the
29 happening and during the continuance of any Event of Default, the City will do and perform
30 all proper acts on behalf and for the Owners to protect and preserve the security created for
31 the payment of the Bonds and any Payment Obligations and to insure the payment of the
32 Debt Service Requirements promptly as the same become due. The Owners of not less than

1 25% in aggregate principal amount of Outstanding series of Bonds, after written demand,
2 may proceed to protect and enforce the rights provided by this Section 31.

3 SECTION 32. DEFEASANCE. If, when a series of Bonds become due and payable
4 in accordance with their terms or otherwise as provided in the Bond Legislation and the
5 entire amount of the principal of, premium, if any, and interest due and payable on all of that
6 series of Bonds is paid or if provisions are made for the payment thereof when due and
7 payable, and all other sums payable under the Bond Legislation are paid, then all covenants,
8 agreements and other obligations of the City to the Owners shall cease, terminate and
9 become void and be discharged and satisfied. However, the covenants of the Bond
10 Legislation relating to the rebate requirements of Section 148(f) of the Code shall survive
11 until all applicable requirements have been satisfied.

12 (1) When all principal, interest and prior redemption premium, if
13 any, in connection with any Bond has been duly paid or provided for, the pledge and lien of
14 the Bond Legislation, and all obligations hereunder (except as provided in Section 33), shall
15 be discharged with respect to that Bond and that Bond shall no longer be deemed to be
16 Outstanding within the meaning of the Bond Legislation. There shall be deemed to be such
17 due payment or to be adequate provisions for the prompt and complete payment of a Bond
18 when the City has placed in escrow and in trust with a commercial bank or trust company
19 located within or without the State and exercising trust powers, an amount sufficient
20 (including the known minimum yield from Defeasance Obligations in which such amount may
21 be initially invested) to meet all requirements of principal, interest and prior redemption
22 premium, if any, on that Bond as the same become due to its final maturity or upon the
23 designated prior redemption date. The Defeasance Obligations shall become due prior to
24 the respective times at which the proceeds thereof shall be needed, in accordance with a
25 schedule established and agreed upon between the City and such bank or trust company (at
26 the time of the creation of the escrow, or the Defeasance Obligations shall be subject to
27 redemption at the option of the owners thereof to assure such availability as so needed to
28 meet such schedule.

29 (2) If any Bonds are deemed to be paid and discharged pursuant
30 to this Section 32, within 15 days after the date of defeasance, the City shall irrevocably
31 direct the Fiscal Agent to give written notice to each Owner of Bonds deemed paid and
32 discharged at the address shown on the Bond Register on the date on which those Bonds
33 are deemed paid and discharged. The notice shall state, to the extent applicable, the same

1 information required by Section 6.(D) for the redemption of Bonds and shall describe the
2 Defeasance Obligations.

3 SECTION 33. SURVIVAL OF CERTAIN PROVISIONS. Notwithstanding the
4 foregoing, with respect to Bonds deemed paid pursuant to Section 32, any provisions of the
5 Bond Legislation which relate to indemnification and the payment of fees and expenses, the
6 payment of the principal of and premium on Bonds at maturity or on a prior redemption date,
7 interest payments and dates thereof, exchange, registration of transfer and registration of
8 Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and
9 cancellation of Bonds, non-presentment of Bonds, the holding of money in trust and
10 payments to the Fiscal Agent in connection with all of the foregoing, and the applicable
11 requirements of the Code pertaining to any series of Bonds intended by the City to be issued
12 as bonds the interest on which will not be included as gross income for federal income tax
13 purposes, including the payment of excess earnings to the federal government, shall remain
14 in effect and be binding upon the Owners of Bonds and the Fiscal Agent for those Bonds,
15 notwithstanding the release and discharge of the Bond Legislation. The provisions of this
16 Section 33 shall survive the release, discharge and satisfaction of the Bond Legislation.

17 SECTION 34. NOTICES. Except as otherwise specifically required in the Bond
18 Legislation, notice with respect to the Bonds shall be effective when received and it shall be
19 sufficient service of any notice, request, demand or other paper if the same is given: (i) orally,
20 or (ii) by certified or registered mail, or (iii) by Electronic Means, or (iv) hand delivered;
21 provided that any notice given orally, including notice by telephone, must be confirmed by
22 notice in writing as set forth in clause (ii), (iii) (except by telephone) or (iv) above initiated
23 within one Business Day after oral notice is given. Notice shall be given as follows:

24 If to the City:

25 City of Albuquerque, New Mexico

26 One Civic Plaza, N.W. (87102)

27 Post Office Box 1293 (87103)

28 Albuquerque, New Mexico

29 Attention: Director, Department of Finance and

30 Administrative Services

31 Telephone: (505) 768-3396

32 Facsimile: (505) 768-3447

33 Copy to City Attorney at same address

1 Telephone: (505) 748-4500

2 Facsimile: (605) 768-4525

3 If to the Fiscal Agent:

4 City Treasurer

5 City of Albuquerque, New Mexico

6 One Civic Plaza, N.W., First Floor (87102)

7 Post Office Box 1293 (87103)

8 Albuquerque, New Mexico

9 Telephone: (505) 768-3309

10 Facsimile: (505) 768-3447

11 Any such party may, by notice as set forth above to the other parties,
12 designate any further or different address to which subsequent notices, certificates or other
13 communication shall be sent.

14 When the Bond Legislation provides for notice to the Owners of Bonds of any
15 event, such notice shall be sufficiently given (unless otherwise expressly provided in the
16 Bond Legislation) if in writing and given in accordance with this Section 34 to each Owner of
17 Bonds affected by such event, at his address as it appears on the register for the Bonds. In
18 any case where notice to an Owner of Bonds is given by mail, neither the failure to mail such
19 notice nor any defect in any notice mailed to any particular Owner of Bonds shall affect the
20 sufficiency of such notice with respect to any other Owner, and any notice which is mailed in
21 the manner provided in this paragraph shall conclusively be presumed to have been duly
22 given.

23 Where the Bond Legislation provides for notice upon the occurrence of any event,
24 that notice may be waived by the person entitled to receive that notice, either before or after
25 the event, and such waiver shall be the equivalent of notice.

26 The Fiscal Agent shall provide S&P, if the Bonds are then rated by S&P, Moody's, if
27 the Bonds are then rated by Moody's, and Fitch, if the Bonds are then rated by Fitch, with
28 prior written notice of any amendments to the Bond Legislation and the redemption of Bonds
29 pursuant to Sections 6.(A) or 6.(B) or paid pursuant to Section 32. Such notice shall be sent
30 (a) to Moody's at: Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street,
31 New York, New York 10007, (b) to S&P at: Standard & Poor's Corporation, Attention:
32 Municipal Finance Department 55 Water Street, New York, New York 10041, and (c) to Fitch
33 at: Fitch Ratings, Inc., One State Street Plaza, New York, New York 10004.

1 SECTION 35. RESERVED.

2 SECTION 36. AMENDMENT OF BOND LEGISLATION.

3 (A) LIMITATIONS UPON AMENDMENTS. Prior to any Bonds being issued,
4 the Bond Legislation may be amended by ordinance or resolution of the Council. After
5 Bonds have been issued, the Bond Legislation may be amended by ordinance or resolution
6 of the Council without the consent of Owners:

7 (1) To cure any ambiguity, or to cure, correct or supplement any
8 defect or inconsistent provision contained in the Bond Legislation;

9 (2) To grant to the Owners any additional rights, remedies, powers
10 or authority that may lawfully be granted to them;

11 (3) To obtain or maintain a rating or shadow rating on any Bonds
12 from any rating agency which amendment, in the judgment of Bond Counsel, does not
13 materially adversely affect the Owners;

14 (4) To achieve compliance with federal securities or tax laws;

15 (5) To make any other changes in the Bond Legislation which, in
16 the opinion of Bond Counsel, is not materially adverse to the Owners; and

17 (6) To make changes in procedural matters relating to any Bond
18 Insurance Policy.

19 (B) ADDITIONAL AMENDMENTS. Except as provided above, the Bond
20 Legislation may only be amended or supplemented by ordinance adopted by the Council
21 without receipt by the City of any additional consideration, but with the written consent of the
22 Owners of a majority of the principal amount of the Outstanding Bonds which are affected by
23 the amendment or supplement (not including Bonds which are then owned by or for the
24 account of the City). However, no such ordinance shall have the effect of permitting:

25 (1) An extension of the maturity of any Bonds; or

26 (2) A reduction in the principal amount of, premium, if any, or
27 interest rate on any Bonds; or

28 (3) The creation or continuance of a lien on or a pledge of the
29 Pledged Revenues ranking prior to the lien or pledge of Senior Tax Obligations on the
30 Pledged Revenues; or

31 (4) A reduction of the principal amount of Series 1999C Bonds or
32 Bonds required for consent to such amendment or supplement.

1 (C) NOTICE OF AMENDMENT. Notice of a proposed amendment requiring
2 the consent of the Owners shall be mailed to the Owners of the Bonds then Outstanding
3 affected by the amendment at their addresses as the same last appear in the registration
4 books kept by the Registrar. Such notice shall briefly set forth the nature of the proposed
5 amendment and shall state that copies of the instrument pertaining to such amendment are
6 on file at the principal corporate office of the Registrar for inspection by all Owners. If, within
7 60 days or such longer period as shall be prescribed by the City following the giving of such
8 notice, the requisite percentage of Owners affected by the amendment have consented to
9 and approved the amendment, the amendment shall become effective and no Owner shall
10 have any right to object to such amendment, or the operation thereof.

11 SECTION 37. MANNER OF EVIDENCING OWNERSHIP OF BONDS. Any
12 request, direction, consent or other instrument provided or required by the Bond Legislation
13 to be signed and executed by the Owners may be in any number of concurrent writings of
14 similar tenor and may be signed or executed by Owners in person or by an agent appointed
15 in writing. Proof of the execution of any such request, direction or other instrument or of the
16 writing appointing any such agent and of the ownership of the applicable Bonds, if made in
17 the following manner, shall be sufficient for any of the purposes of the Bond Legislation and
18 shall be conclusive in favor of the Fiscal Agent and the City with regard to any action taken
19 by them, or either of them, under such request or other instrument, namely:

20 (A) The fact and date of the execution by any person of any such writing
21 may be proved by the certificate of any officer in any jurisdiction who by law has power to
22 take acknowledgments in such jurisdiction that the person signing such writing
23 acknowledged before him the execution thereof or by the affidavit of a witness of such
24 execution; and

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

26 Any action taken or suffered by the Fiscal Agent pursuant to any provision of the
27 Bond Legislation, upon the request or with the assent of any person who at the time is the
28 Owner of any Bonds, shall be conclusive and binding upon all future Owners of the same
29 Bonds.

30 SECTION 38. APPLICABLE LAW. The Bond Legislation shall be governed by the
31 laws of the State without reference to choice of law principles thereof.

32 SECTION 39. PAYMENTS AND PERFORMANCE ON BUSINESS DAYS. Except
33 as otherwise required in the Bond Legislation: (i) any covenant required to be performed on

1 any date which is not a Business Day may be performed on the first Business Day thereafter
2 and (ii) if the date for any payment on the Bonds at a place of payment shall be other than a
3 Business Day, then payment shall be made on the next succeeding Business Day, and no
4 interest shall accrue for the intervening period other than as specifically provided for in the
5 Bond Legislation.

6 SECTION 40. LIMITATION OF RIGHTS. With the exception of rights in the Bond
7 Legislation expressly conferred, nothing in the Bond Legislation or the Bonds, expressed or
8 implied, is intended or shall be construed to give to any Person other than the Owners, the
9 Fiscal Agent, the City and the parties to which such right, remedy or claim is expressly
10 granted by the Bond Legislation or the Bonds, any legal or equitable right, remedy or claim
11 under or in respect to the Bond Legislation, the Bonds or any covenant, condition or
12 stipulation of the Bond Legislation, the Bonds, and all covenants, stipulations, promises and
13 agreements in the Bond Legislation, and the Bonds shall be for the sole and exclusive
14 benefit of the Owners, each Insurer, the City and the parties to which such right, remedy or
15 claim is expressly granted.

16 SECTION 41. DELEGATED POWERS. The officers of the City are authorized and
17 directed to take all action necessary or appropriate to effectuate the provisions of the Bond
18 Legislation, including, without limiting the generality of the foregoing, the publication of the
19 summary substantially in the form set out in Section 49, the printing of the Bonds, and the
20 execution of such documents as are not inconsistent with the terms of the Bond Legislation
21 including, without limitation, certificates as may be required by the Investment Bankers, if
22 any, including, but not limited to the absence and existence of factors affecting the exemption
23 of interest on the Bonds from federal income taxation.

24 The Director of the Department of Finance and Administrative Services of the City, or
25 his successor in interest or title, is authorized and directed to make such changes or
26 corrections to the procedures established in the Bond Legislation relating to the times of day
27 or the days on which actions are required to be taken, or the persons responsible for
28 particular actions, the form of notice of the occurrence of events, the types and forms of
29 actions required and other similar administrative matters which, in his judgment, are
30 necessary and appropriate to accomplish the purposes of the Bond Legislation. The Director
31 of the Department of Finance and Administrative Services, or his successor in interest or
32 title, shall give notice of any such changes or corrections to all persons affected thereby, to

1 Bond Counsel for the City and shall file with the City Clerk a certificate of such changes and
2 corrections.

3 SECTION 42. IMMUNITY OF MAYOR, COUNCIL MEMBERS, COMMISSIONERS,
4 OFFICERS AND EMPLOYEES OF CITY. No recourse shall be had for the enforcement of
5 any obligation, promise or agreement of the City contained in the Bond Legislation or in any
6 Bonds for any claim based thereon or otherwise in respect thereof, against any Mayor,
7 Council member, officer or employee, as such, in his individual capacity, past, present or
8 future, of the City or of any successor to the City, whether by virtue of any constitutional
9 provision, statute or rule of law, or by the enforcement of any assignment or penalty or
10 otherwise. It is expressly agreed and understood that no personal liability shall attach to, or
11 be incurred by, any Mayor, Council member, officer or employee, as such, past, present or
12 future, of the City or of any successor to the City, either directly or through the City or any
13 successor to the City. All personal liability against every such Mayor, Council member,
14 officer and employee is, as a condition of, and as part of the consideration for, the adoption
15 of the Bond Legislation, expressly waived and released.

16 SECTION 43. LIMITATION OF ACTION. After the passage of 30 days from the
17 publication required by Section 49, any action attacking the validity of any proceedings had
18 or taken by the City preliminary to and in the authorization and issuance of the Bonds shall
19 be perpetually barred.

20 SECTION 44. RESERVED.

21 SECTION 45. BOND LEGISLATION IRREPEALABLE AS TO BONDS. After any
22 series of the Bonds are issued, the Bond Legislation shall be and remain irrepealable until all
23 series of the Bonds and the interest thereon shall be fully paid, canceled and discharged, as
24 provided in the Bond Legislation, or there has been defeasance as provided in the Bond
25 Legislation.

26 SECTION 46. SEVERABILITY CLAUSE. If any provision of the Bond Legislation
27 shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in
28 any particular case in any jurisdiction because it conflicts with any other provision or
29 provisions of any constitution or statute or rule of public policy, or for any other reason, such
30 circumstances shall not have the effect of rendering the provision in question inoperative or
31 unenforceable in any other case or circumstance, or of rendering any other provision or
32 provisions in the Bond Legislation invalid, inoperative, or unenforceable to any extent
33 whatever.

1 The invalidity of any one or more phrases, sentences, clauses or sections in the Bond
2 Legislation, shall not affect the remaining portions of the Bond Legislation, or any part
3 thereof.

4 SECTION 47. REPEALER CLAUSE. Any bylaws, orders, resolutions and
5 ordinances, or parts thereof, inconsistent with the Bond Legislation are repealed to the extent
6 only of such inconsistency. This repealer shall not be construed to revive any bylaw, order,
7 resolution or ordinance, or part thereof, heretofore repealed.

8 SECTION 48. RECORDING; AUTHENTICATION; PUBLICATION; EFFECTIVE
9 DATE. Upon due adoption of this Bond Ordinance, it shall be recorded and preserved by the
10 City Clerk, authenticated by the signature of the President of the Council and City Clerk, and
11 approved by the Mayor and the seal of the City impressed hereon, and the title and general
12 summary of the subject matter contained in the Bond Ordinance (substantially in the form set
13 out in Section 49) shall be published in a newspaper which maintains an office and is of
14 general circulation in the City, in accordance with law.

15 SECTION 49. GENERAL SUMMARY FOR PUBLICATION. The title and a general
16 summary of the subject matter contained in the Bond Legislation shall be published in
17 substantially the following form:

18 CITY OF ALBUQUERQUE, NEW MEXICO
19 NOTICE OF ADOPTION OF ORDINANCE

20 Notice is given of the title and of a general summary of the subject matter contained
21 in City Ordinance City Council Bill No. F/S O-12-17 (the "Ordinance"), duly adopted and
22 approved by the City Council of the City of Albuquerque, New Mexico, on _____, 2012.
23 Complete copies of the Ordinance are available for public inspection during the normal and
24 regular business hours of the City Clerk in the office of the City Clerk, Albuquerque/Bernalillo
25 County Government Center, One Civic Plaza, N.W., Albuquerque, New Mexico.

26 The title of the Ordinance is:

27 **AUTHORIZING, THE ISSUE AND SALE OF A MAXIMUM PRINCIPAL AMOUNT OF**
28 **\$50,000,000 CITY OF ALBUQUERQUE, NEW MEXICO GROSS RECEIPTS TAX**
29 **IMPROVEMENT REVENUE BONDS, TO BE ISSUED IN ONE OR MORE SERIES FOR**
30 **THE PURPOSE OF STUDYING, DESIGNING, DEVELOPING, CONSTRUCTING,**
31 **RECONSTRUCTING, REHABILITATING, RENOVATING, MODERNIZING, SIGNING,**
32 **ENHANCING, LANDSCAPING AND OTHERWISE IMPROVING AND ACQUIRING**
33 **PROPERTY FOR THE PASEO DEL NORTE AND INTERSTATE I-25 INTERCHANGE;**

1 **PROVIDING FOR THE PAYMENT OF THE BONDS FROM GROSS RECEIPTS TAX**
2 **REVENUES; PROVIDING FOR CERTAIN TERMS OR THE METHOD OF DETERMINING**
3 **THE TERMS AND OTHER DETAILS OF THE BONDS; PROVIDING FOR CERTAIN**
4 **DOCUMENTS PERTAINING TO THE BONDS; MAKING APPROPRIATIONS; RATIFYING**
5 **ACTION PREVIOUSLY TAKEN; REPEALING ALL ACTIONS INCONSISTENT WITH THIS**
6 **ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION**
7 **WITH THE ISSUE AND SALE OF THE BONDS.**

8 The following is a general summary of the subject matter contained in the Ordinance:

9 Preambles recite and include such matters as the operation of the City of
10 Albuquerque, New Mexico (the "City") as a home rule municipality; the authority for the
11 issuance of its Gross Receipts Tax Improvement Revenue Bonds (the "Bonds") to be issued
12 in one or more series, payable from gross receipts tax revenues for the purpose of studying,
13 designing, developing, constructing, reconstructing, rehabilitating, renovating, modernizing,
14 signing, enhancing, landscaping and otherwise improving and acquiring property for the
15 Paseo del Norte and Interstate I-25 interchange, (the "Project"); and the determination of the
16 Council that it is in the best interest of the City to finance the Project and effect the Project.

17 Sections 1 through 3 define the terms used in the ordinance; ratify and confirm all
18 previous actions taken by the City relating to the Bonds; and declare the general findings of
19 the City Council relating to the Bonds and the Project.

20 Sections 4 and 5 approve the use of one or more series of Bonds in the maximum
21 principal amount of not to exceed \$50,000,000 to finance the Project; and provide that details
22 of the Bonds will be provided in one or more Sale Resolutions, that the Bonds shall be issued
23 as fully registered bonds in book-entry form and dated the date of delivery to the purchasers,
24 the net effective interest rate on the Bonds does not exceed 12% per annum, the interest and
25 principal payment dates for the Bonds, and the method of paying the Bonds.

26 Sections 6 through 10 provide for optional, mandatory sinking fund and extraordinary
27 redemption of the Bonds under terms to be set forth in one or more Sale Resolutions;
28 authorize the purchase of municipal bond insurance policies for the Bonds under terms which
29 may be amended or supplemented as set forth in one or more Sale Resolutions; provide for
30 the ownership, registration, exchange and transfer of the Bonds; provide that the Bonds shall
31 be fully negotiable; providing for appropriations for the Capital Acquisition Fund; and provide
32 that the Bonds shall be special limited obligations of the City payable and collectible solely

1 from gross receipts tax revenues, proceeds of the Bonds, and amounts on deposit in certain
2 funds and accounts and that the Bonds shall not be general obligations of the City.

3 Sections 11 through 15 provide details concerning the execution and authentication
4 of the Bonds; provide for the appointment of a fiscal agent, paying agent and registrar under
5 the terms to be set forth in the appropriate Sale Resolution; provide for a successor registrar
6 or paying agent; provide that forms of Bonds will be set forth in the appropriate Sale
7 Resolution; and provide for the sale of the Bonds to the purchasers.

8 Sections 16 through 20 provide for the establishment of various funds relating to the
9 Bonds; provide that the disposition of the proceeds of the Bonds and certain other funds will
10 be set forth in the appropriate Sale Resolution; provide for the approval of certain documents
11 relating to the Bonds; provide for the application of gross receipts tax revenues to the
12 payment of the Bonds and other bonds and obligations payable from gross receipts tax
13 revenues; and provide details relating to the investment of Bond proceeds and gross receipts
14 tax revenues.

15 Sections 21 through 24 provide that the Bonds are secured by an irrevocable lien
16 upon the gross receipts tax revenues; provide for equality among Bonds; and permit the
17 issuance of additional bonds, refunding bonds and other obligations payable from gross
18 receipts tax revenues under certain conditions.

19 Sections 25 through 31 provide protective covenants, including tax covenants, for the
20 benefit of the purchasers of Bonds; define events of default; establish remedies and duties
21 upon default; and provide for the application of money received pursuant to default.

22 Sections 32 through 37 provide details relating to defeasance of the ordinance and
23 the Bonds and the survival of certain provisions of the ordinance after defeasance; provide
24 details relating to notices; provide details relating to amendments to the ordinance; and
25 provide for the method of evidencing ownership of Bonds.

26 Sections 39 through 49 provide that the ordinance shall be governed by the laws of
27 New Mexico; provide for payments and covenants to be performed on business days; limit
28 rights of parties under the ordinance; delegate powers to the officers of the City to effectuate
29 the provisions of the ordinance; provide for the immunity of officials; provide a limitation of
30 action period; state that the ordinance is irrepealable; provide severability and repealer
31 clauses; provide that the ordinance will become effective upon publication of this notice; and
32 provide a summary of the ordinance for publication.

1 COMPLETE COPIES OF THE ORDINANCE ARE ON FILE IN THE OFFICE OF THE
2 CITY CLERK AT CITY HALL AT THE ADDRESS STATED ABOVE AND ARE AVAILABLE
3 FOR INSPECTION DURING REGULAR OFFICE HOURS. THIS NOTICE ALSO
4 CONSTITUTES COMPLIANCE WITH SECTION 6-14-4 THROUGH 6-14-7, NMSA 1978.

TABLE OF CONTENTS

| | Page |
|---|------|
| SECTION 1. DEFINITIONS; CONSTRUCTION..... | 3 |
| (A) DEFINITIONS..... | 3 |
| (B) RULES OF CONSTRUCTION..... | 16 |
| SECTION 2. RATIFICATION..... | 16 |
| SECTION 3. FINDINGS..... | 16 |
| SECTION 4. AUTHORIZATIONS AND APPROVALS..... | 16 |
| (A) AUTHORIZATION OF BONDS AND PROCEEDS OF BONDS..... | 16 |
| (B) PROJECT..... | 17 |
| SECTION 5. DETAILS OF THE BONDS..... | 17 |
| (A) GENERAL DETAILS..... | 17 |
| (B) PAYMENT OF BONDS; TRANSFERS TO PAYING AGENT..... | 18 |
| (C) BOOK-ENTRY..... | 19 |
| (D) BONDS NOT PRESENTED FOR PAYMENT..... | 20 |
| SECTION 6. REDEMPTION OF BONDS..... | 20 |
| (A) OPTIONAL REDEMPTION..... | 20 |
| (B) MANDATORY SINKING FUND REDEMPTION..... | 21 |
| (C) PARTIAL REDEMPTION..... | 22 |
| (D) NOTICE..... | 22 |
| (E) BONDS NOT PRESENTED FOR REDEMPTION..... | 24 |
| (F) CANCELLATION..... | 24 |
| SECTION 7. APPROPRIATION..... | 24 |

TABLE OF CONTENTS

(continued)

| | Page |
|---|------|
| (A) APPROPRIATION FROM SALES TAX REFUNDING DEBT SERVICE FUND TO CAPITAL ACQUISITION FUND | 24 |
| (B) APPROPRIATION FROM CAPITAL ACQUISITION FUND TO THE PROJECT | 24 |
| SECTION 8. REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP OF BONDS | 24 |
| (A) REGISTRATION, TRANSFER AND EXCHANGE | 25 |
| (B) OWNER OF BONDS | 25 |
| (C) REPLACEMENT OF BONDS | 25 |
| (D) CHARGES | 25 |
| (E) BONDS CALLED FOR REDEMPTION | 25 |
| (F) UNAUTHENTICATED BONDS | 25 |
| SECTION 9. NEGOTIABILITY | 26 |
| SECTION 10. SPECIAL LIMITED OBLIGATIONS | 26 |
| SECTION 11. EXECUTION AND CUSTODY OF BONDS | 26 |
| (A) FILING MANUAL SIGNATURES | 26 |
| (B) EXECUTION | 26 |
| (C) CUSTODY | 27 |
| (D) AUTHENTICATION | 27 |
| SECTION 12. APPOINTMENT OF FISCAL AGENT | 27 |
| SECTION 13. SUCCESSOR REGISTRAR OR PAYING AGENT | 27 |
| SECTION 14. BOND FORM | 28 |

TABLE OF CONTENTS

(continued)

| | Page |
|---|------|
| SECTION 15. SALE OF BONDS | 28 |
| SECTION 16. FUNDS..... | 28 |
| (A) GROSS RECEIPTS TAX INCOME FUND | 28 |
| (B) ACQUISITION FUND | 28 |
| (C) DEBT SERVICE FUND | 28 |
| (D) ADDITIONAL FUNDS..... | 28 |
| SECTION 17. BOND PROCEEDS; DEBT SERVICE FUND DEPOSIT; APPROPRIATIONS | 28 |
| SECTION 18. APPROVAL OF DOCUMENTS; PAYMENT OF EXPENSES..... | 29 |
| (A) DOCUMENT APPROVAL..... | 29 |
| (B) EXPENSES | 29 |
| (C) FURTHER ACTS | 29 |
| SECTION 19. DEPOSIT AND PRIORITIES FOR USE OF PLEDGED REVENUES | 30 |
| (A) DEBT SERVICE FUND | 30 |
| (B) OTHER SENIOR TAX OBLIGATIONS | 31 |
| (C) DEBT SERVICE RESERVE REQUIREMENTS | 31 |
| (D) SUBORDINATE TAX OBLIGATIONS | 31 |
| (E) USE OF SURPLUS PLEDGED REVENUES | 31 |
| SECTION 20. GENERAL ADMINISTRATION OF FUNDS..... | 32 |
| (A) USE OF AMOUNTS AND TERMINATION OF DEPOSITS IN DEBT SERVICE FUNDS..... | 32 |
| (B) CREDIT OR DEFICIENCY | 32 |

TABLE OF CONTENTS

(continued)

| | Page |
|--|------|
| (C) TRANSFER OF MONEY | 32 |
| (D) VARIABLE INTEREST RATE | 33 |
| (E) INVESTMENT OF MONEY | 33 |
| (F) DEPOSITS OF FUNDS | 33 |
| (G) DEPOSITS OF PLEDGED REVENUES FOR BONDS | 33 |
| (H) VALUATION | 34 |
| (I) TIMING | 34 |
| SECTION 21. LIEN ON PLEDGED REVENUES; PROCEEDS; ETC. | 34 |
| (A) BONDS | 35 |
| (B) OTHER RELATED DOCUMENTS | 35 |
| (C) REBATE PAYMENTS..... | 35 |
| SECTION 22. EQUALITY OF BONDS | 35 |
| SECTION 23. ADDITIONAL BONDS OR OTHER OBLIGATIONS PAYABLE FROM PLEDGED REVENUES | 35 |
| (A) LIMITATIONS UPON ISSUANCE OF SENIOR TAX OBLIGATIONS | 35 |
| (B) SUBORDINATE TAX OBLIGATIONS PERMITTED..... | 36 |
| (C) SUPERIOR TAX OBLIGATIONS PROHIBITED..... | 36 |
| SECTION 24. REFUNDING BONDS PAYABLE FROM PLEDGED REVENUES..... | 36 |
| (A) PRIVILEGE OF ISSUING REFUNDING TAX OBLIGATIONS | 36 |
| (B) LIMITATIONS UPON ISSUANCE OF REFUNDING TAX OBLIGATIONS | 37 |
| (C) REFUNDING PART OF A SERIES | 37 |

TABLE OF CONTENTS

(continued)

| | Page |
|---|------|
| (D) LIMITATIONS UPON ISSUANCE OF REFUNDING TAX OBLIGATIONS | 37 |
| SECTION 25. PROTECTIVE COVENANTS..... | 37 |
| (A) USE OF PROCEEDS OF TAX OBLIGATIONS | 38 |
| (B) PAYMENT OF TAX OBLIGATIONS | 38 |
| (C) CITY'S EXISTENCE | 38 |
| (D) PROHIBITION OF ANY EXTENSION OF INTEREST PAYMENTS..... | 38 |
| (E) RECORDS..... | 38 |
| (F) AUDITS..... | 38 |
| (G) DUTY TO IMPOSE TAX | 38 |
| (H) IMPAIRMENT OF CONTRACT | 38 |
| SECTION 26. REPRESENTATIONS AND WARRANTIES OF THE CITY..... | 39 |
| (A) HOME RULE POWER; EXISTENCE | 39 |
| (B) AUTHORITY | 39 |
| (C) EXECUTION AUTHORIZED | 39 |
| (D) ENFORCEABILITY OF BONDS | 39 |
| (E) ENFORCEABILITY OF RELATED DOCUMENTS | 39 |
| (F) NO CONFLICT | 39 |
| (G) OTHER LIENS..... | 40 |
| SECTION 27. TAX COMPLIANCE | 40 |
| SECTION 28. EVENTS OF DEFAULT | 41 |
| (A) NONPAYMENT OF PRINCIPAL | 41 |

TABLE OF CONTENTS

(continued)

| | Page |
|---|------|
| (B) NONPAYMENT OF INTEREST..... | 41 |
| (C) INCAPABLE TO PERFORM..... | 41 |
| (D) DEFAULT OF ANY OTHER PROVISION | 42 |
| SECTION 29. REMEDIES UPON DEFAULT | 42 |
| (A) REMEDIES UPON DEFAULT | 42 |
| (B) GENERAL..... | 42 |
| SECTION 30. APPLICATION OF MONEY | 43 |
| SECTION 31. DUTIES UPON DEFAULT; RIGHTS CONFERRED..... | 43 |
| SECTION 32. DEFEASANCE..... | 44 |
| SECTION 33. SURVIVAL OF CERTAIN PROVISIONS | 45 |
| SECTION 34. NOTICES..... | 45 |
| SECTION 35. RESERVED | 47 |
| SECTION 36. AMENDMENT OF BOND LEGISLATION..... | 47 |
| (A) LIMITATIONS UPON AMENDMENTS | 47 |
| (B) ADDITIONAL AMENDMENTS..... | 47 |
| (C) NOTICE OF AMENDMENT | 48 |
| SECTION 37. MANNER OF EVIDENCING OWNERSHIP OF BONDS | 48 |
| SECTION 38. APPLICABLE LAW | 48 |
| SECTION 39. PAYMENTS AND PERFORMANCE ON BUSINESS DAYS | 48 |
| SECTION 40. LIMITATION OF RIGHTS | 49 |
| SECTION 41. DELEGATED POWERS | 49 |

TABLE OF CONTENTS

(continued)

Page

SECTION 42. IMMUNITY OF MAYOR, COUNCIL MEMBERS, COMMISSIONERS,
OFFICERS AND EMPLOYEES OF CITY 50

SECTION 43. LIMITATION OF ACTION 50

SECTION 44. RESERVED 50

SECTION 45. BOND LEGISLATION IRREPEALABLE AS TO BONDS 50

SECTION 46. SEVERABILITY CLAUSE 50

SECTION 47. REPEALER CLAUSE 51

SECTION 48. RECORDING; AUTHENTICATION; PUBLICATION; EFFECTIVE
DATE 51

SECTION 49. GENERAL SUMMARY FOR PUBLICATION 51

8796\94\1541666.9