

ORDINANCE NO. 3545

AN ORDINANCE authorizing and empowering the issuance, sale and delivery by the City of Alexandria, Virginia (the "City"), pursuant to Chapter 5.1, Title 15.1 of the Code of Virginia (1989 Replacement Volume and 1991 Cumulative Supplement) (the "Public Finance Act of 1991"), of bonds in an aggregate principal amount not to exceed Fifty Million Dollars (\$50,000,000), the proceeds of such bonds to be disbursed for the public purpose of providing funds sufficient to pay principal of, redemption premium, if any, and interest on one or more of the issues of Public Improvement and School Bonds of 1970, dated November 1, 1970, originally issued in the aggregate principal amount of \$13,100,000; Public Improvement and School Bonds of 1972, dated July 15, 1972, originally issued in the aggregate principal amount of \$16,600,000; Public Improvement and School Bonds of 1974, dated July 1, 1974, originally issued in the aggregate principal amount of \$13,820,000; Public Improvement and School Bonds of 1975, dated August 15, 1975, originally issued in the aggregate principal amount of \$19,635,000; Public Improvement and School Bonds of 1977, dated March 3, 1977, originally issued in the aggregate principal amount of \$14,670,000; Public Improvement and School Bonds of 1979, dated March 1, 1979, originally issued in the aggregate principal amount of \$16,235,000; Public Improvement and School Bonds of 1980, dated August 1, 1980, originally issued in the aggregate principal amount of \$17,660,000; Public Improvement and School Bonds of 1982, dated November 15, 1982, originally issued in the aggregate principal amount of \$19,280,000; Public Improvement and School Bonds of 1984, dated April 1, 1984, originally issued in the aggregate principal amount of \$18,500,000; Public Improvement and School Bonds of 1986, dated February 1, 1986, originally issued in the aggregate principal amount of \$22,000,000; and Public Improvement and School Bonds of 1988, dated February 1, 1988, originally issued in the aggregate principal amount of \$10,000,000; at the respective maturity, redemption, or interest payment dates of such outstanding bonds; showing compliance with the limitations on the power of the City to incur indebtedness; electing to issue such bonds pursuant to the Public Finance Act of 1991; determining the method for the sale of such bonds; providing for the form of such bonds; authorizing the City Manager of the City to determine certain details with respect to the sale of such bonds; providing for the levy and collection of all taxes, charges and assessments necessary for the payment of the principal of and interest on such refunding bonds when due; pledging the full faith and credit of the City to the payment of the bonds issued hereunder and the interest thereon, when due; covenanting that the proceeds of such bonds, or any moneys which may be deemed to be proceeds, will not be used in a manner to cause such bonds to be arbitrage bonds; and providing generally for various matters relating to the authorization, issuance, sale and delivery of such bonds.

WHEREAS, it is in the best interest of the City of Alexandria, Virginia to refund certain of its Public Improvement and School Bonds in order to effectuate and accomplish the public purpose of realizing savings to the City in the aggregate cost of debt service on a present value basis; now, therefore,

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. Chapter 5.1 of Title 15.1 of the Code of Virginia (1989 Replacement Volume and 1991 Cumulative Supplement) (the "Public Finance Act of 1991") provides that a governing body may elect to issue bonds under the Public Finance Act of 1991 or under its local charter. The City Council of the City of Alexandria, Virginia (the "City Council"), hereby elects to issue its Refunding Bonds (defined herein) under the Public Finance Act of 1991. Any Refunding Bonds issued hereunder are hereby specifically authorized to be, and shall be, issued under the provisions of the Public Finance Act of 1991 without regard to the requirements, restrictions or provisions contained in any charter or local or special act applicable to the City of Alexandria, Virginia (the "City"). The City Council hereby finds and determines that the issuance of refunding bonds pursuant to the terms and requirements of this Ordinance, in order to refund all or a portion of the outstanding principal of, redemption premium, if any, and interest amount of the Refunded Bonds (defined herein) as herein provided, will effectuate and accomplish the public purpose of realizing savings to the City in the aggregate cost of debt service on a present value basis.

Section 2. (a) Pursuant to the authority of the Public Finance Act of 1991 and this Ordinance, Refunding Bonds may be issued in an aggregate principal amount not to exceed the amount necessary to amortize the principal of and premium, if any, and interest on the Refunded Bonds and to pay all expenses reasonably incurred in the issuance of the Refunding Bonds, less the amount then in any sinking, escrow and other funds which is available for the payment of the principal, premium, if any, or interest on the Refunded Bonds. The issuance and sale of the "Consolidated Public Improvement General Obligation Bonds - 1992 Refunding Series" of the City of Alexandria, Virginia, is hereby authorized in an aggregate principal amount not to exceed Fifty Million Dollars (\$50,000,000) (the "Refunding Bonds"). The Refunding Bonds are issued for the purpose of refunding some or all of the maturities of the Public Improvement and School Bonds of 1970, dated November 1, 1970, originally issued in the aggregate principal amount of \$13,100,000; Public Improvement and School Bonds of 1972, dated July 15, 1972, originally issued in the aggregate principal amount of \$16,600,000; Public Improvement and School Bonds of 1974, dated July 1, 1974, originally issued in the aggregate principal amount of \$13,820,000; Public Improvement and School Bonds of 1975, dated August 15, 1975, originally issued in the aggregate principal amount of \$19,635,000; Public Improvement and School Bonds of 1977, dated March 3, 1977,

originally issued in the aggregate principal amount of \$14,670,000; Public Improvement and School Bonds of 1979, dated March 1, 1979, originally issued in the aggregate principal amount of \$16,235,000; Public Improvement and School Bonds of 1980, dated August 1, 1980, originally issued in the aggregate principal amount of \$17,660,000; Public Improvement and School Bonds of 1982, dated November 15, 1982, originally issued in the aggregate principal amount of \$19,280,000; Public Improvement and School Bonds of 1984, dated April 1, 1984, originally issued in the aggregate principal amount of \$18,500,000; Public Improvement and School Bonds of 1986, dated February 1, 1986, originally issued in the aggregate principal amount of \$22,000,000; Public Improvement and School Bonds of 1988, dated February 1, 1988, originally issued in the aggregate principal amount of \$10,000,000 (collectively, the "Aggregate Outstanding Bonds"). As used in this Ordinance, the term "Refunded Bonds" shall mean the portion or portions of the Aggregate Outstanding Bonds which are being refunded by a series of Refunding Bonds.

(b) The proceeds of the Refunding Bonds may be used in refunding the Refunded Bonds as (i) the payment of matured or redeemable indebtedness, including any redemption premium, (ii) the payment of unmatured indebtedness, the evidence of which is on deposit with a bank or trust company designated by the City for surrender to the City upon receipt of payment in an amount not exceeding the amount of the indebtedness, (iii) the establishment of an escrow or sinking fund consisting of cash and noncallable obligations of the United States of America or noncallable obligations of the Commonwealth of Virginia in an amount which, together with interest to be earned on such obligations, shall be sufficient to pay all indebtedness to be refunded either at maturity or upon redemption as provided for upon the creation of the escrow or sinking fund, or (d) to pay any and all other costs permitted to be paid from the proceeds of such bonds under the Public Finance Act of 1991, including (without limitation) the costs of issuance of such bonds and applicable underwriting fees.

Section 3. Any escrow or sinking fund established, in whole or in part, from the proceeds of the sale of any Refunding Bonds shall be irrevocably pledged to the payment of the indebtedness at maturity or upon redemption or for the purchase of not less than all of the Refunded Bonds. It is the intent that any escrow or sinking fund established pursuant to this Section shall constitute a special fund for the payment of the Refunded Bonds. Upon the establishment and funding of such escrow or sinking fund, the owners of the Refunded Bonds shall be divested of all rights and security to the Refunded Bonds except the right of payment when due of principal, premium, if any, and interest, which shall be paid solely from the escrow or sinking fund.

Section 4. The Refunding Bonds hereby authorized may be

sold at public or private sale and for a price at, above, or below par, plus accrued interest to the date of delivery, as shall be determined in a resolution of the City Council.

Section 5. (a) The Refunding Bonds shall be issuable as registered bonds without coupons in the denomination of five thousand dollars (\$5,000) or any multiple thereof within the limits of specified maturities. The Refunding Bonds shall be dated, shall mature at such time or times not exceeding the final maturity year of the Refunded Bonds, shall be subject to redemption or repurchase, shall be in the denomination or denominations, shall be numbered, shall be sold at such price or prices and under such terms and conditions, and shall contain such other provisions, all as determined either in a resolution of the City Council or by the City Manager if authorized by the City Council before issuance of the Refunding Bonds. The Refunding Bonds may bear interest payable at such time or times and at such rate or rates as determined either by a resolution of the City Council or by the City Manager if authorized by the City Council, which determination may be by reference to indices or formulas or by agents designated in a resolution of the City Council or by the City Manager if authorized by the City Council. Interest on the Refunding Bonds shall be payable by checks mailed by the Paying Agent therein named to the registered holder or holders of such bonds or by other means as determined either in a resolution of the City Council or by the City Manager if authorized by the City Council. The principal of the Refunding Bonds shall be payable at the principal office of the Paying Agent or some other place as agreed by the City Manager and the holder or holders of such bonds named in the Refunding Bonds.

(b) Pursuant to Section 8 of this Ordinance, the City Council in a resolution, or the City Manager if authorized by the City Council, shall determine the Refunded Bonds to be refunded with the proceeds of the Refunding Bonds.

Section 6. For the purpose of paying the principal of and premium, if any, and interest on the Refunding Bonds, the City shall levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon any taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premiums, if any, and interest on the Refunding Bonds and any other outstanding general obligation bonds of the City to the extent other funds of the City are not lawfully available and appropriated for such purpose. The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to the levy and collection of the taxes hereinabove prescribed as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Refunding Bonds. The City hereby solemnly covenants with each of the holders of any of the

Refunding Bonds to levy and collect the taxes hereinabove prescribed and to take all action as may be appropriate from time to time during the period that any of such bonds remain outstanding and unpaid to provide the funds necessary to make the principal and interest payments on such bonds.

Section 7. The aggregate principal amount of the Refunding Bonds authorized to be issued by this Ordinance shall be within every debt limitation prescribed by the Constitution and laws of the Commonwealth of Virginia. Pursuant to the Public Finance Act of 1991, the Refunded Bonds shall not be included in the determination of any limitation upon the amount of indebtedness of the City which is imposed by law.

Section 8. The City Council in a resolution or the City Manager if authorized by the City Council shall take the following actions and make the following commitments on behalf of the City:

(a) sell any series of bonds issued hereunder, upon such terms as deemed to be favorable under the existing market conditions, to any banks, investment banking firms or other financial institutions as, in the judgment of the City Manager, offer to purchase such series of bonds on such terms;

(b) execute and deliver, as a binding and enforceable obligation of the City, an underwriting or purchase agreement for the Refunding Bonds issued hereunder;

(c) fix and determine, subject to the provisions of Section 5 hereof, the date of any such series of Refunding Bonds, the schedule of annual maturities or mandatory sinking fund redemptions of any such series, the amount of any such series, the interest payment dates of any such series, the amounts and particular bonds of the Aggregate Outstanding Bonds to be refunded with the proceeds of any such series, the interest rate or rates to be paid by the City with respect to any such series, the date or dates when such refunding shall be effected, and whether such series is to be issued in book-entry form and, if so, all matters incident to the issuance of such series in book-entry form;

(d) determine whether the principal of the bonds of the Refunded Bonds shall be paid at maturity, at the earliest redemption date pertaining thereto, or at some later redemption date;

(e) appoint a bank having trust powers, or a trust company, as Paying Agent for any such series of bonds, notwithstanding the fact that such bank or trust company may have neither its principal office nor any branch office within the City or the Commonwealth of Virginia; if it is deemed to be appropriate, appoint a similarly qualified bank or trust company

as Alternate Paying Agent; determine the compensation of such Paying Agent and Alternate Paying Agent for the services to be rendered by them; appoint one or more of such banks or trust companies as Bond Registrar; and, if it is deemed to be appropriate, provide for the City to act as Paying Agent or Bond Registrar, or both;

(f) select a trust company or other banking institution as trustee, to hold the trust fund into which the proceeds of the sale of any bonds issued hereunder may be deposited under the Public Finance Act of 1991; determine the terms of any such trust fund, including any terms relating to the payment of costs or the payment of a portion of the interest on such series of Refunding Bonds therefrom; and deliver, as a binding commitment of the City, a trust or escrow agreement, pursuant to which such trust fund is established;

(g) arrange for the preparation and distribution of an appropriate Offering Circular, Official Statement or Official Circular with respect to the sale of any series of Refunding Bonds hereby authorized;

(h) reserve to the City the option to redeem any such series of Refunding Bonds, in whole or in part, at such times and upon payment of such premiums as may be determined to be in the best interest of the City; and

(i) take any and all actions in the manner and to the extent that the City Council or the City Manager, if authorized by the City Council, may deem necessary or appropriate to accomplish the purposes of this Ordinance.

Section 9. (a) In the event that Refunding Bonds are issued hereunder with the expectation that interest on such bonds will be exempt from federal income taxation, the City hereby solemnly covenants with each of the holders of any such bonds that it will not use, or suffer or permit to be used, the proceeds received from sale of the bonds, or any moneys on deposit to the credit of any account of the City which may be deemed to be proceeds of the bonds pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and applicable regulations thereunder, which use would cause such bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code and the regulations thereunder. The City further solemnly covenants that it will comply with Section 148 of the Internal Revenue Code and the regulations thereunder which are applicable to the bonds on the date of issuance of the bonds and which may subsequently lawfully be made applicable to the Bonds. The City Manager and the Director of Finance of the City (the "Director of Finance") are hereby authorized and directed to prepare or cause to be prepared and to execute any certification, opinion or other document which may be required to assure that the bonds will not be deemed to be

"arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code and the regulations thereunder.

(b) In the event that bonds are issued hereunder with the expectation that interest on such bonds will be exempt from federal income taxation, the City Manager may make such covenants or agreements in connection with the issuance of such bonds as she shall deem advisable in order to assure the holders of such bonds that interest thereon shall be and remain exempt from federal income taxation, and such covenants or agreements shall be binding on the City so long as the observance by the City of any such covenants or agreements is necessary in connection with the maintenance of the exemption from federal income taxation of the interest on such bonds. The foregoing covenants and agreements may include such covenants or agreements on behalf of the City regarding compliance with the Internal Revenue Code as the City Manager shall deem advisable in order to assure the holders of such bonds that the interest thereon shall be and remain exempt from federal income taxation, including (without limitation) covenants or agreements relating to the investment of bond proceeds, the rebate of certain earnings resulting from such investment to the United States (or the payment of penalties in lieu thereof), limitations on the times within which, and the purposes for which, bond proceeds may be expended, and the utilization of specified procedures for accounting for and segregating bond proceeds. Any covenant or agreement made by the City Manager pursuant to this section shall be set forth in or authorized in a writing executed by the City Manager.

Section 10. (a) The Refunding Bonds to be issued pursuant to the authority of this Ordinance shall be executed on behalf of the City by the facsimile signature of the Mayor of the City (the "Mayor") and a facsimile of the seal of the City shall be imprinted thereon, attested by the facsimile signature of the City Clerk. Each such bond shall be authenticated by the signature of an agent of the City. No bonds issued hereunder shall be valid for any purpose or constitute an obligation of the City unless so authenticated.

(b) The Refunding Bonds shall be in the form set forth in Attachment A, which attachment is attached to and made a part of this Ordinance, and bonds issued substantially in compliance with such form, with appropriate insertions as therein indicated, when properly executed and authenticated as described above, shall be deemed to constitute unconditional general obligations of the City, to the payment of which, in accordance with the terms thereof, its full faith and credit are pledged, and all the covenants and conditions contained in such bonds shall be deemed to be binding upon the City in accordance therewith.

(c) In the event that any official of the City, whose signature shall appear on any such bonds, shall either cease to be such official prior to the delivery of such bonds or take

office subsequent to the date of issue of any such bonds, his signature, in either event, shall nevertheless be valid for the purposes herein intended.

(d) There may be printed on the reverse side of each series of bonds issued hereunder, the text of the applicable approving legal opinion with respect thereto, such text being duly certified by the facsimile signature of the Mayor.

(e) Authority is hereby conferred on the City Manager to fill in the blanks in the form set forth in Attachment A with the required information, to insert applicable paragraphs as indicated and to make such additions, deletions, modifications and substitutions in such form, not inconsistent herewith, as may be necessary or desirable in the sale of the Refunding Bonds, including (without limitation) variations deemed appropriate by the City Manager in the event such series is issued in book-entry form or with mandatory sinking fund payments. Execution of a completed form by the Mayor shall indicate the Mayor's approval of the contents of the completed form.

Section 11. The City is hereby authorized to purchase Refunded Bonds in the open market from time to time when there is available in the escrow or sinking fund for the payment of the Refunded Bonds a surplus in an amount greater than \$50,000.

Section 12. The Director of Finance of the City shall mail or cause to be mailed to the State Treasurer promptly after the issuance of the Refunding Bonds (i) a copy of any report concerning the issuance of the Refunding Bonds required to be filed with the United States Internal Revenue Service and (ii) such other reports as shall be prescribed by the State Treasurer.

Section 13. If any one or more of the provisions of this Ordinance, including any covenants or agreements provided herein on the part of the City to be performed, should be contrary to law, then such provision or provisions shall be null and void and shall in no way affect the validity of the other provisions of this Ordinance or the validity of the bonds.

Section 14. The City Council may by resolution authorize any actions that may be taken pursuant to the Public Finance Act of 1991 that it may deem appropriate or necessary to carry out the purposes of this Ordinance.

Section 15. This Ordinance shall become effective upon the date and at the time of its final passage and shall not be subject to referendum.

PATRICIA S. TICER  
Mayor

Introduction: December 10, 1991  
First Reading: December 10, 1991  
Publication: December 12, 1991; December 13, 1991;  
December 19, 1991; December 20, 1991  
Public Hearing: January 25, 1992  
Second Reading: January 25, 1992  
Final Passage: January 25, 1992

Attachment A to Ordinance

(Form of Bond)

UNITED STATES OF AMERICA  
Commonwealth of Virginia

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

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

CITY OF ALEXANDRIA, VIRGINIA

Consolidated Public Improvement  
General Obligation Bond - 1992 Refunding Series

Dated Date            Maturity Date            Interest Rate            CUSIP

Registered Holder:

Principal Amount                            Dollars

City of Alexandria, Virginia, (the "City"), hereby acknowledges itself indebted for value received, and promises to pay to the registered holder shown above or his registered assigns or legal representatives, on the date specified above (unless this bond shall be redeemable, shall have been called for prior redemption and payment of the redemption price made or provided for), upon presentation and surrender of this bond at the principal corporate trust office of [Name of Bond Registrar], \_\_\_\_\_, \_\_\_\_\_ (the "Bond Registrar"), the principal shown above in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts and to pay to the registered owner hereof by check or draft, mailed to such registered owner at his address as it appears on the bond registration books kept by the Bond Registrar, interest on said principal sum at the rate per annum shown above until payment of such principal amount or until the prior redemption hereof, such interest being payable on \_\_\_\_\_ and \_\_\_\_\_ in each year, in like coin or currency, accounting from the most recent date to which interest has been paid or, if no interest has been paid, from the Dated Date shown above. All interest due on this bond shall be payable to the registered owner in whose name this bond is registered on such bond registration books as of the close of business on the Regular Record Date for such interest payment, which shall be \_\_\_\_\_. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered as of the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Bond Registrar, notice whereof being given by letter mailed first class, postage prepaid, to the holders not less than 30 days prior to such Special Record Date, at the addresses of such holders appearing on the registration books kept by the Bond Registrar, or may be

paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange.

The full faith and credit and unlimited taxing power of the City are hereby unconditionally pledged to the payment of this bond and of the interest payable hereon according to its terms, and the City does hereby covenant and agree to pay punctually the principal of this bond and the interest hereon on the dates and in the manner mentioned herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened, and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the Commonwealth of Virginia, and an ordinance of the City Council adopted on \_\_\_\_\_, 1991, and that the issue of bonds, of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the Commonwealth of Virginia and that due provision has been made for the levy and collection of an annual ad valorem tax or taxes upon legally assessable property within the corporate limits of the City at a rate and in an amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

This bond shall not become obligatory for any purpose or be entitled to any benefit under the above-mentioned laws, or ordinance until authenticated by an authorized officer of the Bond Registrar.

IN WITNESS WHEREOF, City Council of the City of Alexandria, Virginia, has caused this bond to be signed in its name by the manual or facsimile signature of its Mayor and by its corporate seal imprinted hereon (or by facsimile of the seal), attested by the manual or facsimile signature of the City Clerk, and it has caused this bond to be signed by the manual or facsimile signature of the City's Director of Finance or an authorized deputy, all as of the \_\_\_\_ day of \_\_\_\_\_, 1992.

(SEAL)

CITY OF ALEXANDRIA, VIRGINIA

ATTEST:

By: \_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Director of Finance or  
Authorized Deputy

Date of  
Authentication: \_\_\_\_\_

[NAME OF BOND REGISTRAR],  
as Bond Registrar

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

This bond is one of a duly authorized issue of general obligation bonds of the City, designated CITY OF ALEXANDRIA, VIRGINIA Consolidated Public Improvement Bonds - 1992 Refunding Series, all dated \_\_\_\_\_, 1992. Said bonds are issued pursuant to the authority of Chapter 5.1, Title 15.1 of the Code of Virginia (1989 Replacement Volume and 1991 Cumulative Supplement) and an ordinance adopted by the City on \_\_\_\_\_.

The bonds maturing in any one year are issuable in fully registered form in denominations of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount maturing in such year.

Said bonds mature and are payable on \_\_\_\_\_ and \_\_\_\_\_ in each of the years \_\_\_\_\_ to \_\_\_\_\_, inclusive, in the following amounts, and bear interest at the following rates per annum:

<u>Maturity</u> <u>Interest</u> <u>Date</u> <u>Rate</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>
_____ %	\$ _____	_____ %	_____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Insert the Following Redemption Provisions, If Applicable:

The bonds of this issue maturing \_\_\_\_\_, \_\_\_\_\_, and thereafter, are subject to redemption prior to their respective maturities, at the option of the City, either as a whole at any time or in part in any order at the option of the City, on any interest payment date on or after \_\_\_\_\_, \_\_\_\_\_, at the following redemption prices expressed as percentages of the principal amount of bonds to be redeemed plus accrued interest thereon to the date fixed for redemption:

<u>Period During Which Redeemed</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Prices</u>
_____ to _____	_____ %
_____ to _____	_____ %
_____ and thereafter	_____ %

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds to be redeemed shall be selected by lot by the Bond Registrar. When less than all of a bond in a denomination in excess of \$5,000 shall be so redeemed, then, upon the surrender of such bond, there shall be issued to the registered owner thereof, without charge, for the unredeemed balance of the principal amount of such bond, at the option of such owner, bonds in any of the authorized denominations, the aggregate face amount of such bonds not to exceed the unredeemed balance of the bond so surrendered, and to bear the same interest rate and to mature on the same date as said unredeemed balance.

If, in accordance with the foregoing option, the City elects to redeem all outstanding bonds, or less than all, it will give a redemption notice by letter mailed first class, postage prepaid, to the holders of such bonds at least thirty (30) days

prior to the redemption date, at the addresses of such holders appearing on the registration books kept by the Bond Registrar; provided, however, that the failure to mail such notice or any defect in the notice so mailed or in the mailing thereof shall not affect the validity of the redemption proceedings relating to any other bonds. Said notice shall state whether said bonds are redeemed in whole or in part and, if in part, the maturities and numbers of the bonds called, shall state that the interest on the bonds so called shall cease to accrue on the date fixed for redemption, shall state the redemption date and the redemption price, and shall require that the bonds redeemed be then presented for redemption and payment at the principal office of the Bond Registrar. From and after the date fixed for redemption, if notice has been given as herein provided, and the funds sufficient for payment of the redemption price and accrued interest shall be available therefor on such date, the bonds so designated for redemption shall cease to bear interest. Upon presentation and surrender in compliance with said notice, the bonds so called for redemption shall be paid by the Bond Registrar at the redemption price. If not so paid on presentation thereof, said bonds so called shall continue to bear interest at the rates expressed therein until paid.

[END OF REDEMPTION PROVISIONS]

The City has appointed [Name of Bond Registrar], \_\_\_\_\_, \_\_\_\_\_, as Bond Registrar to open books for the registration and for the transfer of bonds. This bond will be transferable only upon said registration books kept at the principal corporate trust office of the Bond Registrar, by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer in the form attached hereto and satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney.

This bond may be transferred or exchanged at the principal corporate trust office of the Bond Registrar. Upon any such transfer or exchange, the City shall issue a new registered bond or bonds of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the bond exchanged or transferred, and maturing on the same date and bearing interest at the same rate. In each case, the Bond Registrar may require payment by the holders of this bond requesting exchange or transfer hereof of any tax, fee, or other governmental charge, shipping charges, and insurance that may be required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the holder hereof for such exchange or transfer. The Bond Registrar shall not be required to transfer or exchange this bond after the mailing of notice calling this bond or portion hereof for redemption as hereinabove described; provided, however, that the foregoing limitation shall not apply to that portion of a bond in excess of

\$5,000 which is not being called for redemption.

(Form of Legal Certification)

IT IS HEREBY CERTIFIED that a true and correct copy of the complete approving legal opinion of Piper & Marbury, Baltimore, Maryland, with respect to the issue of bonds of which this bond is one, manually executed, dated and issued as of the date of delivery of, and payment for, said issue of bonds is on file and available for inspection at the office of the Director of Finance of the CITY OF ALEXANDRIA, VIRGINIA.

\_\_\_\_\_  
Director of Finance

(Form of Assignment)

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_  
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

\_\_\_\_\_  
the within bond and all rights thereunder and does hereby constitute and appoint

\_\_\_\_\_  
attorney to transfer the within bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Signature Guaranteed:

\_\_\_\_\_  
Notice: Signatures must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

\_\_\_\_\_  
Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

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