

ORDINANCE NO. 3685

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 1993 Cumulative Supplement) (the "Public Finance Act of 1991"), of bonds in an aggregate principal amount not to exceed Twenty-Six Million Seven Hundred Thousand Dollars (\$26,700,000); 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 Public Improvement and School Bonds of 1986, dated February 1, 1986, originally issued in the aggregate principal amount of \$22,000,000; at the respective maturity, redemption, or interest payment dates of such bonds; and to provide funds to finance various capital improvement projects, described in the City's capital budget, including construction, renovation and equipping of public buildings and school buildings; acquisition, installation, replacement and upgrade of traffic signal equipment; contribution to the Washington Metropolitan Area Transit Authority for bus and rail capital improvement costs; construction of other public improvements; acquisition of necessary or desirable equipment and interests in land; 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 thereof; providing for the levy and collection of all taxes, charges and assessments necessary for the payment of the principal of and interest on such 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; 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 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; and

WHEREAS, it is necessary for the City to finance certain capital improvement project which are described in this Ordinance.

THE CITY COUNCIL OF ALEXANDRIA, VIRGINIA HEREBY ORDAINS:

SECTION 1. Chapter 5.1 of Title 15.1 of the Code of Virginia (1989 Replacement Volume and 1993 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 Bonds (defined herein) under the Public Finance Act of 1991. The Bonds issued hereunder are hereby specifically 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, except any referendum and debt limitations, applicable to the City of Alexandria, Virginia (the "City").

The City Council hereby finds and determines that the issuance of the Bonds pursuant to the terms and requirements of this Ordinance, in order to use a portion of the bond proceeds 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.

The City Council hereby further finds and determines that it is necessary for the City to issue the Bonds in order to use a portion of the bond proceeds to finance all or a portion of the cost of the capital improvement projects, generally described in this Section.

The following is a general description of the capital improvement projects to be financed with a portion of the proceeds of the Bonds and the estimated maximum costs thereof. Bond proceeds will fund only a portion of the total maximum costs.

<u>General Project Description</u>	<u>Estimated Maximum Cost</u>
Construction of additions to existing school buildings; remodeling and repairing of existing school buildings; and acquisition of necessary land and equipment (this project includes the projects contained in the capital budget under "Schools").	\$ 2,000,000
Construction and Renovation of City buildings including contributions to capital improvements and equipping of facilities at the Lee Center (this project includes the projects contained in the capital budget under "Public Buildings").	\$ 3,000,000
Construction and improvement of City buildings; renovations and improvements to the Queen Street Library; and acquisition of necessary land and equipment (this project	\$ 3,200,000

includes the projects contained in the capital budget under "Library").

Installation, replacement and upgrade of traffic signal equipment and communications cable and payment of a portion of the City's contribution to the Washington Metropolitan Area Transit Authority's bus and rail capital improvement and replacement costs for portions of the transit system (this project includes the projects contained in the capital budget under "Rapid Transit and Traffic").	\$ 1,000,000
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Acquisition and improvement of land for a community library facility; construction and equipping of a library facility (this project includes the projects contained in the capital budget under "Library").	\$ 2,700,000
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Total	<u>\$11,900,000</u>
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SECTION 2. Acting pursuant to the authority of the Public Finance Act of 1991 and this Ordinance, the Bonds may be issued (i) 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; (ii) in an aggregate principal amount not to exceed \$11,900,000 to pay a portion of the capital improvement projects described in Section 1; and (iii) in an amount not to exceed \$300,000 to pay the costs related to structuring the refunding program to maximize the debt service savings to the City and to provide for a discount on the par amount of the Bonds in order to enhance the marketability of the Bonds under current market conditions. The issuance and sale of the "Consolidated Public Improvement General Obligation Bonds and Refunding Bonds, Series 1994" of the City of Alexandria, Virginia, is hereby authorized in an aggregate principal amount not to exceed Twenty-Six Million Seven Hundred Thousand Dollars (\$26,700,000) (the "Bonds"). The Bonds are issued for the purpose of refunding some or all of the maturities of Public Improvement and School Bonds of 1986, dated February 1, 1986, originally issued in the aggregate principal amount of \$22,000,000; (the "Refunded Bonds") and to finance the cost of a portion of the capital improvement projects described in Section 1 (the "Projects").

The proceeds of the Bonds may be used in (a) 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 are 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, and (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; (b) to pay all any part of the cost of acquiring, constructing, reconstructing, improving, extending, enlarging and equipping any of the Projects; and (c) 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 the Bonds.

SECTION 3. Any escrow or sinking fund established, in whole or in part, from a portion of the proceeds of the sale of the 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.

The owners of any 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 Bonds hereby authorized shall be sold at public 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. The 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 Bonds allocated to refunding the Refunded Bonds shall be dated, shall mature at such time or times not exceeding the final maturity year of the Refunded Bonds. The Bonds allocated to the Costs of the Projects shall be dated and shall mature at such times as determined in a resolution of the City Council. The 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 in a resolution of the City Council or by the City Manager if authorized by the City Council before their issuance. The Bonds may bear interest payable at such time or times and at such rate or rates as determined by a resolution of the City Council, or the City Manager if authorized by the City Council, including the determination 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 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 in a resolution of the City Council or by the City Manager if authorized by the City Council. The principal of the 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 Bonds.

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 portions of each Refunded Series to be refunded with the proceeds of the Bonds.

SECTION 6. For the purpose of paying the principal of and premium, if any, and interest on the 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 all 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 Bonds and any general obligation bonds of the City issued under the provisions of the Public Finance Act of 1991 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 Bonds. The City hereby solemnly covenants with each of the holders of any of the 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 Bonds authorized to be issued by this Ordinance will 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 for the purpose of determining any limitation upon the amount of indebtedness of the City which is imposed by law.

SECTION 8. The City Council in a resolution, or 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 the Bonds issued hereunder upon such terms as deemed to be favorable under the existing market conditions to a bank, investment banking firm or other financial institution as, in the judgment of the City Manager, offers to purchase such series of bonds on such terms;

(b) fix and determine subject to the provisions of Section 5 hereof, the date of any such series of 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 each Refunded 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, whether such series is to be issued in book-entry form and all matters incident to the issuance of such series in book-entry form;

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

(d) 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, to appoint a similarly qualified bank or trust company as Alternate Paying Agent, such authority to include the power to agree with respect to the compensation of such Paying Agent and Alternate Paying Agent for the services to be rendered by them and to appoint one or more of such banks or trust companies as Bond Registrars and if it is deemed to be appropriate to provide for the City to act as Paying Agent and Registrar;

(e) 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, to determine the terms of any such trust fund and to deliver as a binding commitment of the City, a trust or escrow agreement, pursuant to which such trust fund is established;

(f) arrange for the preparation and distribution of an appropriate Official Statement with respect to the sale of any series of the Bonds hereby authorized;

(g) reserve to the City the option to redeem any such series of 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

(h) 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. 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 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, respectively, 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, respectively, 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.

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, or the utilization of specified procedures for accounting for and segregating bond proceeds. Any covenant or agreement made by the

City Manager pursuant to this paragraph shall be set forth in or authorized in writing executed by the City Manager.

SECTION 10. The 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.

The Bonds shall be in the form set forth in Attachment A 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.

In case any official of the City, whose signature shall appear on any such bonds, shall cease to be such official prior to the delivery of such bonds, or in the case that any such official shall 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.

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.

Authority is hereby conferred on the Mayor and City Manager to fill in the blanks in such form 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 Mayor and City Manager in the event such series is issued in book-entry form or with mandatory sinking fund payments.

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 Bonds (i) a copy of any report concerning the

issuance of the Bonds required to be filed with the United States Internal Revenue Service or (ii) such other report 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 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

Final Passage: December 11, 1993

(Form of Bond)

UNITED STATES OF AMERICA
Commonwealth of Virginia

No. _____

\$ _____

CITY OF ALEXANDRIA, VIRGINIA

Consolidated Public Improvement
General Obligation Bonds and
Refunding Bonds Series 1994

Dated Date	Maturity Date	Interest Rate	CUSIP
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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 _____, 1993, 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 all the legally assessable property within the corporate limits of the City in rate and 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; it has caused this bond to be signed by the manual or facsimile signature of its Director of Finance or authorized deputy, all as of the ____ day of _____, 1994.

(SEAL)

CITY OF ALEXANDRIA, VIRGINIA

ATTEST:

By: _____
Mayor

Clerk

Date of Authentication: _____

Director of Finance or
Authorized Deputy

This bond is one of a duly authorized issue of general obligation bonds of the City, designated CITY OF ALEXANDRIA, VIRGINIA Consolidated Public Improvement General Obligation Bonds and Refunding Bonds, Series 1994, all dated _____, 1994. Said bonds are issued pursuant to the authority of Chapter 5.1, Title 15.1 of the Code of Virginia (1989 Replacement Volume and 1993 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:

Maturity Date	Principal Amount	Interest Rate	Maturity Date	Principal Amount	Interest Rate
_____	\$ _____	_____ %	_____	\$ _____	_____ %
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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 will act 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 offices of the Director of Finance of the City 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 office of the Director of Finance of the City. 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.