**Memphis City Council**
**Summary Sheet**

Resolution for Refunding General Improvement Bonds

- This resolution will authorize the issuance of General Improvement Bonds, Series 2011, not to exceed Thirty million Dollars ($30,000,000) principal amount of the City of Memphis Tennessee for the purpose of refunding certain outstanding General Improvement Bonds of the City.
- The initiating party is the Division of Finance.
- This Resolution does not change any existing Ordinance or Resolution.
- The resolution does not require new contracts, or amend an existing contract.

# RESOLUTION

**RESOLUTION OF THE COUNCIL OF THE CITY OF MEMPHIS, TENNESSEE, AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED THIRTY MILLION DOLLARS ($30,000,000) PRINCIPAL AMOUNT OF CITY OF MEMPHIS, TENNESSEE, GENERAL IMPROVEMENT BONDS FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING GENERAL IMPROVEMENT BONDS OF THE CITY; MAKING PROVISION FOR THE RAISING ANNUALLY BY SUCH CITY OF A SUM SUFFICIENT TO PAY, AS THE SAME SHALL BECOME DUE, THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON SUCH BONDS; PRESCRIBING THE FORM AND CERTAIN DETAILS OF SUCH BONDS; AUTHORIZING AND PROVIDING FOR THE NEGOTIATED SALE OF SUCH BONDS; APPROVING THE FORM OF PURCHASE AGREEMENT FOR SUCH BONDS; APPROVING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT RELATING TO SUCH BONDS AND APPROVING THE FORM THEREOF; AUTHORIZING AND APPROVING AN OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A REFUNDING TRUST AGREEMENT AND APPOINTING THE TRUSTEE THEREUNDER; AND AUTHORIZING CERTAIN OTHER MATTERS WITH RESPECT TO THE ISSUANCE OF SUCH BONDS**

BE IT RESOLVED by the Council of the City of Memphis, Tennessee, as follows:

SECTION 1. Authorization and Purpose of Bonds. There is hereby authorized to be issued, sold and delivered one or more series of general obligation bonds of the City, designated "General Improvement Refunding Bonds, Series 2011", each with such other or further series designation, as determined by the Director of Finance and Administration (the "Bonds") in an aggregate principal amount not to exceed Thirty Million Dollars ($30,000,000) for the purpose of refunding in advance of their maturities all or a portion of the outstanding General Improvement Bonds, Series 2003, of the City maturing on May 1, 2015 through 2022 (such bonds being refunded, the "Refunded Bonds").

SECTION 2. Certain Details of Bonds. The Bonds, or such portion thereof as shall be determined by the Director of Finance and Administration, shall be sold at one time or from time to time (and whether or not combined into a single issue with other general improvement or general improvement refunding bonds separately authorized) on a date or dates

to be selected by the Director of Finance and Administration. The Bonds of each series shall be numbered from R-1 upwards in order of issuance. The Bonds shall be dated as of a date, shall be issued in the denomination of $5,000 each or any integral multiple thereof, and shall bear interest payable initially and semiannually thereafter in each year on the dates and at the rates per annum, not to exceed 6.50% per annum calculated on the basis of a 30-day month and a 360-day year, all as shall be determined by the Director of Finance and Administration. The Bonds shall mature in serial or term forms in not to exceed 13 years from their dated date, on the maturity dates and in the principal amounts to be determined by the Director of Finance and Administration.

The Bonds shall be issued only in fully registered form without coupons. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased except as provided by Section 3 hereof.

Unless the City and the Registrar and Paying Agent named below agree otherwise, so long as DTC or its nominee is the registered owner of the Bonds as Securities Depository, payments of principal, premium, if any, and interest payments on the Bonds will be made by the City through the Paying Agent and Registrar named below, by wire transfer to DTC or its nominee, Cede & Co., as registered owner of the Bonds, which will in turn remit such payments to the DTC participants for subsequent disbursal to the beneficial owners of the Bonds. Transfer of principal, premium, if any, and interest payments to DTC participants will be the responsibility of DTC. Transfers of such payments to beneficial owners of the Bonds by DTC participants will be the responsibility of such participants and other nominees of such beneficial owners. Transfers of ownership interests in the Bonds will be accomplished by book entries made by DTC and, in turn, by the DTC participants who act on behalf of the indirect participants of DTC and the beneficial owners of the Bonds.

The City will not be responsible or liable for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants or for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owner of the Bonds.

The Bank of New York Mellon Trust Company, National Association, is hereby appointed as Paying Agent and Registrar for the Bonds (the "Paying Agent and Registrar").

SECTION 3. Procedure in the Event of Revision of Book-Entry Transfer System - Replacement Bonds. The City shall issue Bond certificates (the "Replacement Bonds") directly to the beneficial owners of the Bonds other than DTC, or its nominee, but only in the event that:

(a) DTC determines to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities; or

(b) the City discontinues use of DTC (or substitute depository or its successor) at any time upon determination by the City that the use of DTC (or substitute depository or its successor) is no longer in the best interests of the City and the beneficial owners

of the Bonds, subject to applicable procedures of DTC. The City and the Paying Agent and Registrar shall be fully protected in relying upon information provided by DTC, DTC participants or other nominees of beneficial owners, or beneficial owners with respect to the names, addresses and amounts owned by the beneficial owners and other information supplied by them for the purpose of delivering Replacement Bonds.

Upon occurrence of the events described in either (a) or (b) above, the City shall attempt to locate another qualified securities depository. If the City fails to locate another qualified securities depository to replace DTC, the City shall execute and deliver Replacement Bonds in substantially the form set forth in Section 10 hereof. Such Replacement Bonds shall bear thereon a certificate of authentication in the form set forth in Section 10 hereof executed manually by an authorized officer of the Paying Agent and Registrar as registration agent for the City. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by an authorized officer of the Paying Agent and Registrar. Any such certificate of the Paying Agent and Registrar upon any Bond executed on behalf of the City shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Resolution and that the registered owner of such Bond is entitled to the benefits and security of this Resolution.

Prior to the execution and delivery of Replacement Bonds, the City shall notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC. Principal of and interest on the Replacement Bonds shall be payable by check or draft mailed to each registered owner of such Replacement Bonds at the address of such owner as it appears in the books of registry maintained by the Paying Agent and Registrar. Replacement Bonds will be transferable only by presentation and surrender to the Paying Agent and Registrar, together with an assignment duly executed by the registered owner of the Replacement Bond or by such owner's representative in form satisfactory to the Paying Agent and Registrar and containing information required by the Paying Agent and Registrar in order to effect such transfer.

The City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to an exchange or transfer of a Bond, and may charge the person requesting such exchange or transfer a sum or sums which shall be paid as a condition precedent to the exercise of the privilege of making such exchange or transfer.

SECTION 4. Redemption. Any or all of the Bonds (or portions thereof in installments of $5,000) may first be subject to redemption at the option of the City prior to their stated maturities no later than 10-½ years after the date of delivery thereof and payment therefor, in whole at any time or in part from time to time in such order of maturity as shall be determined by the City (except that if at any time less than all of the Bonds of a given maturity are called for redemption, the particular Bonds or portions thereof shall be selected by lot, at a fixed price or prices not to exceed 103%, together with the interest accrued on the principal amount to be redeemed to the date fixed for the redemption thereof. The Bonds also may be made not redeemable prior to maturity in their entirety. The redemption provisions, if any, shall be determined by the Director of Finance and Administration, subject to the foregoing limitations.

If any Bond (or any portion of the principal amount thereof in installments of $5,000) shall be called for redemption, notice of the redemption thereof, specifying the date,

number and maturity of such Bond, the date and place or places fixed for its redemption, the premium, if any, payable upon such redemption, and if less than the entire principal amount of such Bond is to be redeemed, that such Bond must be surrendered in exchange for the principal amount thereof to be redeemed and a new Bond or Bonds issued equaling in principal amount that portion of the principal amount thereof not to be redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption by first class mail, postage prepaid, to the registered owner of such Bond at such owner's address as it appears on the books of registry kept by the Paying Agent and Registrar as of the close of business on the forty-fifth (45th) day preceding the date fixed for redemption. If notice of the redemption of any Bond shall have been given as aforesaid, and payment of the principal amount of such Bond (or the portion of the principal amount thereof to be redeemed) and of the accrued interest and premium, if any, payable upon such redemption shall have been duly made or provided for, interest on such Bond shall cease to accrue from and after the date so specified for redemption thereof. The failure of any registered owner to receive any such mailed notice shall not affect the sufficiency or validity of the proceedings for the redemption of the related Bonds.

So long as the Bonds are in book-entry only form, any notice of redemption will be given only to DTC or its nominee. The City shall not be responsible for providing any beneficial owner of the Bonds with notice of redemption.

SECTION 5. Security. The full faith and credit and unlimited taxing power of the City are hereby pledged to the punctual payment of the principal of and interest on the Bonds. In accordance with the provisions of T.C.A. Section 9-21-215, it is hereby recited that adequate provision will be made for raising annually by tax upon all property subject to taxation by the City of a sum sufficient to pay the principal of and interest on the Bonds as the same shall become due. The City hereby agrees that a tax sufficient to pay when due such principal and such interest shall be levied annually and assessed, collected and paid in like manner with the other taxes of the City and shall be in addition to all other taxes authorized or limited by law. This resolution shall be deemed to be the tax resolution required to be adopted in respect of the Bonds under T.C.A. Section 9-21-215.

SECTION 6. Payment of Bonds; Books of Registry; Exchanges and Transfers of Bonds.

(a) Payment of Bonds. (i) At any time during which the Bonds shall be in fully registered form, the interest on the Bonds shall be payable by wire transfer or by check or draft mailed by the Paying Agent and Registrar to the registered owners of the Bonds at their addresses as the same appear on the books of registry as of the fifteenth (15th) day of the month preceding such interest payment date and the principal of and premium, if any, on the Bonds shall be payable at the principal office of the Paying Agent and Registrar or any other office of the Paying Agent and Registrar designated for such purpose; provided, however that at any time during which the Bonds shall be in book-entry form, the principal of and premium, if any, and interest on the Bonds shall be payable in accordance with the provisions of Section 2 hereof.

(ii) The principal of and premium, if any, and interest on the Bonds shall be payable in such coin or currency of the United States of America as at the respective dates of payment is legal tender for public and private debts.

(b) Books of Registry; Exchanges and Transfers of Bonds. (i) At all times during which any Bond remains outstanding and unpaid, the Paying Agent and Registrar shall keep or cause to be kept, at its principal office or any other office of the Paying Agent and Paying Agent and Registrar designated for such purpose, books of registry for the registration, exchange and transfer of the Bonds. Upon presentation at the principal office of the Paying Agent and Registrar or any other office of the Paying Agent and Registrar designated for such purpose, the Paying Agent and Registrar, under such reasonable regulations as it may prescribe, shall register, exchange, transfer, or cause to be registered, exchanged or transferred, on the books of registry the Bonds as herein set forth.

(ii) Any Bond may be exchanged for a like aggregate principal amount of such Bonds in authorized principal amounts of the same interest rate and maturity.

(iii) Any Bond may, in accordance with its terms, be transferred upon the books of registry by the person in whose name it is registered, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent and Registrar for cancellation, accompanied by a written instrument of transfer duly executed by the registered owner in person or his duly authorized agent, in form satisfactory to the Paying Agent and Registrar.

(iv) All transfers or exchanges pursuant to this Section 6(b) shall be made without expense to the registered owner of such Bonds, except as otherwise herein provided, and except that the Paying Agent and Registrar shall require the payment of the registered owner of the Bond requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange. All Bonds surrendered pursuant to this Section 6(b) shall be canceled.

SECTION 7. CUSIP Identification Numbers. CUSIP identification numbers may be printed on the Bonds, but neither the failure to print any such number on any Bonds, nor any error or omission with respect thereto, shall constitute cause for failure or refusal by the purchaser of the Bonds to accept delivery of and pay for the Bonds in accordance with the terms of its proposal to purchase the Bonds. No such number shall constitute or be deemed to be a part of any Bond or a part of the contract evidenced thereby and no liability shall attach to the City or any of its officers or agents because of or on account of any such number or any use made thereof.

SECTION 8. Tax Covenant. The City covenants and agrees to comply with the provisions of Sections 103 and 141 through 150 of the Code and the applicable Treasury Regulations promulgated thereunder or otherwise applicable thereto, in each case whether prospective or retroactive, that must be satisfied in order that interest on the Bonds shall be and continue to be excluded from gross income for federal income tax purposes under said Sections 103 and 141 through 150.

SECTION 9. Execution and Authentication of Bonds. The Bonds shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor of the City and of the Comptroller of the City, and shall have impressed or imprinted thereon or affixed thereto, by facsimile or otherwise, the official seal of the City. In case any officer of the City whose signature or whose facsimile signature shall appear on the Bonds shall cease to be such

officer before the delivery of such Bonds, such signature or the facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds shall bear thereon a certificate of authentication in the form set forth in Section 10 hereof executed manually by an authorized officer of the Paying Agent and Registrar. No Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by an authorized officer of the Paying Agent and Registrar.

SECTION 10. Form of Bonds. The Bonds shall be in substantially the form set forth below with such necessary or appropriate variations, omissions and insertions as are incidental to their series, numbers, interest rates and maturities or as are otherwise permitted or required by law or this Resolution:

**REGISTERED** **REGISTERED**

**No. R-____** $_____

**UNITED STATES OF AMERICA**
**STATE OF TENNESSEE**
**CITY OF MEMPHIS**
**GENERAL IMPROVEMENT REFUNDING BOND**
**SERIES 2011 __**

| INTEREST RATE | MATURITY DATE | CUSIP NO. |
|---|---|---|
| | _____ __, 20__ | |

**REGISTERED OWNER:** CEDE & CO.

**PRINCIPAL AMOUNT:**

The City of Memphis, Tennessee (hereinafter referred to as the "City"), for value received, hereby promises to pay the Registered Owner named above, or registered assigns, on the Maturity Date specified above, [unless this Bond shall have been called for previous redemption and payment of the redemption price shall have been duly made or provided for], the Principal Amount specified above, and to pay interest on such Principal Amount on _____ __, 20__ and semiannually on each _____ __ and _____ __ thereafter at the Interest Rate per annum specified above calculated on the basis of a 30-day month and a 360-day year, by wire transfer or by check or draft mailed by the Paying Agent and Registrar hereinafter mentioned to the Registered Owner in whose name this Bond is registered on the books of registry kept and maintained by the Paying Agent and Registrar as of the close of business on the fifteenth (15th) day of the calendar month preceding the month in which interest is payable to the address of the Registered Owner as it appears on such books of registry.

The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent and Registrar") or such other office of the Paying Agent and Registrar

as may be designated for such purpose. The principal of and premium, if any, and interest on this Bond are payable in such coin or currency of the United States of America as at the respective dates of payment is legal tender for public and private debts.

This Bond is one of a duly authorized series of Bonds (herein referred to as the "Bonds") of the aggregate principal amount of _____ million dollars ($_____) of like date and tenor herewith, except for number, denomination, interest rate, maturity and redemption provisions, and is issued for the purpose of refunding certain outstanding general obligation bonds of the City and providing for the payment of costs of issuance of the Bonds, under and pursuant to and in full compliance with the Constitution and statutes of the State of Tennessee, including Title 9, Chapter 21, Tennessee Code Annotated, being the Local Government Public Obligations Act of 1986, as amended, and a resolution duly adopted by the Council of the City under such Chapter 21 on May 3, 2011.

[The Bonds maturing on or before _____, ____, shall not be subject to redemption prior to maturity. The Bonds maturing on and after _____, ____ (or portions thereof in installments of $5,000) are subject to optional redemption by the City on and after _____, ____, in whole or in part at any time in such order as determined by the City and by lot within a maturity (if less than a full maturity is to be redeemed),] [at a redemption price equal to the principal amount of the Bonds or portion thereof to be redeemed, together with the interest accrued on such principal amount to the date fixed for redemption.][at the prices and dates set forth below, in each case together with the interest accrued on the principal amount of the Bonds or portion thereof to be redeemed:

| Redemption Date (Both Dates Inclusive) | Redemption Price] |
|---|---|

If this Bond or any portion of the principal amount hereof shall be called for redemption, notice of the redemption hereof, specifying the date and number of this Bond, the date and place or places fixed for its redemption, the premium, if any, payable upon such redemption, and if less than the entire principal amount of this Bond is to be redeemed, that this Bond must be surrendered in exchange for the principal amount hereof to be redeemed and the issuance of a new Bond equaling in principal amount that portion of the principal amount hereof not redeemed, shall be mailed not less than thirty (30) days prior to the date fixed for redemption by first class mail, postage prepaid, to the Registered Owner (or portion hereof to be redeemed). If notice of redemption shall have been given as aforesaid, and payment of the principal amount of this Bond (or portion of the principal amount hereof to be redeemed) and of the accrued interest and premium, if any, payable upon such redemption shall have been then made or provided for, interest hereon shall cease from and after the date so specified for the redemption hereof. The failure of the Registered Owner to receive any such mailed notice shall not affect the sufficiency or validity of proceedings for the redemption of this Bond.

Subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds, this Bond may be exchanged at the principal office of the

Paying Agent and Registrar, or such other office of the Paying Agent and Registrar as may be designated for such purpose for a like aggregate principal amount of Bonds of other authorized principal amounts and of the issue of which this Bond is one. This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Registrar but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the proceedings authorizing the Bonds of the issue of which this Bond is one, and upon the surrender hereof for cancellation. Upon such transfer, a new Bond or Bonds of authorized denominations and of the same aggregate principal amount of the series of which this Bond is one will be issued to the transferee in exchange herefor.

The full faith, credit and unlimited taxing power of the City are hereby irrevocably pledged to the punctual payment of the principal of and interest on this Bond as the same become due. In the resolution hereinabove referred to adopted on May 3, 2011, it is recited that adequate provision will be made for raising annually by tax upon all property subject to taxation by the City of a sum sufficient to pay the interest on and principal of this Bond as the same shall become due.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Bond and the series of which it is one, do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that this Bond and the Bonds of the series of which this Bond is one do not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City, by its Council, has caused this Bond to be executed by the manual or facsimile signature of its Mayor; the seal of the City or a facsimile thereof to be impressed or imprinted hereon or affixed hereto, by facsimile or otherwise, attested by the manual or facsimile signature of its Comptroller; and this Bond to be dated as of _____, 2011.

CITY OF MEMPHIS, TENNESSEE

[SEAL]

_____
Mayor

ATTEST:

_____
Comptroller

Certificate of Authentication

This Bond is one of the Bonds described in the within-mentioned Resolution

The Bank of New York Mellon Trust
Company, National Association,
As Paying Agent and Registrar

By: _____
Authorized Officer

Date of Authentication: _____, 2011

**Assignment**

For value received, _____ hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY
OR OTHER TAX IDENTIFYING NUMBER
OF ASSIGNEE:

_____

_____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____ _____, attorney, to transfer the same on the books of registry of the City kept at the principal office of the Paying Agent and Registrar with full power of substitution in the premises.

Dated: _____

_____
Registered Owner

Signature Guaranteed: _____

NOTE: The signature to this assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

SECTION 11. Sale of Bonds. The Bonds shall be sold at a negotiated sale on a date to be determined by the Director of Finance and Administration and at a price of not less than ninety-eight percent (98%) of the principal amount of the Bonds, plus accrued interest, if any. The Director of Finance and Administration is hereby authorized to negotiate with one or more of Citibank Capital Markets Inc., J. P. Morgan Securities LLC, Morgan Keegan &

Company, Inc., Raymond James & Associates, Inc., and/or Siebert Brandford Shank & Co., LLC, or affiliates thereof, as book-running lead managing underwriter for the underwriters of the Bonds, with respect to the purchase and sale of the Bonds. The Director of Finance and Administration is hereby authorized and directed to execute and deliver to the underwriters a Bond Purchase Agreement substantially in the form presented to and filed with the minutes of the meeting at which this Resolution is adopted, and having such terms as shall be determined by the Director of Finance and Administration in accordance with the terms of this Resolution, together with such changes as shall be approved by such officer, upon the advice of counsel (including the City Attorney and bond counsel), such approval to be conclusively evidenced by the execution thereof.

The Director of Finance and Administration is also hereby authorized to distribute to purchasers of and investors in the Bonds a Preliminary Official Statement of the City relating to the Bonds, substantially in the form presented to this meeting, which form is hereby approved, ratified and confirmed. The form of Preliminary Official Statement as published and distributed may include such changes as shall be approved by the Director of Finance and Administration, upon the advice of counsel (including the City Attorney and bond counsel) and the City's financial advisors, such approval shall be conclusively evidenced by its publication and distribution, as applicable. The Preliminary Official Statement is in a form which is "deemed final" as of its date within the meaning of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion of a final Official Statement as defined in SEC Rule 15c2-12(e)(3). The Director of Finance and Administration is hereby authorized to prepare an Official Statement, in substantially the form of the Preliminary Official Statement as so modified, after the same has been completed by the insertion of the maturities, interest rates, and other details of the Bonds and by making such other insertions, changes or corrections as the Director of Finance and Administration, based on the advice of counsel (including the City Attorney and bond counsel) and the City's financial advisors, approves as necessary or appropriate, such approval to be conclusively evidenced by the execution thereof; and the Council hereby authorizes the Official Statement and the information contained therein to be used by the purchasers in connection with the sale of the Bonds.

A Continuing Disclosure Certificate, substantially in the form described in the Preliminary Official Statement, is hereby authorized to be executed and delivered by the Director of Finance and Administration. The form of the Continuing Disclosure Certificate as published and distributed may include such changes as shall be approved by the Director of Finance and Administration, upon the advice of counsel (including the City Attorney and bond counsel) and the City's financial advisors, which approval shall be conclusively evidenced by its publication and distribution, as applicable. The City covenants with the holders from time to time of the Bonds that it will, and hereby authorizes the appropriate officers and employees of the City to take all action necessary or appropriate to, comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time. Notwithstanding any other provision of this Resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under this Resolution and the Continuing Disclosure Certificate may be enforced only as provided therein.

SECTION 12. Refunding Trust Agreement; Appointment of Trustee; Authorization of Purchase of Securities; Redemption of Refunded Bonds. (a) The form of the Refunding Trust Agreement, substantially in the form executed and delivered in connection with the City's General Improvement Refunding Bonds, Series 2010D, and General Improvement and Refunding Bonds, Series 2010E (Federally Taxable), and the terms, conditions, and provisions thereof, are hereby approved, ratified and confirmed by the Council, and the appropriate officers of the City are hereby authorized and directed to execute and deliver to the Trustee the Refunding Trust Agreement in such form, together with such changes as shall be approved by such officers, upon the advice of counsel (including the City Attorney and bond counsel), such approval to be conclusively evidenced by their execution thereof. There shall be transferred to the Trustee from the City's Debt Service Fund, such amounts, if any, as shall be determined by the Director of Finance and Administration, on credit to such fund attributable to the Refunded Bonds for deposit into the Refunding Trust Fund under the Refunding Trust Agreement.

(b) The appointment of The Bank of New York Mellon Trust Company, N.A., as Trustee under the Refunding Trust Agreement is hereby approved, ratified and confirmed.

(c) The Trustee is hereby authorized to purchase from moneys deposited in the Refunding Trust Fund, created and established under the Refunding Trust Agreement, direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States or obligations of any agency or instrumentality of the United States as referred to in the Refunding Trust Agreement. Such securities so purchased shall be held by the Trustee under and in accordance with provisions of the Refunding Trust Agreement. The Director of Finance and Administration is hereby authorized to execute, on behalf of the City, any instruments required to be executed on behalf of the City in connection with investments contemplated by the Refunding Trust Agreement.

(d) The Refunded Bonds shall be redeemed on a date not later than 90 days after the date of delivery thereof and payment therefor, at the redemption price of 101% of their principal amount, plus accrued interest. Such designations for redemption shall be, and are hereby declared to be, irrevocable upon such delivery and payment.

SECTION 13. Finding. It is hereby provided and determined that issuance of the Bonds to refund the Refunded Bonds in advance of their respective maturities as provided by this Resolution will be advantageous to the City.

SECTION 14. Application of Proceeds of Sale of the Bonds. The proceeds derived from the sale of the Bonds shall be applied as follows:

(A) Accrued interest received on the Bonds, if any, from their date to the date of delivery of and payment for the Bonds shall be applied to the payment of interest on the Bonds on the first interest payment date thereof.

(B) An amount shall be deposited in the Refunding Trust Fund and used and applied in accordance with the provisions of the Refunding Trust Agreement as shall be sufficient to provide for the payment of the principal or redemption price, if applicable, of and interest on the Refunded Bonds.

(C) The balance shall be used to pay costs of issuance of the Bonds, including without limitation any premiums for municipal bond insurance authorized by Section 15 hereof.

SECTION 15. Municipal Bond Insurance and Special Provisions Required Thereby. The obtaining of a policy of insurance insuring the payment of the principal of and interest on all or any portion of the Bonds (the "Policy"), and the execution and delivery by the Director of Finance and Administration on behalf of the City of any commitments or other agreements related thereto, are hereby authorized. The Director of Finance and Administration may determine such matters as may be necessary or desirable to comply with the conditions precedent to the issuance of the Policy, which may include, but shall not be limited to, provisions deeming the issuer of the Policy to be the holder of the Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of such Bonds are entitled to take for certain purposes as so determined.

SECTION 16. Further Authorizations. The appropriate officers of the City are hereby authorized to take all such actions and execute such documents (upon advice of the City Attorney and Bond Counsel) as shall be necessary to effect the delivery of and payment for the Bonds and as may be reasonably required to carry out, give effect to and consummate the transactions contemplated hereby.

SECTION 17. Effective Date. This Resolution shall take effect upon its adoption.