

ST. TAMMANY PARISH COUNCIL

ORDINANCE ITEM

ORDINANCE CALENDAR NO. 3835

ORDINANCE COUNCIL SERIES NO. 08-

COUNCIL SPONSOR: MR. BINDER

PROVIDED BY: BOND COUNSEL

INTRODUCED BY MR. FALCONER

SECONDED BY: MR. ARTIGUE

ON THE 1ST DAY OF MAY 2008

ORDINANCE PROVIDING FOR THE INCURRING OF DEBT AND ISSUANCE OF FIVE MILLION DOLLARS (\$5,000,000) OF LIMITED TAX REVENUE BONDS, SERIES 2008, OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA; PRESCRIBING THE FORM, TERMS AND CONDITIONS OF SAID BONDS; DESIGNATING THE DATE, DENOMINATION AND PLACE OF PAYMENT OF SAID BONDS; PROVIDING FOR THE PAYMENT THEREOF IN PRINCIPAL AND INTEREST; AUTHORIZING THE AGREEMENT WITH THE PAYING AGENT; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, pursuant to elections held in the Parish of St. Tammany, State of Louisiana (the "Issuer"), on November 3, 1998 and October 20, 2007, the Issuer was authorized to levy a special tax of six and thirty three hundredths (6.33) mills (such rate being subject to adjustment from time to time due to reassessment) in each year through the year 2024 (the "Tax"); and

WHEREAS, the Issuer now desires to incur debt and issue its Limited Tax Revenue Bonds, Series 2008, in the principal amount of Five Million Dollars (\$5,000,000) (the "Bonds"), pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended and other constitutional and statutory authority, for the purpose of constructing, acquiring and improving public library facilities, furnishings and equipment, and paying the costs of issuance thereof; and

WHEREAS, the Issuer has no outstanding indebtedness of any kind payable from a pledge or dedication of the avails or proceeds of the Tax; and

WHEREAS, the estimated income to be realized from the levy of the Tax in 2008 is approximately \$6,917,081.83 and the maximum amount of principal and interest due in any year on the Bonds does not exceed seventy-five percent (75%) of said estimated income; and

WHEREAS, it is the desire of the Issuer to fix the details necessary with respect to the issuance of the Bonds and to provide for the authorization and issuance thereof;

THE PARISH OF ST. TAMMANY HEREBY ORDAINS THAT:

SECTION 1. Definitions. As used herein, the following terms shall have the following meanings, unless the context otherwise requires:

"**Agreement**" means the agreement to be entered into between the Issuer and the Paying Agent pursuant to this Ordinance.

"**Bond**" means any bond of the Issuer authorized to be issued by this Ordinance, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any bond previously issued.

"**Bond Register**" means the records kept by the Paying Agent at its principal corporate trust office in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"**Bonds**" means the Issuer's Limited Tax Revenue Bonds, Series 2008, authorized by this Ordinance, in the total aggregate principal amount of Five Million Dollars (\$5,000,000).

"**Code**" means the Internal Revenue Code of 1986, as amended.

**"Executive Officers"** means collectively the Parish President and Finance Director and the Clerk of Council of the Parish Council of the Parish of St. Tammany, State of Louisiana.

**"Fiscal Year"** means the one-year accounting period ending December 31st of each year, or such other period as may be designated by the Governing Authority as the fiscal year of the Issuer.

**"Governing Authority"** means the Parish Council of the Parish of St. Tammany, State of Louisiana.

**"Government Securities"** means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which are non-callable prior to their maturity, may be United States Treasury obligations such as the State and Local Government Series and may be in book-entry form.

**"Interest Payment Date"** means March 1 and September 1 of each year in which the Bonds are outstanding, commencing March 1, 2009.

**"Issuer"** means the Parish of St. Tammany, State of Louisiana.

**"Ordinance"** means this ordinance authorizing the issuance of the Bonds, as it may be supplemented and amended.

**"Outstanding"** when used with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

1. Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
2. Bonds for which payment sufficient funds have been theretofore deposited in trust for the owners of such Bonds.
3. Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to this Ordinance;
4. Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Ordinance or by law; and
5. Bonds for the payment of the principal of and interest on which money or Government Securities or both are held in trust with the effect specified in this Ordinance.

**"Owner"** or **"Owners"** when used with respect to any Bond means the Person in whose name such Bond is registered in the Bond Register.

**"Paying Agent"** means \_\_\_\_\_, in the City of \_\_\_\_\_, \_\_\_\_\_, until a successor Paying Agent shall have been appointed pursuant to the applicable provisions of this Ordinance and thereafter "Paying Agent" shall mean such successor Paying Agent.

**"Person"** means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

**"Purchaser"** means \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, the original purchaser of the Bonds.

**"Record Date"** for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date.

"Tax" means the special ad valorem tax of six and thirty three hundredths (6.33) (such rate being subject to adjustment from time to time due to reassessment), and authorized at elections held therein on November 3, 1998 and October 20, 2007, to be levied and collected annually in each year through the year 2024, inclusive.

SECTION 2. Authorization of Bonds; Maturities. In compliance with the terms and provisions of Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1430) (the "Act"), and other constitutional and statutory authority, there is hereby authorized the incurring of an indebtedness of Five Million Dollars (\$5,000,000) for, on behalf of, and in the name of the Issuer, for the purpose of constructing, acquiring and improving public library facilities, furnishings and equipment, and paying the costs incurred in connection with the issuance of the Bonds and to represent said indebtedness, this Governing Authority does hereby authorize the issuance of Five Million Dollars (\$5,000,000) of Limited Tax Revenue Bonds, Series 2008, of the Issuer. The Bonds shall be in fully registered form, shall be dated June 1, 2008, shall be issued in the denomination of Five Thousand Dollars (\$5,000) or any integral multiple thereof within a single maturity and shall be numbered from R-1 upward. The Bonds shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing March 1, 2009, at the following rates of interest per annum and shall become due and payable and mature serially on March 1 of the years and in the amounts, as follows:

<u>Year</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u> <u>Per Annum</u>
2009	\$140,000	
2010	205,000	
2011	215,000	
2012	230,000	
2013	240,000	
2014	250,000	
2015	265,000	
2016	275,000	
2017	290,000	
2018	305,000	
2019	320,000	
2020	335,000	
2021	350,000	
2022	365,000	
2023	385,000	
2024	405,000	
2025	425,000	

The principal of the Bonds, upon maturity or redemption, shall be payable at the principal office of the Paying Agent, upon presentation and surrender thereof, and interest on the Bonds shall be payable by

check of the Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register. Each Bond delivered under this Ordinance upon transfer of, in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payments of principal, premium, if any, and interest on the Bonds will be made by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number will accompany all payments of principal, premium, and interest, whether by check or by wire transfer.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of registration, substantially in the form provided in this Ordinance, executed by the Paying Agent by manual signature.

SECTION 3. Book-Entry Registration of Bonds. The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. The Secretary of the Governing Authority or any other officer of the Issuer is authorized to execute and deliver a Letter of Representation to DTC on behalf of the Issuer with respect to the issuance of the Bonds in "book-entry only" format. The Paying Agent is hereby directed to execute said Letter of Representation. The terms and provisions of said Letter of Representation shall govern in the event of any inconsistency between the provisions of this Resolution and said Letter of Representation. Initially, a single certificate will be issued and delivered to DTC for each maturity of the Bonds. The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the Bonds are issued in book-entry-only form, the payment of principal of, premium, if any, and interest on the Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representation.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

- (a) DTC determines to discontinue providing its service with respect to the Bonds. Such a determination may be made at any time by giving 30 days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law; or
- b) The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Issuer and/or the Beneficial Owners.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer or the Paying Agent are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy *in lieu* of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Resolution of holding, delivering or transferring the Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

SECTION 4. Redemption Provisions. The Bonds maturing March 1, 2019, and thereafter, will be callable for redemption by the Issuer in full or in part at any time on or after March 1, 2018, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption. In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds

for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each Bond to be redeemed at his address as shown on the registration books of the Paying Agent.

SECTION 5. Registration and Transfer. The Issuer shall cause the Bond Register to be kept by the Paying Agent. The Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bond or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange (i) any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date, or (ii) any Bond called for redemption prior to maturity, during a period beginning at the opening of business fifteen (15) days before the date of mailing of a notice of redemption of such Bond and ending on the date of such redemption.

SECTION 6. Form of Bonds. The Bonds and the endorsements to appear thereon shall be in substantially the following forms, respectively, to-wit:

NO. R- \_\_\_\_\_

PRINCIPAL AMOUNT \$ \_\_\_\_\_

Unless this Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to the Issuer or their agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of CEDE & CO. or in such other name as is requested by an authorized representative of DTC (and any payment is made to CEDE & CO. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, CEDE & CO., has an interest herein.

As provided in the Bond Ordinance referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Bond Ordinance to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

**UNITED STATES OF AMERICA  
STATE OF LOUISIANA  
PARISH OF ST. TAMMANY**

**LIMITED TAX REVENUE BOND, SERIES 2008  
OF THE  
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

<u>Bond Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>
July 1, 2008	March 1, _____	_____ %	_____

The Parish of St. Tammany, State of Louisiana (the "Issuer"), promises to pay, but solely from the source and as hereinafter provided, to:

REGISTERED OWNER: CEDE & CO. (Tax Identification #13-2555119)

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth above, together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, payable on March 1 and September 1 of each year, commencing March 1, 2009 (each an "Interest Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount is paid, unless this Bond shall have been previously called for redemption and payment shall have been duly made or provided for. The principal of this Bond, upon maturity or redemption, is payable in lawful money of the United States of America at the principal office of \_\_\_\_\_, in the City of \_\_\_\_\_, or successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Interest on this Bond is payable by check mailed by the Paying Agent to the registered owner (determined as of the close of business on the 15th calendar day of the month next preceding each Interest Payment Date) at the address as shown on the registration books of the Paying Agent.

During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payment of principal, premium, if any, and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal, premium, and interest, whether by check or by wire transfer.

FOR SO LONG AS THIS BOND IS HELD IN BOOK-ENTRY FORM REGISTERED IN THE NAME OF CEDE & CO. ON THE REGISTRATION BOOKS OF THE ISSUER KEPT BY THE PAYING AGENT, AS BOND REGISTRAR, THIS BOND, IF CALLED FOR PARTIAL REDEMPTION IN ACCORDANCE WITH THE RESOLUTION, SHALL BECOME DUE AND PAYABLE ON THE REDEMPTION DATE DESIGNATED IN THE NOTICE OF REDEMPTION GIVEN IN ACCORDANCE WITH THE RESOLUTION AT, AND ONLY TO THE EXTENT OF, THE REDEMPTION PRICE, PLUS ACCRUED INTEREST TO THE SPECIFIED REDEMPTION DATE; AND THIS BOND SHALL BE PAID, TO THE EXTENT SO REDEEMED, (i) UPON PRESENTATION AND SURRENDER HEREOF AT THE OFFICE SPECIFIED IN SUCH NOTICE OR (ii) AT THE WRITTEN REQUEST OF CEDE & CO., BY CHECK MAILED TO CEDE & CO. BY THE PAYING AGENT OR BY WIRE TRANSFER TO CEDE & CO. BY THE PAYING AGENT IF CEDE & CO. AS BOND OWNER SO ELECTS. IF, ON THE REDEMPTION DATE, MONEYS FOR THE REDEMPTION OF BONDS OF SUCH MATURITY TO BE REDEEMED, TOGETHER WITH INTEREST TO THE REDEMPTION DATE, SHALL BE HELD BY THE PAYING AGENT SO AS TO BE AVAILABLE THEREFOR ON SUCH DATE, AND AFTER NOTICE OF REDEMPTION SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE RESOLUTION, THEN, FROM AND AFTER THE REDEMPTION DATE, THE AGGREGATE PRINCIPAL AMOUNT OF THIS BOND SHALL BE IMMEDIATELY REDUCED BY AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT THEREOF SO REDEEMED, NOTWITHSTANDING WHETHER THIS BOND HAS BEEN SURRENDERED TO THE PAYING AGENT FOR CANCELLATION.

This Bond is one of an authorized issue aggregating in principal the sum of Five Million Dollars (\$5,000,000) of Limited Tax Revenue Bonds, Series 2008, of the Issuer (the "Bonds") all of like tenor and effect except as to number, denomination, interest rate and maturity, said Bonds having been issued by the Issuer pursuant to an ordinance adopted by its governing authority on June 5, 2008 (the "Ordinance"), for the purpose of constructing, acquiring and improving public library facilities, furnishings and equipment, and paying the costs incurred in connection with the issuance of the Bonds, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1430), and other constitutional and statutory authority.

The Bonds maturing March 1, 2019, and thereafter, will be callable for redemption by the Issuer in full or in part at any time on or after March 1, 2018, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption. In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each Bond to be redeemed at his address as shown on the registration books of the Paying Agent.

The Issuer shall cause to be kept at the principal office of the Paying Agent a register (the "Bond Register") in which registration of the Bonds and of transfers of the Bonds shall be made as provided in the Ordinance. This Bond may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. This Bond may be assigned by the execution of the assignment form hereon or by other instrument of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new registered owner) in exchange for this transferred and assigned Bond after receipt of this Bond to be transferred in proper form. Such new Bond or Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register the transfer of, or exchange (i) any Bond during a period beginning at the opening of business on the 15th calendar day of the month next preceding an Interest Payment Date and ending at the close of business on the Interest Payment Date, or (ii) any Bond called for redemption prior to maturity, during a period beginning at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of such Bonds and ending on the date of such redemption.

This Bond, and the issue of which it forms a part, are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the Issuer from the levy and collection of

a special tax of six and thirty three hundredths (6.33) (such rate being subject to adjustment from time to time due to reassessment), which the Issuer is authorized to impose and collect in each year through the year 2024, inclusive. Said special tax has been authorized to be levied on all the property subject to taxation within the corporate boundaries of the Issuer pursuant to elections held on November 3, 1998 and October 20, 2007. For a more complete statement of the tax revenues from which and conditions under which this Bond is issued, reference is hereby made to the Ordinance. The Issuer, in the Ordinance, has also entered into certain other covenants and agreements with the registered owner of this Bond, including provisions for the issuance of additional bonds payable from the proceeds of the Tax on a parity with this Bond for the terms of which reference is made to the Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond and the issue of which it forms a part to constitute the same legal, binding and valid obligations of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Issuer, including this Bond and the issue of which it forms a part, does not exceed the limitations prescribed by the Constitution and statutes of the State of Louisiana.

IN WITNESS WHEREOF, the Parish Council of the Parish, acting as the governing authority of the Issuer, has caused this Bond to be executed in its name by the facsimile signatures of its Parish President and its Finance Director, and Clerk of Council of said governing authority, and a facsimile of its corporate seal to be imprinted hereon.

PARISH OF ST. TAMMANY, STATE OF LOUISIANA

(facsimile)  
Clerk of Council

(facsimile)  
Parish President

(facsimile)  
Finance Director

(SEAL)

\* \* \* \* \*

PAYING AGENT'S CERTIFICATE OF REGISTRATION

This Bond is one of the Bonds referred to in the within mentioned Bond Ordinance.

\_\_\_\_\_  
\_\_\_\_\_  
as Paying Agent

Date of  
Registration: \_\_\_\_\_, 2008

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

\* \* \* \* \*

ASSIGNMENT

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

Please Insert Social Security  
or other Identifying Number of Assignee

[Empty box for Social Security or other Identifying Number of Assignee]

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_

attorney or agent to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

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

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.

\* \* \* \* \*

LEGAL OPINION CERTIFICATE

I, the undersigned Clerk of Council of the Parish Council of the Parish of St. Tammany, State of Louisiana, do hereby certify that the following is a true copy of the complete legal opinion of Foley & Judell, L.L.P., the original of which was manually executed, dated and issued as of the date of payment for and delivery of the original bonds of the issue described therein and was delivered to \_\_\_\_\_, of \_\_\_\_\_, the original purchaser thereof:

(LEGAL OPINION TO BE INSERTED)

I further certify that an executed copy of the above legal opinion is on file in my office, and that an executed copy thereof has been furnished to the Paying Agent for this Bond.

\_\_\_\_\_  
(facsimile)  
Clerk of Council

\* \* \* \* \*

(APPROPRIATE INSURANCE LEGEND TO BE INSERTED)

\* \* \* \* \*

SECTION 7. Execution of Bonds. The Bonds shall be signed by the Executive Officers for, on behalf of, in the name of and under the corporate seal of the Issuer, and the Legal Opinion Certificate shall be signed by the Clerk of Council of the Governing Authority, which signatures and corporate seal may be either manual or facsimile.

SECTION 8. Pledge and Dedication of Revenues. Pursuant to the Act, the Bonds shall be secured by and payable from an irrevocable pledge and dedication of the avails or proceeds of the Tax. This Governing Authority does hereby obligate itself and its successors in office to impose and collect the Tax annually in each year through the year 2024, inclusive, as provided in the proposition authorizing the Tax.

and does hereby irrevocably and irrevocably dedicate, appropriate and pledge the annual income to be derived from the assessment, levy and collection of the Tax in each year through the year 2024, inclusive, to the payment of the Bonds.

SECTION 8. Parity Bonds. The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenues of the Tax having priority over or parity with the Bonds, except that additional bonds may hereafter be issued on a parity with the Bonds under the following conditions:

- (A) The Bonds herein authorized or any part thereof, including the interest thereon, may be refunded, and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Bonds refunded; provided, however, that if only a portion of the Bonds outstanding is so refunded and the refunding bonds require total principal and interest payments during any year in excess of the principal and interest which would have been required in such year to pay the Bonds refunded thereby, then such Bonds may not be refunded without the consent of the Owner of the unrefunded portion of the Bonds issued hereunder (provided such consent shall not be required if such refunding bonds meet the requirements set forth in clause B of this Section).
- (B) Additional bonds may be issued on and enjoy a full and complete parity with the Bonds with respect to the revenues of the Tax, provided that the anticipated Tax revenues in the year in which the additional bonds are to be issued, as reflected in the budget adopted by the Issuer, must be at least 1.35 times the combined principal and interest requirements for any calendar year on the Bonds and the said additional bonds.
- (C) Junior and subordinate bonds may be issued without restriction.
- (D) The Issuer must be in full compliance with all covenants and undertakings in connection with the Bonds and there must be no delinquencies in payments required to be made in connection therewith.
- (E) The additional bonds must be payable as to principal on March 1st of each year, commencing not more than 2 years from the date thereof, and payable as to interest on March 1 and September 1 of each year.

SECTION 9 Sinking Fund. For the payment of the principal of and the interest on the Bonds and any additional parity bonds, there has been created a special fund known as "Limited Tax Revenue Bonds (2008) Sinking Fund", said Sinking Fund having been established and maintained with the regularly designated fiscal agent bank of the Issuer. The Issuer shall deposit in the Sinking Fund at least one (1) day in advance of the date on which each payment of principal and/or interest on the Bonds falls due, funds fully sufficient to promptly pay the maturing principal and/or interest so falling due on such date. The depository for the Sinking Fund shall transfer from the Sinking Fund to the Paying Agent funds fully sufficient to pay promptly the principal and interest falling due on such date.

It shall be specifically understood and agreed, however, and this provision shall be a part of this contract, that after the funds have been budgeted out of the revenues of the Tax for any year sufficient to pay the principal and interest on the Bonds herein authorized for that year, and all required amounts for that year have been deposited in the aforesaid Sinking Fund established for the Bonds, then any annual revenues of the Tax remaining in that year shall be free for expenditure by the Issuer for the purposes for which the Tax was authorized by the voters.

All moneys deposited with the regularly designated fiscal agent bank or banks of the Issuer or the Paying Agent under the terms of this Ordinance shall constitute sacred funds for the benefit of the Owners of the Bonds, and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

All or any part of the moneys in the Sinking Fund shall, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana.

SECTION 10. Budget; Financial Statements. As long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall prepare and adopt a budget prior to the beginning of each Fiscal Year and shall furnish a copy of such budget to the Purchaser within thirty (30) days after its adoption.

SECTION 11. Application of Proceeds. The Executive Officers are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of this Ordinance, to cause the necessary Bonds to be printed, to issue, execute and seal the Bonds, and to effect delivery thereof as hereinafter provided. The proceeds derived from the sale of the Bonds, except accrued interest, shall be used only for the purpose for which the Bonds are issued. Accrued interest, if any, derived from the sale of the Bonds shall be deposited in the Sinking Fund to be applied to the first interest payment.

SECTION 12. Bonds Legal Obligations. The Bonds shall constitute legal, binding and valid obligations of the Issuer and shall be the only representations of the indebtedness as herein authorized and created.

SECTION 13. Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the Issuer, or its successor, and the Owner or Owners from time to time of the Bonds, and any such Owner or Owners may at law or in equity, by suit, action, mandamus or other proceedings, enforce

and compel the performance of all duties required to be performed by this Governing Authority or the Issuer as a result of issuing the Bonds.

No material modification or amendment of this Ordinance, or of any Ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owners of two-thirds (2/3) of the aggregate principal amount of the Bonds then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity provisions of the Bonds, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the obligation of the Issuer to pay the principal of and the interest on the Bonds as the same shall come due from the revenues appropriated, pledged and dedicated to the payment thereof by this Ordinance, or reduce the percentage of the Owners required to consent to any material modification or amendment of this Ordinance, without the consent of the Owners of the Bonds.

SECTION 14. Severability; Application of Subsequently Enacted Laws. In case any one or more of the provisions of this Ordinance or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance or of the Bonds, but this Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provisions enacted after the date of this Ordinance which validate or make legal any provision of this Ordinance and/or the Bonds which would not otherwise be valid or legal, shall be deemed to apply to this Ordinance and to the Bonds.

SECTION 15. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with the Bonds and having determined the same to be regular, the Bonds shall contain the following recital, to-wit:

"It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

SECTION 16. Effect of Registration. The Issuer, the Paying Agent, and any agent of either of them may treat the Owner in whose name any Bond is registered as the Owner of such Bond for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes whatsoever, and to the extent permitted by law, neither the Issuer, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

SECTION 17. Notices to Owners. Wherever this Ordinance provides for notice to Owners of Bonds of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided)

if in writing and mailed, first-class postage prepaid, to each Owner of such Bonds, at the address of such Owner as it appears in the Bond Register. In any case where notice to Owners of Bonds is given by mail, neither the failure to mail such notice to any particular Owner of Bonds, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner or Owners entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 18. Cancellation of Bonds. All Bonds surrendered for payment, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent and, if not already canceled, shall be promptly canceled by the Paying Agent. The Issuer may at any time deliver to the Paying Agent for cancellation any Bonds previously registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent. All canceled Bonds held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

SECTION 19. Mutilated, Destroyed, Lost or Stolen Bonds. If (1) any mutilated Bond is surrendered to the Paying Agent, or the Issuer and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Bond, and (2) there is delivered to the Issuer and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Issuer or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute, and upon its request the Paying Agent shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same maturity and of like tenor, interest rate and principal amount, bearing a number not contemporaneously outstanding. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Bond, pay such Bond. Upon the issuance of any new Bond under this Section, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith. Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen bond shall constitute a replacement of the prior

obligation of the Issuer, whether or not the mutilated, destroyed, lost or stolen Bond shall be at any time enforceable by anyone and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds. Any additional procedures set forth in the Agreement, authorized in this Ordinance, shall also be available with respect to mutilated, destroyed, lost or stolen Bonds. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 20. Discharge of Ordinance; Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Owner, the principal of and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of the money, securities, and funds pledged under this Ordinance and all covenants, agreements, and other obligations of the Issuer to the Owner shall thereupon cease, terminate, and become void and be discharged and satisfied, and the Paying Agent shall pay over or deliver all money held by it under this Ordinance to the Issuer.

Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they are defeased in the manner provided by Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

SECTION 21. Successor Paying Agent; Paying Agent Agreement. The Issuer will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Bonds. The designation of the initial Paying Agent in this Ordinance is hereby confirmed and approved. The Issuer reserves the right to appoint a successor Paying Agent by (a) filing with the Person then performing such function a certified copy of a ordinance or Ordinance giving notice of the termination of the Agreement and appointing a successor and (b) causing notice to be given to each Owner. Every Paying Agent appointed hereunder shall at all times be a bank or trust company organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority. The Executive Officers are hereby authorized and directed to execute an appropriate Agreement with the Paying Agent for and on behalf of the Issuer in such form as may be satisfactory to said officers, the signatures of said officers on such Agreement to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 22. Arbitrage. The Issuer covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds".

The Executive Officers are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or bond necessary to effectuate the purposes of this Section.

SECTION 23. Continuing Disclosure. The Executive Officers are hereby empowered and directed to execute an appropriate Continuing Disclosure Bond (substantially in the form set forth in the official statement issued in connection with the sale and issuance of the Bonds) pursuant to S.E.C. Rule 15c2-12(b)(5).

SECTION 24. Publication. A copy of this Ordinance shall be published immediately after its adoption in one issue of the official journal of the Issuer.

SECTION 25. Headings. The headings of the various sections hereof are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 26. Effective Date. This Bond Ordinance shall become effective immediately.

MOVED FOR ADOPTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

YEAS:

NAYS:

ABSTAIN:

ORDINANCE CALENDAR NUMBER: 3835

ORDINANCE COUNCIL SERIES NO. 08-

Page 17 of 19

ABSENT:

THIS RESOLUTION WAS DECLARED ADOPTED ON THE 5<sup>TH</sup> DAY OF JUNE, 2008, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT.

JERRY BINDER, COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, CLERK OF COUNCIL

KEVIN DAVIS, PARISH PRESIDENT

Published introduction: MAY 8, 2008

Published adoption on: \_\_\_\_\_, 2008

Delivered to Parish President: \_\_\_\_\_, 2008 at \_\_\_\_\_

Returned to Council Clerk: \_\_\_\_\_, 2008 at \_\_\_\_\_

STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Clerk of Council of the Parish Council of the Parish of St. Tammany, State of Louisiana, do hereby certify that the foregoing \_\_\_\_\_ (\_\_\_\_\_) pages constitute a true and correct copy of an ordinance adopted by the Parish Council on June 5, 2008, providing for the incurring of debt and issuance of Five Million Dollars (\$5,000,000) of Limited Tax Revenue Bonds, Series 2008, of the Parish of St. Tammany, State of Louisiana; prescribing the form, terms and conditions of said Bonds; designating the date, denomination and place of payment of said Bonds; providing for the payment thereof in principal and interest; authorizing the agreement with the Paying Agent; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Issuer at Mandeville, Louisiana, on this, the 5<sup>th</sup> day of June, 2008.

(SEAL)

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Council Clerk