

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO: 6061 ORDINANCE COUNCIL SERIES NO: \_\_\_\_\_

COUNCIL SPONSOR: BLANCHARD/BRISTER PROVIDED BY: BOND COUNSEL

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

ON THE 1 DAY OF NOVEMBER , 2018

AN ORDINANCE CONFIRMING THE ISSUANCE OF [NOT TO EXCEED FOUR MILLION DOLLARS (\$ 4,000,000)] OF LIMITED TAX REFUNDING BONDS, SERIES 2018, OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA; PRESCRIBING THE FORM, FIXING THE DETAILS AND PROVIDING FOR THE RIGHTS OF THE OWNERS THEREOF; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS AND THE APPLICATION OF THE PROCEEDS THEREOF TO THE REFUNDING OF CERTAIN BONDS OF SAID PARISH; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS,

THE PARISH OF ST. TAMMANY HEREBY ORDAINS:

REPEAL: All ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SEVERABILITY: If any provision of this Ordinance shall be held to be invalid, such invalidity shall not affect other provisions herein which can be given effect without the invalid provision and to this end the provisions of this Ordinance are hereby declared to be severable.

EFFECTIVE DATE: This Ordinance shall become effective fifteen (15) days after adoption.

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

WHEREUPON THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

THIS ORDINANCE WAS DECLARED DULY ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 1 DAY OF JANUARY , 2018 ; AND BECOMES ORDINANCE COUNCIL SERIES NO \_\_\_\_\_.

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S. MICHELE BLANCHARD, COUNCIL CHAIRMAN

ATTEST:

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THERESA L. FORD, COUNCIL CLERK

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PATRICIA P. BRISTER, PARISH PRESIDENT

Published Introduction: \_\_\_\_\_, 2018

Published Adoption: \_\_\_\_\_, 2018

Delivered to Parish President: \_\_\_\_\_, 2018 at \_\_\_\_\_

Returned to Council Clerk: \_\_\_\_\_, 2018 at \_\_\_\_\_

**ST. TAMMANY PARISH COUNCIL**

**ORDINANCE**

ORDINANCE CALENDAR NO. 6061                      ORDINANCE COUNCIL SERIES NO. 18-\_\_\_\_\_

COUNCIL SPONSOR: BLANCHARD/BRISTER              PROVIDED BY: \_\_\_\_\_

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

ON THE 1<sup>ST</sup> DAY OF NOVEMBER, 2018

An ordinance confirming the issuance of [not to exceed Four Million Dollars (\$4,000,000)] of Limited Tax Refunding Bonds, Series 2018, of the Parish of St. Tammany, State of Louisiana; prescribing the form, fixing the details and providing for the rights of the owners thereof; providing for the payment of the principal of and interest on such bonds and the application of the proceeds thereof to the refunding of certain bonds of said Parish; and providing for other matters in connection therewith.

WHEREAS, the Parish Council of the Parish of St. Tammany, State of Louisiana (the "Governing Authority"), acting as the governing authority of the Parish of St. Tammany, State of Louisiana (the "Issuer") is currently authorized to levy a special tax of 3.26 mills (such rate being subject to adjustment from time to time due to reassessment) in each year pursuant to an election held in the Issuer on November 2, 2004 (the "Tax"); and

WHEREAS, the Issuer previously issued \$8,000,000 of Limited Tax Revenue Bonds, Series 2009, dated January 1, 2009, of which \$3,840,000 is currently outstanding (the "Series 2009 Bonds") which are payable from and secured by the Tax; and

WHEREAS, the Issuer has found and determined that the refunding of \$\_\_\_\_\_ of Series 2009 Bonds, consisting of those Series 2009 Bonds, maturing on March 1, \_\_\_\_\_ to March 1, \_\_\_\_\_, [inclusive] (collectively, the "Refunded Bonds"), as further described on Exhibit A hereto, would be financially advantageous to the Issuer; and

WHEREAS, pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, it is now the desire of this Governing Authority to adopt this ordinance to provide for the issuance of [not to exceed Four Million Dollars (\$4,000,000)] principal amount of its Limited Tax Refunding Bonds, Series 2018 (the "Bonds"), for the purpose of refunding the Refunded Bonds and paying the costs of issuance of the Bonds, to fix the details of the Bonds and to sell the Bonds to the Purchaser thereof; and

WHEREAS, it is necessary to provide for the application of the proceeds of the Bonds and to provide for other matters in connection with the payment or redemption of the Refunded Bonds; 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; except the outstanding unrefunded Limited Tax Revenue Bonds, Series 2009; and

WHEREAS, the maximum amount of principal and interest due in any year on the Bonds and the Outstanding Parity Bonds does not exceed seventy-five percent (75%) of the income estimated to be realized from the Tax; and

WHEREAS, it is necessary that this Governing Authority prescribe the form and content of the Defeasance and Escrow Deposit Agreement providing for the payment of the principal and interest of the Refunded Bonds and authorize the execution thereof as hereinafter provided; and

WHEREAS, in connection with the issuance of the Bonds, it is necessary that provision be made for the payment of the principal and interest of the Refunded Bonds described in Exhibit A hereto, and to provide for the call for redemption of the Refunded Bonds pursuant to a Notice of Defeasance and Call for Redemption substantially in the form attached hereto as Exhibit E; and

WHEREAS, the Issuer desires to sell the Bonds to the purchaser thereof and to fix the details of the Bonds and the terms of the sale of the Bonds, pursuant to the commitment letter attached as Exhibit D hereto.

NOW, THEREFORE, BE IT ORDAINED by the Parish Council of the Parish of St. Tammany, State of Louisiana, acting as the governing authority of the Parish of St. Tammany, State of Louisiana, that:

## ARTICLE I

### DEFINITIONS AND INTERPRETATION

SECTION 1.1. Definitions. The following terms shall have the following meanings unless the context otherwise requires:

"**Act**" shall mean Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

"**Additional Parity Bonds**" shall mean any *pari passu* additional bonds which may hereafter be issued pursuant to Section 9.1 hereof on a parity with the Bonds and the Outstanding Parity Bonds.

"**Bond**" or "**Bonds**" shall mean any or all of the Limited Tax Refunding Bonds, Series 2018, of the Issuer, issued pursuant to the Bond Ordinance, as the same may be amended from time to time, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued Bond.

"**Bond Obligation**" shall mean, as of the date of computation, the principal amount of the Bonds then Outstanding.

"**Bond Register**" means the registration books of the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"**Bond Ordinance**" shall mean this ordinance, as it may be amended and supplemented as herein provided.

"**Business Day**" shall mean a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Escrow Agent and the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

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

"**Costs of Issuance**" shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of a preliminary official statement and official statement, if paid by the Issuer, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of refunding, premiums for the insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Issuer in connection with the original issuance of Bonds.

"**Debt Service**" for any period shall mean, as of the date of calculation, an amount equal to the sum of (a) interest payable during such period on Bonds and (b) the principal amount of Bonds which mature during such period.

"**Defeasance Obligations**" shall mean (a) cash, or (b) non-callable Government Securities.

**"Escrow Agent"** shall mean with respect to the Refunded Bonds, Hancock Whitney Bank, in the City of Baton Rouge, Louisiana, and its successor or successors, and any other person which may at any time be substituted in its place pursuant to the Bond Ordinance.

**"Escrow Agreement"** shall mean the Defeasance and Escrow Deposit Agreement to be dated as of [December 19, 2018], between the Issuer and the Escrow Agent, substantially in the form attached hereto as Exhibit B, as the same may be amended from time to time, the terms of which are incorporated herein by reference.

**"Executive Officers"** shall mean any or all of the Parish President and Chief Financial Officer of the Issuer and the Chair and Clerk of the Governing Authority.

**"Fiscal Year"** shall mean the twelve-month accounting period commencing on the first day of January or any other twelve-month accounting period determined by the Governing Authority as the fiscal year of the Issuer.

**"Governing Authority"** shall mean the Parish Council of the Parish of St. Tammany, State of Louisiana, or its successor in function.

**"Government Securities"** shall mean 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"** shall mean March 1 and September 1 of each year, commencing March 1, 2019.

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

**"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 or portions thereof for which payment sufficient funds have been paid to or 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.

**"Outstanding Parity Bonds"** shall mean the Issuer's unrefunded Limited Tax Revenue Bonds, Series 2009, dated January 1, 2009 and maturing March 1, \_\_\_\_\_ to March 1, \_\_\_\_\_, inclusive.

**"Outstanding Parity Bond Ordinance"** shall mean the ordinance adopted by the Governing Authority on December 4, 2008, authorizing the issuance of the Outstanding Parity Bonds.

**"Owner" or "Owners"** shall mean the Person reflected as registered owner of any of the Bonds on the registration books maintained by the Paying Agent.

**"Paying Agent"** shall mean \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, as paying agent and registrar hereunder, until a successor Paying Agent shall have become such pursuant to the applicable

provisions of the Bond Ordinance, and thereafter "Paying Agent" shall mean such successor Paying Agent.

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

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

"**Record Date**" shall mean, with respect to an Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"**Refunded Bonds**" shall mean the callable maturities of the Issuer's outstanding Limited Tax Revenue Bonds, Series 2009, dated January 1, 2009, consisting of those Series 2009 Bonds maturing March 1, 2020 to March 1, 2025, inclusive, which are being refunded by the Bonds, as more fully described in Exhibit A hereto.

"**State**" shall mean the State of Louisiana.

"**Tax**" shall mean the special ad valorem tax of 3.26 mills (such rate being subject to adjustment from time to time due to reassessment), and authorized to be levied and collected by the Issuer in each year pursuant to an election held in the Issuer on November 2, 2004.

SECTION 1.2. Interpretation. In this Bond Ordinance, unless the context otherwise requires, (a) words importing the singular include the plural and vice versa, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and (c) the title of the offices used in this Bond Ordinance shall be deemed to include any other title by which such office shall be known under any subsequently adopted charter.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 2.1. Authorization of Bonds; Refunding of Refunded Bonds. (a) This Bond Ordinance creates a series of Bonds of the Issuer to be designated "Limited Tax Refunding Bonds, Series 2018, of the Parish of St. Tammany, State of Louisiana", and provides for the full and final payment of the principal of and interest on all the Bonds.

(b) The Bonds issued under this Bond Ordinance shall be issued for the purpose of refunding the Refunded Bonds through the escrow of a portion of the proceeds of the Bonds, together with other available moneys of the Issuer in Government Securities, in accordance with the terms of the Escrow Agreement, in order to provide for the payment of the principal of and interest on the Refunded Bonds as they mature as provided in Section 14.1 hereof.

(c) Provision having been made herein for the orderly payment and redemption of all the Refunded Bonds, in accordance with their terms, it is hereby recognized and acknowledged that as of the date of delivery of the Bonds under this Bond Ordinance, the Issuer is expected to have no future obligation with reference to the Refunded Bonds.

(d) The Escrow Agreement is hereby approved by the Issuer, and the Executive Officers are hereby authorized and directed to execute and deliver the Escrow Agreement on behalf of the Issuer substantially in the form of Exhibit B hereof, with such changes, additions, deletions or completions deemed appropriate by such signing officials, and it is expressly provided and covenanted that all of the provisions for the payment of the principal of and interest on the Refunded Bonds from the special trust funds created under the Escrow Agreement shall be strictly observed and followed in all respects.

SECTION 2.2. Bond Ordinance to Constitute Contract. In consideration of the purchase and acceptance of the Bonds when, as and if delivered by those who shall own the same from time to time, the provisions of this Bond Ordinance shall be a part of the contract of the Issuer with the Owners of the Bonds and shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Bond Ordinance.

SECTION 2.3. Obligation of Bonds. The Bonds shall be secured by and payable solely from, equally with the Outstanding Parity Bonds, 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 in each year, and does hereby irrevocably and irrepealably dedicate, appropriate and pledge the annual income to be derived from the assessment, levy and collection of the Tax in each year to the payment of the Bonds and the Outstanding Parity Bonds.

SECTION 2.4. Authorization and Designation. Pursuant to the provisions of the Act and subject to the approval of the Louisiana State Bond Commission, there is hereby authorized the issuance of [not to exceed Four Million Dollars (\$4,000,000)] principal amount of Bonds of the Issuer to be designated "Limited Tax Refunding Bonds, Series 2018, of the Parish of St. Tammany, State of Louisiana", for the purpose of refunding the Refunded Bonds and paying the costs of issuance. The Bonds shall be in substantially the form set forth as Exhibit C hereto, with such necessary or appropriate variations, omissions and insertions as are required or permitted by the Act and this Bond Ordinance.

SECTION 2.5. Denominations, Dates, Maturities and Interest. The Bonds shall be in fully registered form, shall be dated the date of delivery thereof, shall be issued in a single denomination corresponding to the principal amount of \$\_\_\_\_\_, subject to mandatory redemption as set forth in Section 5.1 of this Bond Ordinance, and shall be numbered R-1. 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, 2019, at the interest rate of \_\_\_\_\_% and shall mature on March 1, 2025.

The principal and premium, if any, of the Bonds are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the principal corporate trust office of the Paying Agent, upon presentation and surrender thereof. Interest on the Bonds is payable by check mailed on or before the Interest Payment Date by the Paying Agent to the Owner thereof (determined as of the close of business on the Record Date) at the address of such Owner as it appears on the registration books of the Paying Agent maintained for such purpose.

Except as otherwise provided in this Section, Bonds shall bear interest from date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, provided, however, that if and to the extent that the Issuer shall default in the payment of the interest on any Bonds due on any Interest Payment Date, then all such Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid on the Bonds, or if no interest has been paid on the Bonds, from their dated date.

The person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the principal and interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

### ARTICLE III

#### GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 3.1. Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the registration of transfer of the Bonds as provided in this Bond Ordinance to be kept by the Paying Agent at its principal corporate trust office, and the Paying Agent is hereby constituted and appointed the registrar for the Bonds. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the Issuer or by the Owners (or a designated representative thereof) of 15% of the outstanding principal amount of the Bonds.

All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

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 will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bond after receipt of the Bond to be transferred in proper form. Such new Bond shall be in an authorized denomination. Neither the Issuer nor the Paying Agent shall be required to issue, register, transfer or exchange 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.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

The Issuer and the Paying Agent shall not be required to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business on a Record Date or any date of selection of Bonds to be redeemed and ending at the close of business on the Interest Payment Date.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Bond Ordinance as the Bonds surrendered.

Prior to due presentment for registration of transfer of any Bond, the Issuer and the Paying Agent, and any agent of the Issuer or the Paying Agent may deem and treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 3.2. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Issuer may in its discretion adopt an ordinance and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly cancelled Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Issuer and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Issuer and the Paying Agent, (ii) giving to the Issuer and the Paying Agent an indemnity bond in favor of the Issuer and the Paying Agent in such amount as the Issuer may require, (iii) complying with such other reasonable regulations and conditions as the Issuer may prescribe and (iv) paying such expenses as the Issuer and the Paying Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation pursuant to Section 3.4 hereof. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.



Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except that it shall bear on its face the following additional clause:

"This bond is issued to replace a lost, cancelled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bond may be signed by the facsimile signatures of the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds may be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment as provided herein with respect to all other Bonds hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those conferred by the original Bonds.

SECTION 3.3. Cancellation of Bonds. All Bonds paid, together with all Bonds purchased by the Issuer, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Secretary of the Governing Authority an appropriate certificate of cancellation.

SECTION 3.4. Execution. The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signatures of the Executive Officers, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Said officers shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds or any legal opinion certificate thereon, and the Issuer may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bond, notwithstanding that at the date of such Bond such person may not have held such office or that at the time when such Bond shall be delivered such person may have ceased to hold such office.

SECTION 3.5. Registration by Paying Agent. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Ordinance unless and until a certificate of registration on such Bond substantially in the form set forth in Exhibit C hereto shall have been duly executed on behalf of the Paying Agent by a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under this Bond Ordinance.

SECTION 3.6. Recital of Regularity. This Governing Authority, having investigated the regularity of the proceedings had in connection with this issue of 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."

## ARTICLE IV

### SINKING FUND; PAYMENT OF BONDS

SECTION 4.1. Sinking Fund. (a) For the payment of the principal of and the interest on the Bonds, the Outstanding Parity Bonds and any additional parity bonds, there has been created or shall be mainrained a special fund known as "Limited Tax Revenue Bonds (2006) Sinking Fund", said Sinking Fund to be maintained with the regularly designated fiscal agent bank of the Issuer. The Issuer shall deposit in the Sinking Fund from the first revenues of the Tax received in any calendar year, a sum equal to the principal and/or interest falling due on the Bonds, the Outstanding Parity Bonds and any additional parity bonds in that calendar year. The depository for the Sinking Fund shall transfer from the Sinking

Fund to the Paying Agent at least one (1) days in advance of each payment date funds fully sufficient to pay promptly the principal and interest falling due on such date.

It shall be specifically understood and agreed, however, that after the funds have actually been set aside out of the revenues of the Tax for any year sufficient to pay the principal and interest on the Bonds, the Outstanding Parity Bonds and any additional parity bonds, then any annual revenues of the Tax remaining in that year shall be free for expenditure by the Issuer.

(b) All moneys deposited with the regularly designated fiscal agent bank or banks of the Issuer or the Paying Agent under the terms of this Bond 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.

(c) 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, in which event all income derived from such investments shall be added only to the Sinking Fund.

SECTION 4.2. Payment of Bonds. The Issuer shall duly and punctually pay or cause to be paid as herein provided, the principal of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof.

## ARTICLE V

### REDEMPTION OF BONDS

SECTION 5.1. Redemption of Bonds. [Except as set forth in this section, the Bonds are not callable for redemption prior to their stated maturity date.]

The principal of the Bond is subject to mandatory redemption on March 1 of the years and in the principal amounts at a redemption price of par plus accrued interest to the redemption date as follows:

<u>Year</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>
2020	
2021	
2022	
2023	
2024	
2025*	

\*Final Maturity

## ARTICLE VI

### APPLICATION OF BOND PROCEEDS

SECTION 6.1. Application of Bond Proceeds. As a condition of the issuance of the Bonds, the Issuer hereby binds and obligates itself to:

(a) Deposit irrevocably in trust with the Escrow Agent under the terms and conditions of the Escrow Agreement, as hereinafter provided, an amount of the proceeds derived from the issuance and sale of the Bonds, and other moneys accessible to the Issuer for the following purpose, as will enable the Escrow Agent to purchase Government Obligations described in the Escrow Agreement, which shall mature in principal and interest in such a manner as to provide at least the required cash amount on or before each payment date for the Refunded Bonds (said amounts being necessary on each of the designated dates to pay and retire or redeem the Refunded Bonds, including premiums, if any, payable upon redemption). Prior to or concurrently with the delivery of the Bonds, the Issuer shall obtain an independent mathematical verification that the moneys and obligations required to be irrevocably

deposited in trust in the Escrow Fund with the Escrow Agent, together with the earnings to accrue thereon, will always be sufficient for the payment of the principal of and interest on the Refunded Bonds. The moneys so deposited with the Escrow Agent shall constitute a trust fund irrevocably dedicated for the use and benefit of the owners of the Refunded Bonds.

(b) Deposit in the Expense Fund established with the Escrow Agent such amount of the proceeds of the Bonds as will enable the Escrow Agent to pay the Costs of Issuance and the costs properly attributable to the establishment and administration of the Escrow Fund on behalf of the Issuer.

## ARTICLE VII

### SUPPLEMENTAL BOND ORDINANCES

SECTION 7.1. Supplemental Ordinances Effective Without Consent of Owners. For any one or more of the following purposes and at any time from time to time, an ordinance supplemental hereto may be adopted, which, upon the filing with the Paying Agent of a certified copy thereof, but without any consent of Owners, shall be fully effective in accordance with its terms:

- (a) to add to the covenants and agreements of the Issuer in the Bond Ordinance other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect;
- (b) to add to the limitations and restrictions in the Bond Ordinance other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect;
- (c) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of the Bond Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Bond Ordinance;
- (d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of the Bond Ordinance; or
- (e) to insert such provisions clarifying matters or questions arising under the Bond Ordinance as are necessary or desirable and are not contrary to or inconsistent with the Bond Ordinance as theretofore in effect.

SECTION 7.2. Supplemental Ordinances Effective With Consent of Owners. Except as provided in Section 7.1, any modification or amendment of the Bond Ordinance or of the rights and obligations of the Issuer and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental ordinance, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the terms of maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the Issuer to levy and collect taxes for the payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of either the Paying Agent or the Escrow Agent without its written assent thereto. For the purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of the Bond Ordinance if the same adversely affects or diminishes the rights of the Owners of said Bonds.

A supplemental ordinance, upon the filing with the Paying Agent of a certified copy thereof, shall become fully effective in accordance with its terms.

## ARTICLE VIII

### TAX COVENANTS; CONTINUING DISCLOSURE

SECTION 8.1. Tax Covenants. 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 Code to in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer shall not take any action or fail to take any action, nor shall it 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, to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in the Code or would result in the inclusion of the interest on any Bond in "gross income" under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of the proceeds of the Bonds, (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" under the Code.

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

SECTION 8.2. Disclosure Under SEC Rule 15c2-12. The Issuer will not be required to comply with the continuing disclosure requirements described in Rule 15c2-12 of the Securities and Exchange Commission [17 CFR 240.15c2-12].

SECTION 8.3. Not Qualified Tax-Exempt Obligations. The Bonds are **not** designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

## ARTICLE IX

### ADDITIONAL PARITY BONDS

SECTION 9.1. Issuance of Additional 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 and the Outstanding Parity 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, the Outstanding Parity 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.

## ARTICLE X

### REMEDIES ON DEFAULT

SECTION 10.1. Events of Default. If one or more of the following events (in this Bond Ordinance called "Events of Default") shall happen, that is to say,

- (a) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise; or
- (b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or
- (c) if default shall be made by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in the Bond Ordinance, any supplemental ordinance or in the Bonds contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the Issuer by any Owner; or
- (d) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default the Owners shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

## ARTICLE XI

### CONCERNING FIDUCIARIES

SECTION 11.1. Escrow Agent; Appointment and Acceptance of Duties. Hancock Whitney Bank, in the City of Baton Rouge, Louisiana, is hereby appointed Escrow Agent with respect to the Refunded Bonds. The Escrow Agent shall signify its acceptance of the duties and obligations imposed upon it by this Bond Ordinance by executing and delivering the Escrow Agreement.

SECTION 11.2. Paying Agent; Appointment and Acceptance of Duties. The Issuer will at all times maintain a Paying Agent having the necessary qualifications for the performance of the duties described in this Bond Ordinance. The designation of \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, as the initial Paying Agent is hereby confirmed and approved. The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by the Bond Ordinance by executing and delivering to the Executive Officers a written acceptance thereof. The Governing Authority reserves the right to appoint a successor Paying Agent by (a) filing with the Person then performing such function a certified copy of an ordinance giving notice of the termination of the agreement and appointing a successor and (b) causing notice to be given to each Owner. Furthermore, the Paying Agent may be removed by the Issuer at any time for any breach of its duties set forth herein, affective upon appointment of a successor Paying Agent as set forth above. Every Paying Agent appointed hereunder shall at all times be a trust company or bank 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.

## ARTICLE XII

### MISCELLANEOUS

SECTION 12.1. Defeasance. (a) If the Issuer shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest become due thereon, at the times and in the manner stipulated therein and in the Bond Ordinance, then the covenants, agreements and other obligations of the Issuer to the Owners shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Issuer all moneys, securities and funds held by them pursuant to the Bond Ordinance which are not required for the payment of Bonds not theretofore surrendered for such payment.

(b) 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. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION 12.2. Evidence of Signatures of Owners and Ownership of Bonds. (a) Any request, consent, revocation of consent or other instrument which the Bond Ordinance may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any person of the Bonds shall be sufficient for any purpose of the Bond Ordinance (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

- (1) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;
- (2) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books of the Paying Agent.
- (3) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or the Paying Agent in accordance therewith.

SECTION 12.3. Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

SECTION 12.4. Parties Interested Herein. Nothing in the Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Paying Agent, the Escrow Agent, and the Owners of the Bonds any right, remedy or claim under or by reason of the Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Bond Ordinance contained by and on behalf of the Issuer

shall be for the sole and exclusive benefit of the Issuer, the Paying Agent, the Escrow Agent, and the Owners of the Bonds and the owners of the Refunded Bonds.

SECTION 12.5. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Bond Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the Bonds.

SECTION 12.6. Successors and Assigns. Whenever in this Bond Ordinance the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Bond Ordinance contained by or on behalf of the Issuer shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 12.7. Subrogation. In the event the Bonds herein authorized to be issued, or any of them, should ever be held invalid by any court of competent jurisdiction, the Owner or Owners thereof shall be subrogated to all the rights and remedies against the Issuer had and possessed by the owner or owners of the Refunded Bonds.

SECTION 12.8. Severability. In case any one or more of the provisions of the Bond Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Bond Ordinance or of the Bonds, but the Bond 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 provision enacted after the date of the Bond Ordinance which validates or makes legal any provision of the Bond Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to the Bond Ordinance and to the Bonds.

SECTION 12.9. Publication of Bond Ordinance. This Bond Ordinance shall be published one time in the official journal of the Issuer; however, it shall not be necessary to publish any exhibits hereto if the same are available for public inspection and such fact is stated in the publication.

SECTION 12.10. Execution of Documents. In connection with the issuance and sale of the Bonds, the Executive Officers are each authorized, empowered and directed to execute on behalf of the Issuer such documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Bond Ordinance, the signatures of the Executive Officers on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 12.11. Post-Issuance Compliance. The Executive Officers and/or their designees are directed to establish written procedures to assist the Issuer in complying with various State and Federal statutes, rules and regulations applicable to the Bonds and are further authorized to take any and all actions as may be required by said written procedures to ensure continued compliance with such statutes, rules and regulations throughout the term of the Bonds.

SECTION 12.12. Audit. As soon as practicable after the filing thereof, a copy of any financial statement of the Issuer and a copy of any audit and annual report of the Issuer shall be forwarded to the Purchaser until the Bonds mature.

### ARTICLE XIII

#### SALE OF BONDS

SECTION 13.1. Award of Bonds. The Issuer hereby accepts the offer of \_\_\_\_\_, in \_\_\_\_\_, Louisiana, for the Bonds, which offer is attached as **Exhibit "D"** hereto, and an Executive Officer is hereby authorized to execute said offer on behalf of the Issuer. As a condition to the delivery of the Bonds to the Purchaser, the Purchaser will execute a standard letter, acceptable to it and the Issuer, indicating it has conducted its own analysis with respect to the Bonds and is extending credit in the form of the Bonds as a vehicle for making a commercial loan to the Issuer.

SECTION 13.2. Placement Agent. Crews & Associates of Little Rock, Arkansas, is hereby appointed and confirmed as Placement Agent in connection with the Bonds, any compensation to be contingent upon the delivery of the Bonds and to be paid from the proceeds thereof.

**ARTICLE XIV**

**REDEMPTION OF REFUNDED BONDS**

SECTION 14.1. Call for Redemption. Subject only to the actual delivery of the Bonds, the Refunded Bonds are hereby irrevocably called for redemption on March 1, 2019, at the principal amount thereof and accrued interest to the call date in compliance with the ordinance authorizing their issuance.

SECTION 14.2. Notice of Defeasance and Call for Redemption. In accordance with the ordinance authorizing the issuance of the Refunded Bonds, a Notice of Defeasance and Call for Redemption for the Refunded Bonds in substantially the form attached hereto as Exhibit E, shall be sent by the paying agent for the Refunded Bonds to the registered owners as the same appear on the registration books of said paying agent by means of first class mail or via accepted means of electronic communication not less than thirty (30) days prior to the date of redemption.

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

WHEREUPON, THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS ORDINANCE WAS DECLARED ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 6<sup>TH</sup> DAY OF DECEMBER, 2018, AND BECOMES ORDINANCE COUNCIL SERIES NO. 18-\_\_\_\_\_.

\_\_\_\_\_  
S. MICHELE BLANCHARD, COUNCIL CHAIR

ATTEST:

\_\_\_\_\_  
THERESA L. FORD, COUNCIL CLERK

\_\_\_\_\_  
PAT BRISTER, PARISH PRESIDENT

Published introduction: OCTOBER 24, 2018  
Published adoption on: \_\_\_\_\_, 2018

Delivered to Parish President: \_\_\_\_\_, 2018 at \_\_\_\_\_  
Returned to Council Clerk: \_\_\_\_\_, 2018 at \_\_\_\_\_



**EXHIBIT A  
TO BOND ORDINANCE**

**OUTSTANDING BONDS TO BE REFUNDED**

Limited Tax Revenue Bonds, Series 2009, dated January 1, 2009, as follows:

<u>DATE</u> <u>(MARCH 1)</u>	<u>PRINCIPAL</u> <u>PAYMENT</u>	<u>INTEREST</u> <u>RATE</u>
2020	\$555,000	5.000%
2021	585,000	5.000
2022	620,000	5.100
2023	655,000	5.125
2024	695,000	5.250
2025	730,000	5.375

**EXHIBIT B  
TO BOND ORDINANCE**

**DEFEASANCE AND ESCROW DEPOSIT AGREEMENT**

This DEFEASANCE AND ESCROW DEPOSIT AGREEMENT, by and between **PARISH OF ST. TAMMANY, STATE OF LOUISIANA** (the "Issuer"), appearing herein through the hereinafter named officers, and **HANCOCK WHITNEY BANK**, in the City of Baton Rouge, Louisiana, a national banking association duly authorized to exercise corporate trust powers, as escrow agent (the "Escrow Agent"), appearing herein through the hereinafter named officers, which shall be dated as of December 19, 2018.

**WITNESSETH :**

WHEREAS, the Issuer has heretofore duly authorized and issued its Limited Tax Revenue Bonds, Series 2009, of which \$3,840,000 is still outstanding (the "2009 Bonds"); and

WHEREAS, the governing authority of the Issuer has found and determined that the refunding of [not exceeding \$4,000,000] of the 2009 Bonds which mature March 1, 2020 to March 1, 2025, inclusive (these maturities of the 2009 Bonds are herein referred to as the "Refunded Bonds"), would be financially advantageous to the Issuer and would result in debt service savings; and

WHEREAS, the Issuer has authorized the issuance of [not to exceed \$4,000,000] of its Limited Tax Refunding Bonds, Series 2018 (the "Bonds"), for the purpose of refunding the Refunded Bonds, pursuant to an ordinance adopted by the Issuer on December 6, 2018 (the "Bond Ordinance"); and

WHEREAS, the Bond Ordinance provides that a portion of the proceeds from the sale of the Bonds shall be placed in escrow with the Escrow Agent and, together with the interest earned from the investment thereof, will be sufficient to pay the principal of and interest on the Refunded Bonds as the same mature and become due;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and in order to provide for the aforesaid refunding and thereby reduce annual debt service on the Refunded Bonds and lower the effective rate of interest paid with respect to the Issuer's Limited Tax bonds, the parties hereto agree as follows:

**SECTION 1. Establishment of Escrow Fund.** There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund to be known as "the Parish of St. Tammany, State of Louisiana, Limited Tax Refunding Bonds, Series 2018, Escrow Fund" (herein called the "Escrow Fund") to be held in trust by the Escrow Agent separate and apart from other funds of the Issuer and the Escrow Agent. Receipt of a true and correct copy of the Bond Ordinance is hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said Bond Ordinance shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if fully set forth herein.

**SECTION 2. Deposit to Escrow Fund; Application of Moneys.** (a) Concurrently with the issuance and delivery of the Bonds, the Issuer will cause to be deposited with the Escrow Agent the sum of \$\_\_\_\_\_ from the proceeds of the Bonds (the "Bond Proceeds"). Such funds will be applied as follows:

- (i) \$\_\_\_\_\_ of Bond Proceeds to the Escrow Fund to purchase the Escrow Obligations (hereinafter defined) described in Schedule A attached hereto;
- (ii) \$\_\_\_\_\_ of Bond Proceeds to the Escrow Fund to establish an initial cash deposit;
- (iii) \$\_\_\_\_\_ of Bond Proceeds to the Expense Fund created in Section 3 hereof; and

(b) Concurrently with such deposit, the Escrow Agent shall apply the moneys described in (i) and (ii) above to the purchase of the obligations, described in Schedule A attached hereto. The obligations listed in Schedule A hereto and any other direct obligations of the United States Government are hereinafter referred to as the "Escrow Obligations". All documents evidencing the book entries of the Escrow Obligations shall be held by the Escrow Agent and appropriate evidence thereof shall be furnished by the Escrow Agent to the Issuer. As shown in Schedule B attached hereto, the Escrow Obligations shall mature

in principal amounts and pay interest in such amounts and at such times so that sufficient moneys will be available from such Escrow Obligations (together with other moneys on deposit in the Escrow Fund) to pay, as the same mature and become due or are redeemed, the principal of and interest on the Refunded Bonds. The Issuer, on the basis of a mathematical verification of an independent certified public accountant, has heretofore found and determined that the investments described in said Schedule A are adequate in yield and maturity date in order to provide the necessary moneys to accomplish the refunding of the Refunded Bonds.

In the event that, on the date of delivery of the Bonds, there is not delivered to the Escrow Agent any Escrow Obligation described in Schedule A hereto, the Escrow Agent shall accept delivery of cash and/or replacement obligations which are direct, non-callable general obligations of or guaranteed by the United States of America (collectively, "Replacement Obligations") described in paragraph (b) of this Section, in lieu thereof, and shall hold such Replacement Obligations in the Escrow Fund until the Escrow Obligations described in Schedule A which were not delivered on the date of delivery of the Bonds are available for delivery. The Escrow Agent shall return to the supplier thereof any Replacement Obligations in exchange for and upon receipt of the Escrow Obligations set forth in Schedule A for which such Replacement Obligations described in such paragraph (b) were substituted. The Escrow Agent shall have no power or duty to invest any moneys held in the Escrow Fund or to make substitutions of the Escrow Obligations held in the Escrow Fund or to hereafter sell, transfer or otherwise dispose of such Escrow Obligations, except pursuant to the following subparagraph (b).

(c) An obligation shall qualify as a Replacement Obligation or other permitted substitution obligation only if such Replacement Obligations:

(i) are in an amount, and/or mature in an amount (including any interest received thereon), which together with any cash or Government Securities substituted for the Escrow Obligations listed in Schedule A hereto is equal to or greater than the amount payable on the maturity date of the Escrow Obligations listed in Schedule A hereto for which the substitution occurred;

(ii) mature on or before the next date on which the Government Securities listed in Schedule A hereto which are substituted for will be required for payment of principal of, premium, if any, or interest on the Refunded Bonds; and

(iii) the Escrow Agent shall have been provided with (A) a mathematical verification of an independent certified public accountant that the Replacement Obligations are sufficient to pay the principal, interest and premium of the Refunded Bonds as shown on Schedule C and (B) an opinion of nationally recognized bond counsel to the effect that the substitution is permitted hereunder and has no adverse effect on the exclusion from gross income for federal income tax purposes of interest on the bonds or the Refunded Bonds.

To the extent that the Escrow Obligations mature before the payment dates referred to in Schedule C, the Escrow Agent may invest for the benefit of the Issuer such cash in other Escrow Obligations provided that the investment in such other Escrow Obligations mature on or before dates pursuant to Section 6 in such amounts as equal or exceed the Section 6 requirements and that such investment does not cause the Bonds or the Refunded Bonds to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended.

(d) The Escrow Agent shall collect and receive the interest accruing and payable on the Escrow Obligations and the maturing principal amounts of the Escrow Obligations as the same are paid and credit the same to the Escrow Fund, so that the interest on and the principal of the Escrow Obligations, as such are paid, will be available to make the payments required pursuant to Section 6 hereof.

(e) In the event there is a deficiency in the Escrow Fund, the Escrow Agent shall notify the Issuer of such deficiency, and the Issuer shall immediately remedy such deficiency by paying to the Escrow Agent the amount of such deficiency. The Escrow Agent shall not be liable for any such deficiency, except as may be caused by the Escrow Agent's negligence or willful misconduct.

**SECTION 3. Establishment of Expense Fund; Use of Moneys in Expense Fund.** There is also hereby created and established with the Escrow Agent a special trust account to pay the Costs of Issuance of the Bonds, as defined in the Bond Ordinance (herein called the "Expense Fund") to be held in the custody of the Escrow Agent separate and apart from any other funds of the Issuer and the Escrow Agent, to which the amount of the proceeds derived from the issuance and sale of the Bonds hereinabove set forth are to be deposited. The amounts on deposit in the Expense Fund shall be used for and applied to the payment of the Costs of Issuance of the Issuer in connection with the issuance, sale and delivery of the Bonds and the establishment of the funds hereunder; and pending such disbursement moneys in the Expense Fund shall be invested by the Escrow Agent as directed by the Issuer. Payment of the aforesaid expenses shall be made by the Escrow Agent from the moneys on deposit in such Expense Fund for the purposes listed in Schedule

D hereto upon receipt by the Escrow Agent of either an invoice or statement for the appropriate charges, or a written request of the Issuer signed by the Secretary of the Governing Authority, which request shall state, with respect to each payment to be made, the person, firm or corporation to whom payment is to be made, the amount to be paid and the purpose for which the obligation to be paid was incurred. Each such invoice, statement or written request shall be sufficient evidence to the Escrow Agent that the payment requested to be made from the moneys on deposit in such Expense Fund is a proper payment to the person named therein in the amount and for the purpose stated therein, and upon receipt of such invoice, statement or written request, and the Escrow Agent shall pay the amount set forth therein as directed by the terms thereof. When all expenses contemplated to be paid from such Expense Fund have been paid, such fund shall be closed and any balance remaining therein shall be withdrawn by the Escrow Agent and applied by the Issuer to the payment of principal of Bonds next falling due.

SECTION 4. Deposit to Escrow Fund Irrevocable. The deposit of the moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys in trust exclusively for the benefit of the owners of the Refunded Bonds and such moneys and Escrow Obligations, together with any income or interest earned thereon, shall be held in escrow and shall be applied solely to the payment of the principal of, premium, if any, and interest on the Refunded Bonds as the same mature and become due or are redeemed. Subject to the requirements set forth herein for the use of the Escrow Fund and the moneys and investments therein, the Issuer covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

SECTION 5. Use of Moneys. The Escrow Agent shall apply the moneys deposited in the Escrow Fund and the Expense Fund and the Escrow Obligations, together with any income or interest earned thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder, or to make substitutions of the Escrow Obligations held hereunder or to sell, transfer or otherwise dispose of the Escrow Obligations acquired hereunder, except as provided in 2(b) above. The liability of the Escrow Agent for the payment of the amounts to be paid hereunder shall be limited to the principal of and interest on the Escrow Obligations and cash available for such purposes in the Escrow Fund and the Expense Fund. Any amounts held as cash in the Escrow Fund, or in the Expense Fund shall be held in cash without any investment thereof, not as a time or demand deposit with any bank, savings and loan or other depository.

SECTION 6. Payment of Refunded Bonds. The Escrow Agent shall receive the matured principal of and the interest on the Escrow Obligations as the same are payable. On or before each interest payment date on the Refunded Bonds, the Escrow Agent shall transmit to the Issuer or the paying agent for the Refunded Bonds in immediately available funds, sufficient amounts for the payment of the interest on the Refunded Bonds due on said date and any principal of and redemption premiums on the Refunded Bonds due on said date by reason of the redemption of Refunded Bonds, in accordance with Schedule C attached hereto.

SECTION 7. Notice of Defeasance and Call for Redemption. The Issuer shall cause a Notice of Defeasance and Call for Redemption of the Refunded Bonds to be sent by the paying agent for the Refunded Bonds, by first class mail, postage prepaid, not less than thirty (30) days prior to the date of redemption of the Refunded Bonds to the registered owners as the same appear on the registration books maintained by the paying agent. The Issuer will reimburse the Escrow Agent for any expenses incurred in connection with this Section from moneys other than those in the Escrow Fund.

SECTION 8. Remaining Moneys in Escrow Fund. Upon the retirement of the Refunded Bonds, any amounts remaining in the Escrow Fund shall be paid to the Issuer as its property free and clear of the trust created by the Bond Ordinance and this Agreement and shall be transferred to the Issuer.

SECTION 9. Rights of Owners of Refunded Bonds. The escrow trust fund created hereby shall be irrevocable and the owners of the Refunded Bonds shall have a beneficial interest and a first, prior and paramount claim on all moneys and Escrow Obligations in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

SECTION 10. Fees of Escrow Agent. In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer has paid to the Escrow Agent its reasonable fees and expenses, and the Escrow Agent hereby acknowledges (i) receipt of such payment and (ii) that it shall have no lien whatsoever upon any moneys in the Escrow Fund. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section 10.

The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and securities deposited therein, the purchase of those Escrow Obligations listed in Schedule A, the retention of the Escrow Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any act, omission or error of the Escrow Agent made in good faith and without negligence in the conduct of its duties.

SECTION 11. Enforcement. The Issuer, the paying agent for the Refunded Bonds and the owners of the Refunded Bonds shall have the right to take all actions available under law or equity to enforce this Agreement or the terms hereof.

SECTION 12. Records and Reports. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrow Obligations deposited to the Escrow Fund and all proceeds thereof. With respect to each investment of the proceeds of Escrow Obligations, the Escrow Agent shall record, to the extent applicable, the purchase price of such investment, its fair market value, its coupon rate, its yield to maturity, the frequency of its interest payment, its disposition price, the accrued interest due on its disposition date and its disposition date. Such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Bonds and the Refunded Bonds.

SECTION 13. Successor Escrow Agents. If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of escrow agent hereunder. In such event the Issuer, by appropriate order, and with the prior written consent of the Issuer, shall promptly appoint an escrow agent to fill such vacancy.

Any successor escrow agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor escrow agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor escrow agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. The Escrow Agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

The Escrow Agent may be removed at any time by an instrument or concurrent instrument in writing delivered to the Escrow Agent by the Issuer.

SECTION 14. Amendments. This Agreement may be amended with the consent of the Issuer and the Escrow Agent (i) to correct ambiguities, (ii) to strengthen any provision hereof which is for the benefit of the owners of the Refunded Bonds or the Bonds or (iii) to sever any provision hereof which is deemed to be illegal or unenforceable; and provided further that this Agreement shall not be amended unless the Issuer shall deliver an opinion of nationally recognized bond counsel, that such amendments will not cause the Refunded Bonds to be "arbitrage bonds". A copy of any amendment shall be provided to the Insurer and any rating agencies which have rated the Bonds.

SECTION 15. Successors Bound. All covenants, promises and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the Issuer, the Escrow Agent and the owners of the Refunded Bonds, whether so expressed or not.

SECTION 16. Louisiana Law Governing. This Agreement shall be governed by the applicable laws of the State of Louisiana.

SECTION 17. Termination. This Agreement shall terminate when all of the Refunded Bonds have been paid as aforesaid and any remaining moneys have been paid to the Issuer.

SECTION 18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 19. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Deposit Agreement as of the day and year first written.

PARISH OF ST. TAMMANY, STATE OF LOUISIANA  
Covington, Louisiana

By: \_\_\_\_\_  
Parish President

ATTEST:

By: \_\_\_\_\_  
Council Clerk

(SEAL)

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Deposit Agreement as of the day and year first written.

HANCOCK WHITNEY BANK  
Baton Rouge, Louisiana

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

Title:

(SEAL)

**SCHEDULE A**  
**To Escrow Deposit Agreement**

**SCHEDULE OF ESCROW SECURITIES PURCHASED WITH**  
**BOND PROCEEDS**



**SCHEDULE B**  
**To Escrow Deposit Agreement**

**ESCROW CASH FLOW AND PROOF OF SUFFICIENCY**

**SCHEDULE C**  
**To Escrow Deposit Agreement**

**DEBT SERVICE ON REFUNDED BONDS**

**SCHEDULE D**  
**To Escrow Deposit Agreement**

**COSTS OF ISSUANCE**

Bond Counsel Fees (Foley & Judell)

Bond Counsel Expenses (Foley & Judell)

State Bond Commission Fees

Placement Agent Fee (Crews)

Financial Advisor Fee (Government Consultants)

Escrow Agent Fee

Paying Agent Fee

Publications

Miscellaneous

**TOTAL**

**EXHIBIT C  
TO BOND ORDINANCE**

**FORM OF BONDS**

[TO COME]

**EXHIBIT D  
TO BOND ORDINANCE**

**COMMITMENT LETTER**

**NOTICE OF DEFEASANCE AND CALL FOR REDEMPTION**

**LIMITED TAX REVENUE BONDS, SERIES 2009  
DATED JANUARY 1, 2009  
(MATURING MARCH 1, 2020 TO MARCH 1, 2025, INCLUSIVE)  
OF  
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

**NOTICE IS HEREBY GIVEN** that, pursuant to an ordinance adopted on December 6, 2018, by the Parish Council of the Parish of St. Tammany, State of Louisiana, acting as the governing authority of the Parish of St. Tammany, State of Louisiana (the "Issuer"), there has been deposited with **HANCOCK WHITNEY BANK**, in the City of Baton Rouge, Louisiana (the "Escrow Agent"), as Escrow Agent under a Defeasance and Escrow Deposit Agreement dated as of December 19, 2018 (the "Escrow Deposit Agreement"), between the Escrow Agent and the Issuer, moneys which have been invested in direct, non-callable obligations of the United States of America, in an amount sufficient to assure the availability of sufficient moneys to pay through the redemption date thereof, the principal of and interest on \$3,840,000 of the Issuer's outstanding Limited Tax Revenue Bonds, Series 2009, dated January 1, 2009, consisting of all of the bonds of said issue which mature March 1, 2020 to March 1, 2025, inclusive (the "Refunded Bonds"), as hereinafter set forth.

In accordance with the provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, the Refunded Bonds are defeased and deemed to be paid, and will no longer be secured by or entitled to the benefits of the ordinance of the Issuer providing for their issuance.

**NOTICE IS HEREBY FURTHER GIVEN** that the Refunded Bonds are hereby called for redemption on March 1, 2019, at the principal amount thereof and accrued interest to the call date, the Refunded Bonds being more fully described as follows:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rates</u>	<u>CUSIP Numbers</u>
March 1, 2020	555,000	5.000%	793562
March 1, 2021	585,000	5.000	793562
March 1, 2022	620,000	5.100	793562
March 1, 2023	655,000	5.125	793562
March 1, 2024	695,000	5.250	793562
March 1, 2025	<u>730,000</u>	5.375	793562
	\$3,840,000		

No further interest shall accrue and be payable on the Refunded Bonds from and after March 1, 2019. The Refunded Bonds should not be surrendered for payment until March 1, 2019, and then should be surrendered at Argent Trust, as follows:

**By Hand, Express Mail  
or Courier Service**

Argent Trust  
Attn: Lana Patton  
500 E. Reynolds Drive  
Ruston, Louisiana 71270

**By Mail**

Argent Trust  
Attn: Lana Patton  
P. O. Drawer 1410  
Ruston, Louisiana 71270

The CUSIP NUMBERS listed above are provided for the convenience of the bondowners. The Issuer does not certify as to their correctness.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003, unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee.

PARISH OF ST. TAMMANY, STATE OF LOUISIANA

By:

Title:

Council Clerk

Date: December 19, 2018

STATE OF LOUISIANA

PARISH OF ST. TAMMANY

I, the undersigned Clerk of the 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 said Parish Council on December 6, 2018, providing for the issuance and sale of \$\_\_\_\_\_ of Limited Tax Refunding Bonds, Series 2018, of the Parish of St. Tammany, State of Louisiana; prescribing the form, fixing the details and providing for the rights of the owners thereof; providing for the payment of the principal of and interest on such bonds and the application of the proceeds thereof to the refunding of certain bonds of said Parish Council; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this the 6<sup>th</sup> day of December, 2018.

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Clerk of Council