

RESOLUTION NO 711

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$8,938,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013, OF THE CITY OF CLINTON, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

WHEREAS, the City of Clinton, Tennessee (the "Municipality" or the "City"), pursuant to resolutions adopted by the City Council (the "Council"), of the Municipality, has heretofore entered into that certain Loan Agreement, dated April 28, 2011, in the original amount of \$10,000,000 (the "Loan Agreement"), with a public building authority, the proceeds of such loan having been used by the Municipality for the purpose of providing funds (i) to prepay and refund (a) that certain Loan Agreement, dated October 10, 1995, in the principal amount of \$2,327,639, (b) that certain Loan Agreement, dated July 20, 1999, in the principal amount of \$788,000, and, (c) that certain Loan Agreement, dated August 26, 1999, in the principal amount of \$1,579,000; (ii) to prepay and refund that certain \$825,000 Capital Outlay Note, Series 2007, dated May 29, 2007, in the principal amount of \$247,500; (iii) to prepay and refund that certain \$773,000 Capital Outlay Note, Series 2010, dated May 28, 2010, in the principal amount of \$773,000; (iv) to acquire equipment currently leased pursuant to the provisions of a Master Lease Purchase Agreement, dated September 27, 2007, (v) to pay a portion of the costs of the construction and equipping of a new fire station for the City, the acquisition of vehicles and equipment for the police department and the public works department of the City, the renovation and improvement of certain parks and recreational facilities within the City, the resurfacing of streets and roads within the City, the acquisition of all other property real and personal appurtenant thereto and connected with such work, to pay all legal, fiscal, administrative, and engineering costs incident thereto, and reimbursement for expenditures related to the foregoing projects, and (vi) to pay costs of issuance in connection with the loan, of which \$8,938,000 is currently outstanding and matures April 1, 2014 through April 1, 2026 (the "Outstanding Indebtedness");

WHEREAS, the Outstanding Indebtedness bears interest at a fixed rate of interest of 2.92% which is scheduled to be reset in April of 2016;

WHEREAS, the Municipality desires to prepay the Outstanding Indebtedness in order to lock in a fixed rate of interest due to fixed rates being historically low at this time for the remaining term of the debt;

WHEREAS, the Outstanding Indebtedness evidenced by the Loan Agreement may be prepaid at the price of par plus a 2% prepayment penalty;

WHEREAS, the lender has agreed to waive the 2% prepayment penalty;

WHEREAS, the Council of the Municipality has determined that it is in the best interests of the Municipality to now prepay such Outstanding Indebtedness on the earliest practicable date;

WHEREAS, the Municipality is authorized by Title 9, Chapter 21, Tennessee Code Annotated, as amended (the "Act"), to issue and sell refunding bonds for the purpose of prepaying the Outstanding Indebtedness prior to its maturity;

WHEREAS, a plan of refunding for the Outstanding Indebtedness and a request to sell the refunding bonds by negotiated sale have been submitted to the Director of State and Local Finance for review as required by Sections 9-21-903, and 9-21-910, respectively, Tennessee Code Annotated, as amended, and the Director of State and Local Finance has issued a report thereon;

WHEREAS, the Council finds that it is now, therefore, necessary and desirable to provide for the execution, terms, issuance, sale, and payment of not to exceed \$8,938,000 General Obligation Refunding Bonds, Series 2013 (the "Bonds"); and,

WHEREAS, it is necessary to authorize the form of, terms, and execution of, an agreement for the purchase of the Bonds (the "Bond Purchase Agreement"), to be entered into by and between the Municipality and Regions Bank, or a subsidiary thereof (the "Purchaser"), in connection with the purchase of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clinton, Tennessee, as follows:

Section 1. Authority. The Bonds herein authorized shall be issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. Without limiting any other definitions of terms and words in other sections of this Resolution, the following words and terms shall have the meanings indicated unless otherwise plainly apparent from the context:

"Act" means Title 9, Chapter 21, Tennessee Code Annotated, as amended.

"Authorized Representative of the Municipality" means the then Mayor or the then City Recorder of the Municipality, authorized by resolution or by law to act on behalf of and bind the Municipality.

"Bond" means individually, or "Bonds" means collectively, the General Obligation Refunding Bonds, Series 2013, of the Municipality authorized by this Resolution of the Council.

"Bond Counsel" means an attorney or firm of attorneys recognized as having experience in matters relating to the issuance of municipal obligations.

"Bond Purchase Agreement" means that certain Bond Purchase Agreement, dated the date of the sale of the Bonds, between the Municipality and the Purchaser.

"Bond Registrar" means the City Recorder of the Municipality, or his or her successor, or successors hereafter appointed in the manner provided in this Resolution.

"City Recorder" means the duly appointed, qualified, and acting City Recorder of the Municipality, or his or her successors.

"Closing Date" means the date of delivery and payment of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of the Treasury promulgated thereunder, as in effect on the date of issuance of the Bonds and as hereafter amended, supplemented, or revised insofar as such amendments, supplements, or revisions shall pertain to or affect the Bonds.

"Council" means the City Council of the Municipality.

"Interest Payment Date" means each date on which interest shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be Outstanding.

"Mayor" means the duly elected, qualified, and acting Mayor of the Municipality, or his or her successors.

"Owner", "Bondholder", or any similar term, when used with reference to the Bonds, means any Person who shall be the registered owner of any then outstanding Bond or Bonds.

"Principal Payment Date" means such date on which principal shall be payable on any of the Bonds, according to their respective terms so long as any of the Bonds shall be outstanding.

"Resolution" means this Resolution, as supplemented and amended.

"State" means the State of Tennessee.

Section 3. Authorization. For the purpose of providing funds to prepay the Outstanding Indebtedness, there is hereby authorized to be issued general obligation refunding bonds of the Municipality in the aggregate principal amount of not to exceed Eight Million Nine Hundred Thirty-Eight Thousand Dollars (\$8,938,000). No Bonds may be issued under the provisions of this Resolution except in accordance herewith. The Council hereby finds that it is advantageous to the Municipality to issue the Bonds to prepay the Outstanding Indebtedness.

Section 4. Form of Bonds; Execution. (a) The Bonds are issuable only as fully registered bonds, without coupons, in minimum denominations of \$5,000. All Bonds issued under this Resolution shall be substantially in the form set forth in Exhibit "A" attached hereto, and by this reference incorporated herein as fully as though copied, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution, the blanks therein to be appropriately completed when the Bonds are prepared, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto or as otherwise desired by the Municipality. The Bonds shall be numbered consecutively from one upwards.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name, and on behalf, of the Municipality with the manual signature of the Mayor and attested with the

manual signature of the City Recorder, and with the official seal of the Municipality impressed or imprinted thereon. The Bonds shall not be valid for any purpose unless authenticated by the manual signature of the Bond Registrar on the certificate set forth on the Bonds.

(c) In the event any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the signature of such individuals who, at the actual time of the execution of such Bond, were the proper officers of the Municipality to sign such Bond, although on the date of the adoption by the Municipality of this Resolution, such individuals may not have been such officers.

Section 5. Terms, Payment, and Certain Other Provisions of the Bonds. (a) The Bonds shall be designated "General Obligation Refunding Bonds, Series 2013". Each Bond shall be dated the date of issuance and delivery, or such other date as the Authorized Representatives of the Municipality executing the Bonds shall determine; shall be sold at the price of par; shall bear interest from the date thereof at a rate or rates to be hereafter determined by the officials of the Municipality executing the Bonds when said Bonds are sold, but not exceeding 3% per annum, such interest being payable semiannually on the first day of April and October of each year, commencing October 1, 2013; and, shall be payable on the first day of April in the principal amounts set forth in the Bond Purchase Agreement with the final maturity date of April 1, 2026; provided, however, that the Mayor and the City Recorder are hereby authorized to make such adjustments in the principal amounts as are necessary to provide the most effective overall debt service for the Municipality.

In the event that any amount payable on any Bond as interest shall at any time exceed the rate of interest lawfully chargeable thereon under applicable law, then any such excess shall, to the extent of such excess, be applied against the principal of such Bond as a prepayment thereof without penalty, and such excess shall not be considered to be interest.

The principal of, and all installments of interest on, any Bond shall bear interest from and after their respective due dates at a rate of interest equal to the rate of interest payable on the principal of such Bond. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

(b) Interest on the Bonds shall be payable by wire transfer, electronic means, or by check or other form of draft of the Bond Registrar, deposited by the Bond Registrar in the United States mail, first class postage prepaid, in sealed envelopes, addressed to the owners of such Bonds, as of the applicable Interest Payment Date, at their respective addresses as shown on the registration books of the Municipality maintained by the Bond Registrar as of the close of business fifteen (15) calendar days preceding the next Interest Payment Date. All payments of the principal of and interest on the Bonds shall be made in any coin or currency of the United States of America which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

Section 6. Redemption. The Bonds shall not be subject to redemption prior to maturity; provided however, at the option of the Municipality, upon fifteen (15) calendar days written notice to the registered owner, and with the consent of the registered owner, the Municipality may prepay the Bonds in full at the price of par plus a 1% premium, and accrued interest to the date of redemption. Notwithstanding the above, the Municipality may pay additional principal payments on the Bonds upon 15 days written notice to the registered owner.

Section 7. Registration, Negotiability, and Payment. (a) The City Recorder of the Municipality is hereby appointed the Bond Registrar and paying agent (the "Bond Registrar"), and as such shall establish and maintain suitable books (the "Registration Books"), for recording the registration, conversion, and payment of the Bonds, and shall also perform such other duties as may be required in connection with any of the foregoing. The Bond Registrar is hereby authorized to authenticate and deliver the Bonds to the original purchaser thereof, or as he or she may designate, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bonds to be transferred in proper form with proper documentation as herein described. The Bonds shall not be valid for any purpose unless authenticated by the Bond Registrar by the manual signature of the Bond Registrar on the certificate set forth in Exhibit "A" hereto. The Bonds shall be fully registered as to both principal and interest and shall be fully negotiable upon proper endorsement by the registered owner thereof. No transfer of any Bonds shall be valid unless such transfer is noted upon the Registration Books and until such Bond is surrendered, cancelled, and exchanged for a new Bond which shall be issued to the transferee, subject to all the conditions contained herein.

(b) The Municipality may from time to time at its discretion remove the Bond Registrar and appoint a successor Bond Registrar to whom all records, documents, and instruments relating to its duties as Bond Registrar shall be delivered. Any successor Bond Registrar shall be appointed by resolution of

the Municipality, and shall be a trust company or bank having the powers of a trust company, having, at the time of such appointment, a combined capital, surplus, and undivided profits aggregating at least Fifty Million Dollars (\$50,000,000), and be willing and able to accept the office of Bond Registrar on reasonable and customary terms, and authorized by law to perform all duties imposed upon it by this Resolution.

Section 8. Exchange of Bonds. Bonds upon surrender thereof at the office of the Bond Registrar, together with an assignment of such Bonds duly executed by the Owner thereof, or his, her, or its attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this Resolution, and bearing interest at the same rate as the Bonds surrendered for exchange.

Section 9. Transfer of Bonds. (a) Each Bond shall be transferable only on the registration books maintained by the Bond Registrar at the office of the Bond Registrar, upon the surrender for cancellation thereof at the office of the Bond Registrar, together with an assignment of such Bond duly executed by the Owner thereof or his, her, or its attorney or legal representative, and upon payment of the charges hereinafter provided, and subject to such other limitations and conditions as may be provided therein or herein. Upon the cancellation of any such Bond, the Bond Registrar shall, in exchange for the surrendered Bond or Bonds, deliver in the name of the transferee or transferees a new Bond or Bonds of authorized denominations, of the same aggregate principal amount and maturity and rate of interest as such surrendered Bond or Bonds, and the transferee or transferees shall take such new Bond or Bonds subject to all of the conditions herein contained.

(b) The Municipality and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered upon the registration books maintained by the Bond Registrar as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of, and the interest on, such Bond and for all other purposes. All such payments so made to the registered Owner thereof shall be valid and effectual to satisfy and discharge the liability of the Municipality or the Bond Registrar upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Bond Registrar shall be affected by any notice to the contrary.

Section 10. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall execute, and the Bond Registrar shall deliver, Bonds in accordance with the provisions of this Resolution. For every exchange or transfer of Bonds, whether temporary or definitive, the Municipality and the Bond Registrar may make a charge, unless otherwise herein to the contrary expressly provided, sufficient to pay for any tax, fee, or other governmental charge required to be paid with respect to such exchange or transfer, all of which taxes, fees, and other governmental charges shall be paid by the person or entity requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. Neither the Municipality nor the Bond Registrar shall be obligated to exchange or transfer any Bond after the fifteenth (15th) calendar day of the month next preceding an Interest Payment Date.

Section 11. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond issued hereunder shall become mutilated, or be lost, stolen, or destroyed, such Bond shall, at the written request of the registered owner, be cancelled on the Registration Books and a new Bond shall be authenticated and delivered, corresponding in all aspects but number to the mutilated, lost, stolen, or destroyed Bond. Thereafter, should such mutilated, lost, stolen, or destroyed Bond or Bonds come into possession of the registered owner, such Bonds shall be returned to the Bond Registrar for destruction by the Bond Registrar. If the principal on said mutilated, lost, stolen, or destroyed Bond shall be due within fifteen (15) calendar days of receipt of the written request of the registered owner for authentication and delivery of a new Bond, payment therefor shall be made as scheduled in lieu of issuing a new Bond. In every case the registered owner shall certify in writing as to the destruction, theft, or loss of such Bond, and shall provide indemnification satisfactory to the Municipality and to the Bond Registrar, if required by the Municipality and the Bond Registrar.

Section 12. Authentication. Only such of the Bonds as shall have endorsed thereon a certificate of authentication, substantially in the form set forth in Exhibit "A" hereto duly executed by the Bond Registrar shall be entitled to the rights, benefits, and security of this Resolution. No Bond shall be valid or obligatory for any purpose unless, and until, such certificate of authentication shall have been duly executed by the Bond Registrar. Such executed certificate of authentication by the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under the Resolution as of the date of authentication.

Section 13. Source of Payment and Security. The Bonds, including the principal thereof and the interest thereon, shall be payable from funds of the Municipality legally available therefor and to the extent necessary from ad valorem taxes to be levied for such purpose on all taxable property within the corporate limits of the Municipality without limitation as to time, rate, or amount. The Bonds shall be a

direct general obligation of the Municipality, for which the punctual payment of the principal of and interest on the Bonds the full faith and credit of the Municipality is hereby irrevocably pledged.

Section 14. Levy of Taxes. For the purpose of providing for the payment of the principal of, and interest on, the Bonds, there shall be levied in each year in which such Bonds shall be outstanding, to the extent necessary, a direct tax on all taxable property in the Municipality, fully sufficient, to pay all such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected, and paid at the time, and in the same manner, as the other taxes of said Municipality, shall be in addition to all other taxes, and shall be without limitation as to time, rate, or amount. The Council of the Municipality is required by law and shall and does hereby pledge to levy such tax. Principal and interest, or either of the foregoing, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from the general fund or other available funds of the Municipality, but reimbursement therefor may be made from the taxes herein provided when the same shall have been collected.

Section 15. Sale of Bonds. (a) The Bonds herein authorized are authorized to be sold by the Mayor at a private negotiated sale at a price of not less than par in accordance with the provisions of the Bond Purchase Agreement. The Bonds shall contain such terms, conditions, and provisions other than as expressly provided or limited herein as may be agreed upon by the Mayor of the Municipality and the purchaser of the Bonds, as set forth in such Bond Purchase Agreement.

The Mayor, in consultation with the Purchaser of the Bonds, is authorized, prior to the sale of the Bonds and the execution of the Bond Purchase Agreement, to make such changes in the structuring of the terms of the Bonds as the Mayor shall deem necessary to provide for the most efficient refunding of the Outstanding Indebtedness, as may be in the best interests of the Municipality. In this regard, the Mayor, in consultation with the Purchaser of the Bonds, is authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein and to make adjustments to the maturity schedule set forth in Section 5 hereof, and to change the redemption provisions set forth in Section 6 hereof; provided, however, that no redemption premium shall be greater than two percent (2%).

(b) The form, content, and provisions of the Bond Purchase Agreement as presented to this meeting of the Council and attached hereto as Exhibit "B," are in all particulars approved, and the Mayor and the City Recorder are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf of the Municipality.

The Bond Purchase Agreement is to be in substantially the form now before this meeting of the Council, or with such changes therein as shall be approved by the Mayor and City Recorder executing the same, their execution thereof to constitute conclusive evidence of the approval of any and all such changes or revisions.

The Authorized Representatives of the Municipality are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Section 16. Disposition of Bond Proceeds. The proceeds from the sale of the Bonds shall be paid to the official of the Municipality designated by law as the custodian of the funds thereof. Said proceeds shall be used, together with other available funds of the Municipality to prepay the Outstanding Indebtedness, such prepayment to occur on the first available date, but in no event later than eighty-nine (89) days from the date of issuance of the Bonds.

Section 17. Prepayment of the Outstanding Indebtedness. Upon the issuance and delivery of the Bonds, the Outstanding Indebtedness maturing April 1, 2014 through April 1, 2026, inclusive, is hereby authorized to be prepaid and notice of such intent to prepay the Outstanding Indebtedness shall be given by the Municipality in accordance with the provisions of the Loan Agreement.

Section 18. Non-Arbitrage Certification. The Municipality certifies and covenants with the Owner of the Bonds that so long as the principal of any Bond remains unpaid, monies on deposit in any fund or account in connection with the Bonds, whether or not from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Municipality reserves the right, however, to make any investment of such monies permitted by Tennessee law and this Resolution if, when, and to the extent that said Section 148 or regulations promulgated thereunder shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation, or decision would not, in the opinion of Bond Counsel, result in making the interest on the Bonds subject to federal income taxation.

The Municipality covenants that it shall comply with Section 148(f) of the Code, unless legally exempted therefrom, and the Municipality represents that in the event it shall be required by Section 148(f) of the Code to pay "Rebatable Arbitrage," as such term is defined and used in the Code, pursuant to the Code, to the United States Government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming subject to inclusion in the gross income of the Owner of the Bonds for purposes of federal income taxation.

Section 19. Designation of Bonds Qualified Tax-Exempt Obligations. The Municipality hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The Municipality reasonably anticipates that the amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii)) which will be issued during the calendar year by the Municipality (i) any issuer with respect to which the Municipality is deemed to be an "on behalf of" issuer, and (ii) all subordinate entities which are treated as one issuer under Section 265(b)(3)(E) of the Code, will not exceed \$10,000,000, and not more than \$10,000,000 of obligations issued by the Municipality (together with those issued by any other issuers that are treated as one issuer under such Section 265(b)(3)) during the 2013 calendar year will be designated as "qualified tax-exempt obligations".

Section 20. Resolution a Contract; Amendments. The provisions of this Resolution shall constitute a contract between the Municipality and the Owner of the Bonds and after the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of this Resolution which would impair the rights of the Owner shall be made in any manner, until such time as all installments of the principal of and interest on the Bonds shall have been paid in full unless the consent of the Owner of the Bonds has been obtained; provided, however, that the Municipality is hereby authorized to make such amendments to this Resolution as will not impair the rights of the Owner. The laws of the State of Tennessee shall govern this Resolution.

Section 21. Remedies. Any Owner of the Bonds shall have such remedies as provided by Title 9, Chapter 21, Section 216, Tennessee Code Annotated, as amended.

Section 22. Failure to Present Bonds. In the event any Bond shall not be presented for payment when the principal becomes due at maturity and in the event monies sufficient to pay such Bond shall be held by the Bond Registrar for the benefit of the Owner thereof, all liability of the Municipality to such Owner for the payment of such Bond shall forthwith cease, terminate, and be completely discharged. Thereupon, the Bond Registrar shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under this Resolution or on, or with respect to, said Bond, subject to escheat or other similar law, and any applicable statute of limitation.

Section 23. Payments Due on Saturdays, Sundays, and Holidays. In any case where the date of maturity or interest on or principal of any Bond shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions in the State of Tennessee are authorized by law to close, then the payment of the interest on, or the principal of such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions in the State of Tennessee are authorized by law to close, with the same force and effect as if made on the date of maturity and no interest shall accrue for the period after such date.

Section 24. No Action to be Taken Affecting Validity of the Bonds. The Council hereby covenants and agrees that it will not take any action, that would in any manner affect the validity of the Bonds or limit the rights and remedies of the Owners from time to time of such Bonds or affect the exclusion of interest thereon from the gross income of the owners thereof for federal income tax purposes.

Section 25. Miscellaneous Acts. The Mayor, the City Recorder, the City Manager, and the Finance Director, and all other appropriate officials of the Municipality, are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, specifically including but not limited to arbitrage certifications and financial advisory agreements, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery of the Bonds and for the prepayment of the Outstanding Indebtedness.

Section 26. No Recourse Under Resolution or on Bonds. All stipulations, promises, agreements, and obligations of the Municipality contained in this Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the Municipality and not of any officer, director, or employee of the Municipality in his or her individual capacity, and 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 Resolution

against any officer, director, or employee of the Municipality or against any official or individual executing the Bonds.

Section 27. Partial Invalidation. If any one or more of the sections, paragraph, or provisions of this Resolution, or of any exhibit or attachment hereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment hereto, but this Resolution, and the exhibits and attachments hereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, as the case may be.

Section 28. Repeal of Conflicting Resolutions and Effective Date. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed and this Resolution shall be in immediate effect from and after its adoption, the welfare of the Municipality requiring it.

Approved and adopted this 24th day of June, 2013.

ATTEST:



City Recorder



Mayor

