

Summary - an ordinance authorizing the issuance of the County's General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2020B.

BILL NO. _____
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE "WASHOE COUNTY, NEVADA, GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2020B" IN THE MAXIMUM PRINCIPAL AMOUNT OF \$9,800,000, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS SECURED BY CONSOLIDATED TAX PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS AND OTHER DETAILS IN CONNECTION THEREWITH; AND ADOPTING THIS ORDINANCE AS IF AN EMERGENCY NOW EXISTS.

WHEREAS, the County of Washoe, in the State of Nevada (the "County" and the "State," respectively), is a county incorporated and operating under the laws of the State; and

WHEREAS, the Board of County Commissioners of the County (the "Board") has determined and does hereby declare pursuant to Nevada Revised Statutes ("NRS") 244A.011 through 244A.065 (the "Project Act") and NRS 360.600 to 360.740, inclusive (the "Consolidated Tax Act") the County is authorized and empowered to use certain proceeds of liquor taxes, tobacco taxes, real property transfer taxes, basic governmental services tax and basic and supplemental sales taxes distributed to and imposed within the County pursuant to the Consolidated Tax Act (the "Consolidated Tax") to pledge to bonds in accordance with the provisions of NRS 350.500 through 350.720, inclusive, cited in NRS 350.500 thereof by the short title "Local Government Securities Law" (the "Bond Act"); and

WHEREAS, the County has previously issued its Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2012B (the "2012 Bonds"), Washoe County, Nevada, General Obligation (Limited Tax) Medical Examiner Building Bonds (Additionally Secured by Pledged Revenues), Series 2015 (the "2015 Bonds"), Washoe County, Nevada, General Obligation (Limited Tax) Public Safety Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2016B (the "2016 Bonds"), Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds

(Additionally Secured by Pledged Revenues), Series 2019B (the "2019 Bonds") and Washoe County, Nevada, General Obligation (Limited Tax) Nevada Shared Radio System Bonds (Additionally Secured by Pledged Revenues), Series 2020 (the "2020 Bonds") and other than the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds, there are no other Outstanding obligations of the County which are secured in whole or in part by the revenues derived from 15% of the proceeds of the Consolidated Tax distributed to the County (the "Pledged Revenues"); and

WHEREAS, other than as set forth herein, the County has never pledged nor in any way hypothecated the Pledged Revenues to the payment of any bonds or for any other purpose; and

WHEREAS, pursuant to NRS 350.684, the Board is authorized to issue general obligation bonds in order to refund, pay and discharge all or a portion of the 2019 Bonds for the purpose of reducing interest rates and effecting other economies (collectively, the "Refunding Project" or the "Project"); and

WHEREAS, if the Assistant County Manager of the County (the "Assistant County Manager") determines that interest rate savings or other economies may be effected, all or a portion of the 2019 Bonds as set forth in the Certificate of the County Manager (hereinafter defined) may be refunded (collectively, the "Refunded Bonds"); and

WHEREAS, the County hereby authorizes the sale of the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2020B (the "Bonds" or the "Bond") for the purpose of financing the Refunding Project; and

WHEREAS, the Assistant County Manager, or in such officer's absence the County Manager of the County (the "County Manager"), is authorized to negotiate the sale of the Bond to the purchaser therefor (the "Purchaser") and to execute the Certificate of the Assistant County Manager (hereinafter defined) and accept the bond purchase proposal submitted by the Purchaser (the "Purchase Proposal") for the purchase of the Bond; and

WHEREAS, after negotiation with the Purchaser for the sale of the Bond, the Assistant County Manager or in such officer's absence the County Manager, is hereby authorized to accept a binding offer for the Bond subject to the conditions and requirements set forth herein, the Bond to bear interest at the rates per annum designated in a certificate dated on or before the

date of delivery of the Bond (the "Certificate of the Assistant County Manager"), such rates not to exceed 3% over the Index of Twenty Bonds most recently published in The Bond Buyer prior to the time the negotiated offer is accepted, at a price equal to the principal amount of the Bonds, plus accrued interest on the Bonds, if any, from their date to the date of their delivery, less a discount not exceeding 9% of the principal amount thereof or plus a premium, all as specified in the Certificate of the Assistant County Manager and otherwise upon the terms and conditions provided in this Ordinance; and

WHEREAS, the Board has found and determined and hereby declares:

A. This Ordinance pertains to the sale, issuance, and payment of the Bonds.

B. Each of the limitations and other conditions to the issuance of the Bonds in the Project Act, the Bond Act and in any other relevant act of the State or the Federal Government, has been met; and pursuant to NRS 350.708, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion.

C. This Ordinance may accordingly be adopted as if an emergency now exists by an affirmative vote of not less than two-thirds of all the voting members of the Board (excluding from any such computation any vacancy on the Board and any member thereof who may vote only to break a tie vote), and this ordinance may become effective at any time when an emergency instrument of the County may go into effect.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA, DO ORDAIN:

ARTICLE I.

SHORT TITLE, DEFINITIONS, INTERPRETATION, RATIFICATION, TRANSMITTAL, AND EFFECTIVE DATE

Section 101 Short Title. This ordinance shall be known as and may be designated by the short title "2020B Refunding Bond Ordinance" (this "Ordinance").

Section 102 Meanings and Construction.

A. Definitions. The terms in this Section defined for all purposes of this Ordinance and of any instrument amendatory hereof or supplemental hereto, and of any other instrument or any other document relating hereto, except where the context by clear implication otherwise requires, shall have the meanings herein specified:

"annual principal and interest requirements" means the sum of the principal of and interest on the Outstanding Bonds and any other Outstanding designated securities payable from the Pledged Revenues having a lien thereon superior to or on a parity with the lien thereon of the Bonds, to be paid during any Bond Year, but excluding any reserve requirements to secure such payments unless otherwise expressly provided and excluding any amount payable from capitalized interest. In calculating this amount, the principal amount of bonds required to be redeemed prior to maturity pursuant to a mandatory redemption schedule contained in the ordinance or other instrument authorizing the issuance of such bonds (e.g., the schedule, if any, set forth in the Certificate of the Assistant County Manager) shall be treated as maturing in the Bond Year in which such bonds are so required to be redeemed, rather than in the Bond Year in which the stated maturity of such bonds occurs.

"Assistant County Manager" means the de jure or de facto Assistant County Manager for Finance and Administration and designated as such by the County. The Assistant County Manager is the chief financial officer of the County for purposes of NRS 350.165.

"Board" means the Board of County Commissioners of Washoe County, in the State of Nevada, including any successor of the County.

"Bond Act" means NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 as the Local Government Securities Law.

"Bond Fund" means the special accounts designated as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Principal Account," and "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Interest Account," created herein, and required to be accumulated and maintained in Section 604 hereof which shall be held separate and apart from the Income Account.

"Bond Requirements" means the principal of, any prior redemption or prepayment premiums due in connection with, and the Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any additional bonds or other additional securities payable from the Pledged Revenues and hereafter issued, or such part of such securities or such other securities as may be designated, as such principal, premiums and interest become due at maturity or on a Redemption Date designated in a mandatory redemption schedule, in a notice of prior redemption, or otherwise.

"Bonds" means the securities issued hereunder and designated as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B."

"Bond Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year.

"Budget Act" means NRS 354.470 to 354.626, inclusive, and all laws amendatory thereof, designated in NRS 354.470 as the Local Government Budget and Finance Act.

"Chair" means the de jure or de facto chair of the Board, or successor in functions, if any.

"Clerk" or "County Clerk" means the de jure or de facto county clerk of the County and designated as such by the County, or successor in functions, if any.

"combined maximum annual principal and interest requirements" means the greatest of the annual principal and interest requirements to be paid during any Bond Year for the period beginning with the Bond Year in which such computation is made and ending with the Bond Year in which any bond last becomes due at maturity or on a Redemption Date on which any bond thereafter maturing is called for prior redemption. If any outstanding bonds are subject to variable interest rates, for the purpose of such computation, such interest rates shall be determined by an Independent Accountant, an independent feasibility consultant or the Assistant County Manager. Any such computation shall be adjusted as provided in Section 803C hereof,

and shall be made by an Independent Accountant, an independent feasibility consultant or the Assistant County Manager if expressly so required.

"Comparable Bond Year" means, in connection with any Fiscal Year, the Bond Year which ends in the Fiscal Year.

"Consolidated Tax Act" means, collectively, NRS 360.600 to 360.740, inclusive, as amended from time to time, as implemented by the County pursuant to the Washoe County Code, as amended from time to time.

"Cost of the Project" means all or any part designated by the County of the cost of the Project, which cost, at the option of the County, except as limited by law, may include all or any part of the incidental costs relating to the Project, including, without limitation:

(a) Preliminary expenses advanced by the County from funds available for use therefor or from any other source, or advanced with the approval of the County from funds available therefor or from any other source by the State, the Federal Government, or by any other Person with the approval of the County (or any combination thereof);

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates of costs, and other preliminaries;

(c) The costs of printing, estimates, advice, services of accountants, financial consultants, attorneys at law, clerical help, or other agents or employees;

(d) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of the Bonds and any other securities relating to the Project, and bank fees and expenses;

(e) The costs of contingencies;

(f) The costs of any discount on the bonds or other securities, and of any reserves for the payment of the principal of and interest on the Bonds or other securities, and of any other cost of the issuance of the Bonds or other securities relating to the Project;

(g) The costs of amending any ordinance, resolution or other instrument authorizing the issuance of or otherwise relating to the Outstanding Bonds or other securities relating to the Project; and

(h) All other expenses necessary or desirable and relating to the Project, as estimated or otherwise ascertained by the County. The Board hereby determines that the costs of issuance of the Bonds and any costs and expenses resulting from any litigation related to the Project, including but not limited to attorneys fees and damages, are necessary or desirable and related to the Project.

"County" means the County of Washoe in the State, and constituting a political subdivision thereof, or any successor municipal corporation.

"County Treasurer" or "Treasurer" means the de jure or de facto county treasurer of the County and designated as such by the County.

"Events of Default" means the events stated in Section 1103 hereof.

"Federal Government" means the United States, or any agency, instrumentality or corporation thereof.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

"Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; but if the Nevada legislature changes the statutory fiscal year relating to the County, the Fiscal Year shall conform to such modified statutory fiscal year from the time of each such modification, if any.

"General Taxes" or "Taxes" means general (ad valorem) taxes levied by the County against all taxable property within the boundaries of the County (unless otherwise qualified).

"hereby," "herein," "hereinabove," "hereinafter," "hereinbefore," "hereof," and any similar term refer to this Ordinance and not solely to the particular portion thereof in which the word is used; "heretofore" means before the adoption of this Ordinance; and "hereafter" means after the adoption of this Ordinance.

"Income Account" means the special account designated as the "Washoe County, Nevada, Consolidated Tax Pledged Revenues Income Account" previously created and continued herein, which shall be held separate and apart from the Bond Fund.

"Independent Accountant" means any certified public accountant, or any firm of certified public accountants, duly licensed to practice and practicing as such under the laws of the State, as from time to time appointed and compensated by the County:

- (a) Who or which is, in fact, independent and not under the domination of the County;
- (b) Who or which does not have any substantial interest, direct or indirect, with the County, and
- (c) Who or which is not connected with the County as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the County.

"Interest Account" means the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Interest Account," created in Section 501 hereof.

"NRS" means Nevada Revised Statutes.

"newspaper" means a newspaper printed in the English language, published at least once each calendar week.

"Outstanding" when used with reference to the Bonds or any other designated securities and as of any particular date means all the Bonds or any such other securities payable from the Pledged Revenues, as the case may be, in any manner theretofore and thereupon being executed and delivered:

- (a) Except any Bond or other security canceled by the County, by the Paying Agent or otherwise on the County's behalf, at or before such date;
- (b) Except any Bond or other security the payment of which is then due or past due and moneys fully sufficient to pay the same are on deposit with the Paying Agent;
- (c) Except any Bond or other security for the payment or the redemption of which moneys at least equal to the County's Bond

Requirements to the date of maturity or to any Redemption Date, shall have heretofore been deposited with a Trust Bank in escrow or in trust for that purpose, as provided in Section 1001 hereof; and

(d) Except any Bond or other security in lieu of or in substitution for which another bond or other security shall have been executed and delivered pursuant to Sections 306 or 1209 hereof.

"owner" or any similar term, when used in conjunction with any Bonds, or any other designated securities, means the registered owner of any Bonds or other security which is registrable for payment if it shall at the time be registered for payment otherwise than to bearer.

"Parity Securities" means the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and bonds or securities hereafter issued which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds herein authorized.

"Paying Agent" means the bank or financial institution designated by in the Certificate of the Assistant County Manager or any successor which may be appointed from time to time as paying agent for the Bonds.

"Person" means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State, or any other body corporate and politic other than the County), partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"Pledged Revenues" means a 15% portion of all income and revenue derived by the County from the imposition and collection of the Consolidated Tax and distributed to the County and imposed pursuant to the Consolidated Tax Act in the County.

The Pledged Revenues means all or a portion of the Pledged Revenues. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification. "Pledged Revenues" includes income derived from any additional Consolidated Tax imposed by the County if the Board is authorized to include and specifically elects to include the additional tax in "Pledged Revenues" for the remaining term of the Bonds.

"Principal Account" means the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Principal Account," created in Section 501 hereof.

"Project" means the Refunding Project, if any.

"Project Act" means NRS 244A.011 through 244A.065, as amended from time to time.

"Rebate Account" means the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Rebate Account" created in Section 607 hereof.

"Redemption Account" means the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Redemption Account" created in Section 401 herein.

"Redemption Date" means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from any Pledged Revenues in any mandatory redemption schedules, or in any notice of prior redemption or otherwise fixed and designated by the County.

"Registrar" means the bank or financial institution designated by in the Certificate of the Assistant County Manager or any successor which may be appointed from time to time as registrar for the Bonds.

"State" means the State of Nevada, in the United States.

"Subordinate Securities" means bonds or securities which have a lien on the Pledged Revenues that is subordinate and junior to the lien thereon of the Bonds herein authorized.

"Superior Securities" means bonds or securities which have a lien on the Pledged Revenues that is superior to the lien thereon of the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds, the 2020 Bonds and the Bonds herein authorized.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"Taxes" means General Taxes.

"Trust Bank" means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation and which is located within the United States, which bank is authorized to exercise and is exercising trust powers, and also means any branch of the Federal Reserve Bank.

B. Construction. This Ordinance, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(1) Words in the singular number include the plural, and words in the plural include the singular.

(2) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender refer to any gender.

(3) The titles and leadlines applied to articles, sections, subsections and paragraphs of this Ordinance are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Ordinance.

(4) Any securities payable from any Pledged Revenues and held by the County shall not be deemed to be Outstanding for the purpose of redemption nor Outstanding for the purpose of consents hereunder or for other purposes provided herein.

Section 103 Successors. Whenever herein the County is named or is referred to, such provision shall be deemed to include any successors of the County, respectively, whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of and other provisions for the benefit of the County contained herein shall bind and inure to the benefit of any officer, board, district, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the County or of their respective successors, if any, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

Section 104 Parties Interested Herein. Except as herein otherwise expressly provided, nothing herein expressed or implied confers upon or gives to any Person (other than the Paying Agent, the insurer of the Bonds, if any, the owners from time to time of the Bonds, and the owners of any other securities payable from Pledged Revenues when reference is expressly made thereto, as well as the County) any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the County shall be for the sole and

exclusive benefit of the County, the Paying Agent, the insurer of the Bonds, if any, any owner of any Bonds and any owner of any such other security in the event of such a reference.

Section 105 Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the County, the officers of the County, and otherwise by the County directed toward the Project and toward the sale of the Bonds to the Purchaser for that purpose, hereby is ratified, approved and confirmed.

Section 106 Ordinance Irrepealable. After any of the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the owner or owners of the Bonds; and this Ordinance (subject to the provisions of Section 1001 and of Article XII hereof), if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, except as herein otherwise expressly provided.

Section 107 Repealer. All bylaws, orders and other instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of the inconsistency. This repealer shall not be construed to revive any bylaw, order or other instrument, or part thereof, heretofore repealed.

Section 108 Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Section 109 Effective Date. The Board hereby determines that this Ordinance pertains to the sale, issuance and payment of the Bonds, and that this Ordinance may accordingly be adopted as if an emergency now exists and may become effective at any time an emergency ordinance of the County may go into effect. Consequently pursuant to NRS 350.579, final action shall be taken immediately, and this Ordinance shall be adopted as if an emergency exists and be effective after its publication as hereinafter provided. After this Ordinance is signed by the Chair and attested and sealed by the Clerk, this Ordinance shall be published by title only, together with the names of the Commissioners voting for or against its passage, and with a statement that typewritten copies of said Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Reno Gazette-Journal, a newspaper published and having general circulation in the County, at least once a week for a

period of two (2) weeks by two (2) insertions, pursuant to NRS 244.100 and all laws thereunto enabling, such publication to be in substantially the following form:

(Form for Publication After Final Adoption of Ordinance)

BILL NO. _____
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE "WASHOE COUNTY, NEVADA, GENERAL OBLIGATION (LIMITED TAX) REFUNDING BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2020B" IN THE MAXIMUM PRINCIPAL AMOUNT OF \$9,800,000, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING BONDS SECURED BY CONSOLIDATED TAX PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS AND OTHER DETAILS IN CONNECTION THEREWITH; AND ADOPTING THIS ORDINANCE AS IF AN EMERGENCY NOW EXISTS.

PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled Ordinance are available for inspection by the interested parties at the office of the County Clerk of Washoe County, Nevada, at the Clerk's office at the County Administrative Complex, Reno, Nevada; and that the Ordinance was proposed by Commissioner _____ on October 13, 2020, and was passed and adopted without amendment at the regular meeting on October 13, 2020, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay:

Those Absent:

This Ordinance shall be in full force and effect from and after the ____ day of the month of October of the year 2020, i.e., the date of the second publication of such Ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this Ordinance to be published by title only.

DATED: October 13, 2020.

/s/ Bob Lucey

Chair

Board of County Commissioners

Washoe County, Nevada

(SEAL)

Attest:

/s/ Nancy Parent

County Clerk

(End of Form of Publication)

ARTICLE II.

COUNTY'S DETERMINATIONS, AUTHORITY FOR AND AUTHORIZATION OF PROJECT, NECESSITY OF PROJECT AND BONDS, PROJECT COST, AND OBLIGATION OF COUNTY

Section 201 Authorization for this Ordinance. This Ordinance is adopted by virtue of the Project Act, Consolidated Tax Act, the Bond Sale Act, and the Bond Act and pursuant to their provisions; and the County has ascertained and hereby determines that each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effectuate the purposes of the County in accordance with the Project Act, the Consolidated Tax Act and the Bond Act, and as provided in NRS 350.708 all limitations in the Bond Act imposed upon the issuance of bonds or other securities thereunder have been met and the total cost, capacity, type, and plans and specifications of and for the construction, installation and other acquisition of the improvements with respect to the Project, to the extent heretofore prepared, have been and hereby are approved.

Section 202 Life of the Project. The County has determined and does hereby declare:

A. Estimated Life. The estimated life or estimated period of usefulness of the Project to be refinanced with the proceeds of the Bonds is not less than 10 years; and

B. Bond Term. The Bonds shall mature at times not exceeding such estimated life or estimated period of usefulness.

Section 203 Necessity of Project and Bonds. It is necessary and for the best interests of the County and the inhabitants thereof that the County effect the Project and defray the cost thereof by issuing the Bonds therefor; and it is hereby so determined and declared.

Section 204 Sale of Bonds. All action taken (not inconsistent with the provisions of this Ordinance) by the Board and the officers and employees of the County directed (i) toward the purpose of defraying in whole or in part the cost of the Refunding Project, and (ii) toward the issuance and sale of the Bonds for that purpose, be, and the same hereby is, ratified, approved and confirmed. In accordance with the Project Act, Chapter 350 of NRS and with this Ordinance, the Assistant County Manager, or in such officer's absence the County

Manager, is authorized to execute electronically or otherwise the Certificate of the Assistant County Manager and the Bond Purchase Proposal, subject to the terms of this Ordinance.

Section 205 Authorization of Project. The County does hereby determine to proceed with the Project as hereinabove delineated; and the Project is hereby so authorized.

Section 206 Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection and security of the owners of any and all of the Outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as otherwise expressly provided in or pursuant to this Ordinance.

Section 207 General Obligations. The full faith and credit of the County are hereby pledged to the payment of the Bond Requirements of the Bonds; they shall constitute general obligations of the County and shall be payable from General Taxes on all taxable property within the County (except to the extent any Pledged Revenues or other moneys are available therefor), subject to the limitations imposed by the Constitution and statutes of the State.

Section 208 Additional Security. The payment of the Bond Requirements of the Bonds is additionally secured by an irrevocable pledge of and by a lien (but not necessarily an exclusive lien) on the Pledged Revenues, on a parity with the lien upon such Pledged Revenues of the Parity Securities and subject to and after any superior liens upon such Pledged Revenues of any Superior Securities.

Section 209 No Pledge of Property. The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the County, except the proceeds of General Taxes, the Pledged Revenues, and any other moneys pledged for the payment of the Bonds. No property of the County, subject to such exceptions, shall be liable to be forfeited or taken in payment of the Bonds.

Section 210 No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Ordinance authorizing their issuance or any other instrument relating thereto, against any individual member of the County or any officer or other agent of the County, past, present or future, either directly or indirectly through the County or otherwise, whether by virtue

of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

ARTICLE III.

AUTHORIZATION, TERMS, EXECUTION AND ISSUANCE OF BONDS

Section 301 Authorization of Bonds. The "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2020B," in the original aggregate principal amount set forth in the Certificate of the Assistant County Manager (not to exceed the amount necessary to effect the Refunding Project), are hereby authorized to be issued, pursuant to the Project Act, the Consolidated Tax Act and the Bond Act; and the County pledges irrevocably, but not necessarily exclusively, the Pledged Revenues to the payment of the Bond Requirements of the Bonds, the proceeds of the Bonds to be used solely to defray wholly or in part the Cost of the Project.

Section 302 Bond Details. The Bonds shall be issued payable in fully registered form, i.e., registered as to both principal and interest and shall be dated as of the date of delivery of the Bonds. The Bonds shall be issued as a single bond. The installments of principal of the Bond shall bear interest (calculated on the basis of a 360 day year of twelve 30-day months) at the rates shown in the Certificate of the Assistant County Manager, payable on May 1 and November 1 of each year, commencing on May 1, 2021. The installments of principal of the Bond shall be payable on the dates and in the principal amounts as set forth in the Certificate of the Assistant County Manager.

The installments of principal and interest prior to final payment shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar and the registration panel appended to the Bond. The final payment shall be payable upon presentation and surrender of the Bond at the office of the Paying Agent or at such other office as designated by the Paying Agent. If any installment of principal of the Bond shall not be paid on the date due, it shall continue to draw interest at the interest rate set forth in the Certificate of the Assistant County Manager until the principal thereof is paid in full. Payment of principal of and interest on the Bond shall be made to the registered owner thereof by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day). The Paying Agent may make payments of principal of and interest on the Bond by such alternative means as may be mutually agreed to between the registered owner of the Bond and the Paying Agent. All such payments

shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 303 Prepayment. The installments of principal of the Bond, or portions thereof, maturing on and after the date set forth in the Certificate of the Assistant County Manager, if any, shall be subject to prepayment, at the option of the County, on and after the date set forth in the Certificate of the Assistant County Manager, at a price equal to the principal amount prepaid, the accrued interest thereon to the date of prepayment, and a premium, if any, in the amount set forth in the Certificate of the Assistant County Manager. On the date of any partial prepayment, principal shall be payable solely to the registered owner thereof upon such partial prepayment and the Paying Agent shall make a notation in the records maintained by the Paying Agent and on the prepayment panel appended to the Bond, which notation by the Paying Agent shall be conclusive evidence of the date and amount of such prepayment.

Section 304 Notice of Prepayment. Unless waived by any registered owner of the Bond, notice of prepayment shall be given by the Registrar electronically or otherwise by first class, postage prepaid mail, at least 30 days prior to the date fixed for prepayment, to the registered owner of the Bond at the address as it last appears on the registration records kept by the Registrar. Actual receipt of mailed notice by the registered owner of the Bond shall not be a condition precedent to prepayment of the Bond. A certificate by the Registrar that notice of prepayment has been given as provided in this Section shall be conclusive as against all parties; and no owner may object thereto or to the cessation of interest on the prepayment date on the ground that he failed actually to receive such notice of prepayment.

Notwithstanding the provisions of this Section, any notice of prepayment may contain a statement that the prepayment is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for prepayment sufficient to pay the principal amount to be prepaid, the accrued interest thereon to the date of prepayment, and the premium, if any, of the installments of principal of and interest on the Bond so called for prepayment, and that if such funds are not available, such prepayment shall be canceled by written notice to the owner of the Bond called for prepayment in the same manner as the original prepayment notice was mailed.

Section 305 Negotiability. Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code-Investment Securities, and the owner shall possess all rights enjoyed

by owners of negotiable instruments under the Uniform Commercial Code-Investment Securities.

Section 306 Registration, Transfer and Exchange of Bonds. The Bonds shall be subject to the following provisions relating to their registration, transfer and exchange:

A. Registration and Transfer. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the registered owner or attorney duly authorized in writing, the Registrar shall register the name of the transferee on the registration panel appended to the Bond.

B. Effect of Registration. The person in whose name the Bond shall be registered, on the registration records kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

C. Replacement of Bond. If the Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the County may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond of a like principal amount. If such lost, stolen, destroyed or mutilated Bond shall have matured or been called for prepayment, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

D. Cancellation of Bond upon Payment or Reissuance. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the Board, upon request.

Section 307 Execution of Bonds. The Bonds shall be executed as follows:

A. Filings with Secretary of State. Pursuant to the Bond Act, and to the act cited as the Uniform Facsimile Signatures of Public Officials Act, cited as chapter 351 of NRS, and prior to the execution of any Bonds by facsimile signature, the Chair of the Board, the County Clerk and the County Treasurer shall each file with the Secretary of State of the State of Nevada such officer's manual signature certified by such officer under oath.

B. Manner of Execution. Each Bond shall be approved, signed and executed in the name of and on behalf of the County with the manual, electronic or facsimile of the signature of the Chair of the Board shall be countersigned and executed with the manual, electronic or facsimile of the signatures of the County Treasurer and shall be authenticated with the manual or facsimile impression of the official seal of the County; and shall be signed, executed, and attested with such a manual or facsimile signature of the County Clerk.

C. Registration. No Bond shall be valid or obligatory for any purpose unless the registration panel, substantially in the form hereinafter provided, has been duly manually or electronically executed by an authorized officer of the Registrar. By executing the registration panel of the Bond initially delivered pursuant to the Ordinance, the Registrar shall be deemed to have assented to all of the provisions of this Ordinance.

Section 308 Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the County, notwithstanding that before the delivery thereof and the payment therefor any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Each the Chair of the Board, the County Treasurer and County Clerk, at the time of the execution of the Bonds and of a signature certificate pertaining thereto by the Chair of the Board, the County Treasurer and the County Clerk, respectively, may adopt as and for such officer's own facsimile signature the facsimile signature of the predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 309 Incontestable Recital in Bonds. Pursuant to NRS 350.628, the Bond shall recite that it is issued pursuant to the Project Act, to the Consolidated Tax Act and to

the Bond Act, which recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 310 State Tax Exemption. Pursuant to NRS 350.710, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to chapter 375B of NRS.

Section 311 Bond Execution. The Chair of the Board, the County Treasurer, and the County Clerk are hereby authorized and directed to prepare and to execute the Bonds as herein provided.

Section 312 Bond Delivery. After registration of the Bond by the Registrar and after its execution, the Treasurer shall cause the Bond to be delivered to the Purchaser thereof, upon payment being made therefor on the terms of the sale of the Bond.

Section 313 Bond Form. Subject to the provisions of this Ordinance, the Bond shall be in substantially the following form with such omissions, insertions, endorsements, and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**WASHOE COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
REFUNDING BOND
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2020B**

NO. _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated As Of</u>	<u>Principal Amount</u>
___% per annum	November 1, _____	_____, 2020	\$ _____

The County of Washoe in the State of Nevada (the "County" and the "State", respectively), for value received hereby acknowledges itself to be indebted and promises to pay to the registered owner specified on the registration panel appended to this Bond (the "Registered Owner") the principal amount specified above, in installments of principal in the amounts and on the dates as provided in the ordinance authorizing the issuance of this Bond adopted by the Board of County Commissioners (the "Board") on October 13, 2020 (the "Ordinance") and the Certificate of the Assistant County Manager, as defined in the Ordinance (the "Certificate") and set forth in Exhibit A attached hereto, together with interest on the unpaid installments of principal from the date of delivery of this Bond appearing above until payment of such installments of principal shall have been discharged as provided in the Ordinance, at the interest rate per annum stated above, being payable on May 1 and November 1 of each year commencing on May 1, 2021. The final payment of principal and interest on this Bond and the prepayment premium, if any, is payable upon presentation and surrender of this Bond at the office of _____, as paying agent for the Bond (the "Paying Agent"), which is also now acting as the County's registrar for the Bond (the "Registrar"), or at such other office as designated by the Paying Agent. Installments of principal and interest on this Bond will be paid on each payment date (or, if such payment date is not a business day, on the next succeeding business day), by check or draft mailed to the Registered Owner. If upon presentation at maturity payment of this Bond is not made as herein provided, interest shall continue at the rate specified in the Certificate until the principal hereof is paid in full. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance.

[The installments of principal of the Bond, or portions thereof, maturing on and after the date set forth in the Certificate are subject to prepayment, at the option of the County, on and after the date set forth in the Certificate, at a price equal to the principal amount prepaid, the accrued interest thereon to the date of prepayment, and a premium, if any, in the amount set forth in the Certificate. Upon partial prepayment, the Paying Agent shall make a notation in the records maintained by the Paying Agent and on the prepayment panel appended hereto, which

notation by the Paying Agent shall be conclusive evidence of the date and amount of such prepayment.]

This Bond must be registered in the name of the Registered Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Ordinance. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the Registered Owner or his attorney duly authorized in writing[.], but only in the manner, subject to the limitations and conditions provided in the Resolution and subject to the delivery to the District of a purchaser letter in the form attached as Exhibit B to this Bond executed by a duly authorized officer of such transferee; provided that each such transferee shall constitute (1) a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, and (2) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development or a political subdivision of any such country, and, in any such case, having a combined capital and surplus of not less than \$1,000,000,000 as of the date hereof. Notwithstanding the foregoing, this Bond may be transferred without limitation to an affiliate of the registered owner, each of the beneficial owners of which are "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended. Upon such transfer a new fully registered Bond of the same maturity for the same principal amount will be issued to the transferee in exchange therefor.]

The County and the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Ordinance.

This Bond is issued by the County and upon the credit thereof, for the purpose of defraying wholly or in part the cost of refunding certain outstanding bonds as set forth in the Ordinance, under the authority of and in full conformity with the Constitution and laws of the State and the County and pursuant to the Ordinance.

It is hereby certified, recited and warranted that the total indebtedness of the County, including that of this Bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes ("General Taxes") sufficient to pay the Bond Requirements of this Bond when the same become due (except to the extent other moneys are available therefor), subject to the limitations imposed by the Constitution and statutes of the State; and that the full faith and credit of the County are hereby irrevocably pledged to the punctual payment of the Bond Requirements according to the terms of this Bond.

The payment of this Bond, as to all Bond Requirements, is additionally secured by an irrevocable pledge of revenues derived by the County from the Pledged Revenues (as defined in the Ordinance).

Payment of the Bond Requirements due in connection with the Bonds may be made from and as security for such payment there is irrevocably and exclusively pledged,

pursuant to the Ordinance, a special accounts thereby created and identified as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Principal Account," and the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds(Additionally Secured by Pledged Revenues) Series 2020B, Interest Account" (collectively, the "Bond Fund") into which account the County covenants to pay from the revenues derived from the Pledged Revenues sums sufficient to pay when due the Bond Requirements of the Bonds, except to the extent other moneys are available therefor.

The Bonds are equitably and ratably secured by a lien on the Pledged Revenues, and the Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues on a parity with the lien of the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any outstanding parity bonds hereafter issued, subject to and after any superior liens upon such Pledged Revenues of any superior bonds or superior securities. Bonds and other securities, in addition to the Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds, subject to expressed conditions, may be issued and made payable from the Pledged Revenues having a lien thereon subordinate and junior to the lien or, subject to additional expressed conditions, having a lien thereon superior to or on a parity with the lien, of the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds, in accordance with the provisions of the Ordinance.

The County covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and will perform all of the covenants of the Ordinance.

Reference is made to the Ordinance, NRS 244A.011 to 244.065, inclusive (the "Project Act"); NRS 360.600 to 360.740, inclusive, as amended from time to time and as implemented by the County pursuant to the Washoe County Code, as amended from time to time (the "Consolidated Tax Act"); NRS 350.105 to 350.195, inclusive (the "Bond Sale Act"), an act cited as NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 as the Local Government Securities Law (the "Bond Act"); and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, the General Taxes, accounts, funds and revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the owners of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued, and a statement of rights and remedies of the owners of the Bonds.

The Bonds are issued pursuant to the Project Act, the Consolidated Tax Act, the Bond Sale Act and the Bond Act, and pursuant to NRS 350.628, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 350.710, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to chapter 375B of NRS.

To the extent and in the respects permitted by the Ordinance, the provisions of the Ordinance or any instrument amendatory thereof or supplemental thereto may be modified or

amended by action of the County taken in the manner and subject to the conditions and exceptions prescribed in the Ordinance. The pledge of revenues and other obligations of the County under the Ordinance may be discharged at or prior to the respective maturities of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Ordinance.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the County in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the Constitution and laws of the State, particularly under the terms and provisions of the Project Act, the Consolidated Tax Act, the Bond Act and all laws supplemental thereto, and with the Ordinance; and that this Bond does not contravene any constitutional or statutory limitation.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise upon the Ordinance or other instrument relating thereto, against any individual member of the Board of County Commissioners of the County, any individual member of the County, or any officer or other agent of the County, past, present or future, either directly or indirectly through such board or the County, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the registration panel appended to this Bond has been duly manually executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the County has caused this Bond to be signed and executed in its name and upon its behalf with the electronic, manual or facsimile signature of the

Chair of its Board of County Commissioners, to be countersigned and executed with the electronic, manual or facsimile signature of the County Treasurer and has caused an electronic, manual impression or a facsimile of the seal of the County to be affixed hereon; and has caused this Bond to be signed, executed and attested with the electronic, manual or facsimile signature of the County Clerk, all as of _____, 2020.

WASHOE COUNTY, NEVADA

(Electronic, Manual or Facsimile Signature)

Chair
Board of County Commissioners

Countersigned:

(Electronic, Manual or Facsimile Signature)

County Treasurer

(Manual or Facsimile Seal)

Attest:

(Electronic, Manual or Facsimile Signature)

County Clerk

(Form of Registration Panel)

PROVISION FOR REGISTRATION AS TO PRINCIPAL AND INTEREST

This Bond must be registered as to both principal and interest on the registration records of the County, kept by _____, as Registrar. After registration as to principal and interest, the Registrar shall note such registration on such registration records and in the registration blank below, and the principal and interest on this Bond shall be paid to such Registered Owner. This Bond may be transferred by the Registered Owner or such owner's legal representative only upon a duly executed assignment in form satisfactory to the Registrar, such transfer to be made on said registration records and endorsed hereon.

Every privilege, registration and transfer shall be exercised only in accordance with the authorizing Ordinance and such reasonable rules and regulations as the Registrar may prescribe.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(End of Registration Panel)

Exhibit A
(Attach schedule of principal installments)

(Form of Prepayment Panel)

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County, in accordance with the terms of the Ordinance authorizing the issuance of this Bond.

<u>Date of</u> <u>Prepayment</u>	<u>Principal</u>	<u>Signature of</u> <u>Authorized</u> <u>Representative of Paying Agent</u>

(End of Form of Prepayment Panel)

(Form of Assignment for Bonds)

ASSIGNMENT FOR BONDS

For value received, the undersigned hereby sells, assigns and transfer unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books kept for registration of the within Bond, full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Name and address of transferee:

Social Security or other tax
identification number of
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever. Signature(s) must be guaranteed by an eligible guarantor institution as defined in 17 CFR 240.17Ad-15(a)(2).

(End of Form of Assignment for Bonds)

[EXHIBIT B]
FORM OF PURCHASER LETTER

Washoe County, Nevada
County Administration Complex
1001 East Ninth Street
Reno, Nevada 89512

WASHOE COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
REFUNDING BOND
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2020B

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of all of the above-captioned bond issued as a single bond (the "*Bond*"), dated _____, 2020. _____ (the "*Purchaser*," the "*undersigned*," "*us*" or "*we*," as applicable) is purchasing the Bond issued by Washoe County, Nevada (the "*Issuer*"). We hereby represent and warrant to you and agree with you as follows:

1. We understand that the Bond has not been registered pursuant to the Securities Act of 1933, as amended (the "*1933 Act*") or the securities laws of any state. We acknowledge that the Bond (i) is not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (ii) will not be listed on any securities exchange, and (iii) will not carry a rating from any rating service.
2. We have not offered, offered to sell, offered for sale or sold any of the Bond by means of any form of general solicitation or general advertising, and we are not an underwriter of the Bond within the meaning of Section 2(11) of the 1933 Act.
3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the purchase of the Bond.
4. We have authority to purchase the Bond and to execute this letter and any other instruments and documents required to be executed by the purchaser in connection with the purchase of the Bond.
5. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications,

representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

6. The Purchaser is (a) a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act or (b) is a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus of not less than \$1,000,000,000 as of the date hereof, and is able to bear the economic risks of the purchase of the Bond.

7. The undersigned understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Bonds. The undersigned has made its own inquiry and analysis with respect to the Issuer, the Bond and the security therefor, and other material factors affecting the security for and payment of the Bond.

8. The undersigned acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Issuer as it has requested to which a reasonable purchaser would attach significance in making a decision to purchase the Bond and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Bond and the security therefor, so that as a reasonable purchaser, it has been able to make its decision to purchase the Bond.

9. The Bond is being acquired by the Purchaser for its own account and not with a present view toward resale or distribution; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute the Bond, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:

(a) that is an affiliate of the Purchaser; and

(b) that the Purchaser reasonably believes to be a qualified institutional buyer or a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any case, having a combined capital and surplus of not less than \$1,000,000,000 as of the date of such sale, transfer or distribution who executes a purchaser letter substantially in the form of this letter.

Very truly yours,

_____, AS PURCHASER

By: _____

Name: _____

Title: _____

(End of Exhibit B)

ARTICLE IV.

USE OF BOND PROCEEDS AND RESERVE FUNDS

Section 401 Disposition of Bond Proceeds. The proceeds of the Bonds upon the receipt thereof at any time or from time to time:

A. First, shall be credited to a separate account hereby created and to be known as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Redemption Account" to be held by the Assistant County Manager in an amount fully sufficient to establish, together with any other moneys (including any monies deposited therein from the debt service funds for the Refunded Bonds) any initial cash balance remaining uninvested for credit to the Escrow Account, to be used solely for the purpose of paying the bond requirements of the Refunded Bonds on the redemption date set forth in the Certificate of the County Manager.

B. Second, all remaining proceeds shall be credited to a separate account hereby created and to be known as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Cost of Issuance Account" (the "Cost of Issuance Account") to be used for the purpose of paying the costs of issuance of the Bonds.

Section 402 Moneys for Project. All moneys received and held by the County from all sources, except for the Redemption Account; but, including, without limitation, the Bond proceeds deposited in the Cost of Issuance Account and any revenues appropriated by the County for that purpose shall be deposited in the Cost of Issuance Account and except as herein otherwise expressly provided, shall be used and paid out solely for the purpose of defraying the Cost of the Project, including, without limitation, the costs of issuing the Bonds attributable to the Project.

Section 403 Prevention of Bond Default. The County Treasurer shall use any Bond proceeds credited to the Cost of Issuance Account without further order or warrant, to pay the Bond Requirements of the Bonds as the same become due whenever and to the extent moneys in the Bond Fund or otherwise available therefor are insufficient for that purpose, unless the Bond proceeds shall be needed to defray obligations accrued and to accrue under any

contracts then existing and relating to the Project. The County Treasurer shall promptly notify the Chair of any such use. Any moneys so used shall be restored to the Cost of Issuance Account, from the first Pledged Revenues thereafter received and not needed to meet the requirements provided in Sections 603 through 607 hereof.

Section 404 Completion of Project. When any amounts in the Cost of Issuance Account are no longer needed to pay the Cost of the Project, upon the direction of the Assistant County Manager, the County Treasurer shall cause to be transferred to the Bond Fund all surplus moneys remaining in the Cost of Issuance Account is, if any, except for any moneys designated by the Assistant County Manager to be retained to pay any unpaid accrued costs or contingent obligations and the sums so transferred shall be applied to the payment of the principal and interest due on the Bonds. Nothing herein:

A. Periodic Transfers. Prevents the County Treasurer from causing to be transferred from the Cost of Issuance Account to the Bond Fund any moneys which will not be necessary for the Project; nor

B. Limitations upon Transfers. Requires the transfer to the Bond Fund from the Cost of Issuance Account of any moneys in the Cost of Issuance Account derived from a source other than Bond proceeds.

Section 405 Purchaser Not Responsible. The validity of the Bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the acquisition of the improvements, or any part thereof, or to the completion of the Project. The Purchaser of the Bonds, any associate thereof, and any subsequent owner of any Bonds shall in no manner be responsible for the application or disposal by the County or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys herein designated.

Section 406 Lien on Bond Proceeds. Until proceeds of the Bonds are applied as hereinabove provided the Bond proceeds shall be subject to a lien thereon and pledge thereof for the benefit of the owners of the Bonds from time to time as provided in Section 601 hereof.

Section 407 Maintenance of Redemption Account.

A. The Redemption Account shall be maintained by the County in an amount at the time of the initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the

initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities, to pay the interest due in connection with the Refunded Bonds, both accrued and not accrued, as the same becomes due up to and including the redemption date for the Refunded Bonds as set forth in the Certificate of the Assistant County Manager (the "Refunded Bonds Redemption Date") and to redeem on the Refunded Bonds Redemption Date the Refunded Bonds at a redemption price equal to the principal amount thereof, accrued interest to the redemption date, plus any applicable redemption premium.

B. Moneys shall be withdrawn by the County from the Redemption Account in sufficient amounts and at such times to permit the payment without default to pay the principal, interest and any redemption premium of the Refunded Bonds on the Refunded Bonds Redemption Date. The County shall call for prior redemption of the Refunded Bonds on the Refunded Bonds Redemption Date as set forth in the Certificate of the Assistant County Manager. Any moneys remaining in the Escrow Account after provision shall have been made for the redemption in full of the Refunded Bonds shall be applied to any lawful purpose of the County as the Assistant County Manager may hereafter determine.

C. If for any reason the amount in the Redemption Account shall at any time be insufficient for its purpose, the County shall forthwith from the first moneys available therefor deposit in such account such additional moneys as shall be necessary to permit the payment in full of the principal, interest and any redemption premiums due in connection with the Refunded Bonds as herein provided.

Section 408 Redemption of Refunded Bonds. The County hereby irrevocably elects to call for prior redemption the Refunded Bonds set forth in the Certificate of the Assistant County Manager on the Refunded Bonds Redemption Date as provided in the Certificate of the Assistant County Manager, at the price equal to the principal amount of each Refunded Bond, or portion thereof, so redeemed plus redemption premium and accrued interest as set forth in the Certificate of the Assistant County Manager. The registrar of the Refunded Bonds upon direction of the Assistant County Manager is authorized to give notice of prior redemption and defeasance of the Refunded Bonds, including any conditional notice of redemption, in

accordance with the terms of the Certificate of the Assistant County Manager and the ordinance authorizing the issuance of the Refunded Bonds.

ARTICLE V.

GENERAL TAXES

Section 501 General Tax Levies. Pursuant to NRS 350.596, the Bond Requirements of the Bonds falling due at any time when there are not on hand from General Tax levies sufficient funds to pay the same, shall be paid out of the general fund of the County or out of any other funds that may be available for such purpose. For the purpose of repaying any moneys so paid from any such fund or funds (other than any moneys available for the payment of such Bond Requirements on other than a temporary basis) and for the purpose of the payment thereafter of the Bonds and the interest thereon, there are hereby created the separate and special accounts known respectively as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Principal Account" (the "Principal Account") and as the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B, Interest Account" (the "Interest Account"; collectively the "Bond Fund"). Pursuant to NRS 350.592 and 350.594, there shall be levied annually in each calendar year commencing in the calendar year of this Ordinance, until all of the Bond Requirements shall have been fully paid, satisfied and discharged, a General Tax on all property, both real and personal, subject to taxation within the boundaries of the County fully sufficient to reimburse such funds for such installments of Bond Requirements, together with the revenue which will result from application of the rate to the net proceeds of minerals, to pay the interest on the Bonds, and to pay and retire the same as hereinabove provided, and after there are made due allowances for probable delinquencies. The proceeds of the annual levies shall be duly credited to such separate accounts for the payment of the Bond Requirements, including any mandatory sinking fund payments required by the provisions of this Ordinance, if any. In the preparation of the annual budget or appropriation resolution or ordinance for the County, the County shall first make proper provisions through the levy of sufficient General Taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the County, including, without limitation, the Bonds, subject to the limitations imposed by NRS 361.453 and Section 2, Article. 10, Nevada Constitution, and the amount of money necessary for this purpose shall be a first charge against all the revenues received by the County.

Section 502 Priorities for Bonds. As provided in NRS 361.463 in any year in which the total General Taxes levied against the property in the County by all overlapping units within the boundaries of the County may exceed the limitation of \$3.64 on each \$100 of assessed valuation, or a lesser or greater amount fixed by the State board of examiners if the State board of examiners is directed by law to fix a lesser or greater amount for that Fiscal Year as provided in NRS 361.453, and it shall become necessary by reason thereof to reduce the levies made by any and all such units, the reductions so made shall be in General Taxes levied by such unit or units (including, without limitation, the County and the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The General Taxes levied for the payment of such bonded indebtedness and the interest thereon shall always enjoy a priority over General Taxes levied by each such unit (including, without limitation, the County and the State) for all other purposes where reduction is necessary in order to comply with the limitation of NRS 361.453.

Section 503 Correlation of Levies. Such General Taxes shall be levied and collected in the same manner and at the same time as other General Taxes are levied and collected, and the proceeds thereof for the Bonds shall be kept by the County Treasurer in the Principal Account and in the Interest Account, which shall be used for no other purpose than the payment of principal of and interest on the Bonds, and any other Parity Securities hereinafter issued in accordance with Section 910 hereof, respectively, as the same fall due.

Section 504 Use of General Fund. Any sums becoming due on the Bonds at any time when there are on hand from such tax levy or levies (and any other available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the County, reimbursement to be made for such general funds in the amounts so advanced when the Taxes herein provided for have been collected, pursuant to NRS 350.596.

Section 505 Use of Other Funds. Nothing herein prevents the County from applying any funds (other than General Taxes) that may be available for that purpose to the payment of such interest or principal, as the same, respectively, mature, including, without limitation, the payment of the Bonds as provided in Section 604 hereof and elsewhere herein, and upon such payments, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 350.598.

Section 506 Legislative Duties. In accordance with NRS 350.592 and NRS 361.463, it shall be the duty of the County annually, at the time and in the manner provided by law for levying other General Taxes of the County, if such action shall be necessary to effectuate the provisions of this Ordinance, to ratify and carry out the provisions hereof with reference to the levy and collection of General Taxes; and the County shall require the officers of the County to levy, extend and collect such General Taxes in the manner provided by law for the purpose of creating funds for the payment of the principal of the Bonds and interest thereon. Such General Taxes when collected shall be kept for and applied only to the payment of the principal of and the interest on the Bonds as hereinbefore provided.

Section 507 Appropriation of General Taxes. In accordance with NRS 350.602, there is hereby specially appropriated the proceeds of the General Taxes to the payment of such principal and interest; and such appropriations shall not be repealed nor the General Taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the Bonds have been wholly paid.

ARTICLE VI.

ADMINISTRATION OF AND ACCOUNTING FOR PLEDGED REVENUES

Section 601 Pledge Securing Bonds. Subject only to the right of the County to cause amounts to be withdrawn to pay the Cost of the Project as provided herein, the Pledged Revenues and all moneys and securities paid or to be paid to or held or to be held in any account under this article or under Section 401 hereof, excluding, however, all amounts held in the Escrow Account and the Rebate Account, are hereby pledged to secure the payment of the Bond Requirements of the Bonds; and this pledge shall be valid and binding from and after the date of the first delivery of any Bonds, and the moneys, as received by the County and hereby pledged, shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing, or further act, and the lien of this pledge and the obligation to perform the contractual provisions herein made shall have priority over any or all other obligations and liabilities of the County and, except for the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any Outstanding securities hereafter authorized the liens of which on the Pledged Revenues are superior to or on a parity with the lien thereon of the Bonds; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County (except as herein otherwise provided) irrespective of whether such parties have notice thereof.

Section 602 Income Account Deposits. So long as any of the Bonds shall be Outstanding, as to any Bond Requirements, the entire Pledged Revenues, upon their receipt from time to time by the County, shall be set aside and credited immediately to a special fund created in the ordinance authorizing the issuance of the 2001 Bonds and hereby continued and designated as the "Washoe County, Nevada, Consolidated Tax Pledged Revenues Income Account" (the "Income Account"). Such Income Account shall be maintained by the County Treasurer separate and apart from all other County funds, including the Bond Fund.

Section 603 Administration of Income Account. So long as any of the Bonds hereby authorized shall be Outstanding, as to any Bond Requirements, each Fiscal Year the Income Account shall be administered, and the moneys on deposit therein shall be applied in the following order of priority, all as provided in Sections 604 through 607 hereof.

Section 604 Superior Bond Fund and Parity Bond Fund Payments.

A. First, from any moneys in the Income Account, i.e., from the Pledged Revenues, there shall be credited to any bond fund created to pay the principal of, interest on and prior redemption premiums due on any superior bonds or superior securities, including any reserves therefor, issued in accordance with the provisions of this Ordinance:

1. Monthly, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the superior bonds or superior securities, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary, together with any other moneys from time to time available therefor and on deposit therein from whatever source, to pay the next maturing installment of interest on the superior bonds or superior securities then outstanding.

2. Monthly, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal of the superior bonds or superior securities coming due at maturity, and monthly thereafter, commencing on each principal payment date, one-twelfth of the amount necessary, together with any other moneys from time to time available therefor and on deposit therein from whatever source, to pay the next installment of principal of the superior bonds or superior securities coming due at maturity, or, if any, an amount sufficient to pay the principal of, interest on and any prior redemption premiums due on the outstanding superior bonds or superior securities.

B. Second, and contemporaneously with the transfers required by the ordinances authorizing the issuance of the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any bond ordinances authorizing the issuance of Parity Securities to be made to the bond funds of any Parity

Securities hereafter issued, the following transfers shall be credited to the Bond Fund:

1. Monthly, commencing on the first of the month following the date of delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the Bonds, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary, together with any other moneys from time to time available therefor and on deposit therein from whatever source, to pay the next maturing installment of interest on the Bonds then Outstanding.

2. Monthly, commencing on the first of the month following the date of delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next installment of principal of the Bonds coming due at maturity, and monthly thereafter, commencing on each principal payment date, one-twelfth of the amount necessary, together with any other moneys from time to time available therefor and on deposit therein from whatever source, to pay the next installment of principal of the Bonds coming due at maturity, or subject to mandatory sinking fund redemption, if any.

The moneys credited to the Bond Fund shall be used to pay the Bond Requirements of the Bonds as the Bond Requirements become due, including any mandatory sinking fund payments, if any.

Section 605 Termination of Deposits. No payment need be made into the Bond Fund, or if the amount in the Bond Fund totals a sum at least equal to the entire amount of the Outstanding Bonds as to all Bond Requirements, to their respective maturities, and both accrued and not accrued, in which case moneys in that account in an amount at least equal to such Bond Requirements shall be used solely to pay such Bond Requirements as the same become due; and any moneys in excess thereof in that account and any other moneys derived from the Pledged Revenues shall be applied as hereafter provided.

Section 606 Payment of Additional Securities. Third, and subject to the provisions hereinabove in this Article, but either concurrently with or subsequent to the payments required by Section 604 hereof, as provided in Article VIII hereof, any moneys remaining in the Income Account may be used by the County for the payment of Bond Requirements of additional bonds or other additional securities payable from the Pledged Revenues and hereafter authorized to be issued in accordance with Article VIII and any other provisions herein supplemental thereto, including reasonable reserves for such securities, as the same accrue. The lien of such additional bonds or other additional securities on the Pledged Revenues and the pledge thereof for the payment of such additional securities shall be superior to, on a parity with or subordinate to the lien and pledge of the Bonds as herein provided. Payments for bond and reserve funds for any superior securities shall be made concurrently with the payments for superior securities required by Section 604 hereof. Payments for bond and reserve funds for additional Parity Securities shall be made concurrently with the payments for the Bonds required by Section 604 hereof, but payments for bond and reserve funds for additional subordinate securities shall be made after the payments required by Sections 604 and 607 hereof.

Section 607 Payment of Rebate. Fourth, and subject to the provisions hereinabove in this Article and concurrently with the deposits to any rebate accounts for the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any additional Parity Securities required by any bond ordinances authorizing the issuance of such Parity Securities hereafter adopted, there shall be transferred into the "Washoe County, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2020B Rebate Account" hereby created, after making in full the monthly deposits required by Sections 604 and 606, but prior to the transfer of any Pledged Revenues to the payment of subordinate securities, such amounts as are required to be deposited therein to meet the County's obligations under the covenant contained in Section 922 hereof, in accordance with Section 148(f) of the Tax Code. Amounts in the Rebate Account shall be used for the purpose of making the payments to the United States required by such covenant and Section 148(f) of the Tax Code. Any amounts in the Rebate Account in excess of those required to be on deposit therein by Section 922 hereof and Section 148(f) of the Tax Code may be withdrawn therefrom and used for any lawful purpose.

Section 608 Use of Remaining Revenues. After the payments hereinabove required to be made in this Article VI are made, any remaining Pledged Revenues in the Income Account may be used at any time during any Fiscal Year whenever in the Fiscal Year there shall have been credited to the Bond Fund, to the Rebate Account, and to each other bond fund, rebate account and reserve fund, if any, for the payment of any other securities payable from the Pledged Revenues, all amounts required to be deposited in those special accounts for such portion of the Fiscal Year, as hereinabove provided in this Article, for any one or any combination of lawful purposes, or otherwise, as the County may from time to time determine.

ARTICLE VII.

GENERAL ADMINISTRATION

Section 701 Administration of Accounts. The special accounts designated in Articles IV and VI hereof, except the Escrow Account which shall be administered pursuant to the provisions of the Escrow Agreement, shall be administered as provided in this Article.

Section 702 Places and Times of Deposits. Each of the special accounts hereinabove designated in Articles IV and VI hereof, except the Escrow Account, shall be maintained as a book account and kept separate from all other accounts as a trust account solely for the purposes herein designated therefor, and the moneys accounted for in such special book accounts shall be deposited in one bank account or more in a Trust Bank or Trust Banks as determined and designated by the County (except as otherwise expressly stated herein). Nothing herein prevents the commingling of moneys accounted for in any two or more book accounts relating to the Project or any other County accounts in any bank account or any investment in securities hereunder. Each bank account shall be continuously secured to the fullest extent required or permitted by the laws of the State for the securing of public funds and shall be irrevocable and not withdrawable by anyone for any purpose other than the respective designated purposes. Each periodic payment shall be credited to the proper book account not later than the date therefor herein designated, except that when any such date shall be a Saturday, a Sunday or a legal holiday, then the payment shall be made on or before the next preceding secular day. Notwithstanding any other provision herein to the contrary, moneys sufficient to pay the Bond Requirements then coming due on the Outstanding Bonds shall be deposited with the Paying Agent at least on the day of each interest payment date herein designated and, in any event, in sufficient time to make timely payment of such Bond Requirements.

Section 703 Investment of Moneys. Any moneys in any account designated in Articles IV and VI hereof, except the Escrow Account, and not needed for immediate use, may be invested or reinvested by the County Treasurer in any investments permitted under the laws of the State. For the purpose of any such investment or reinvestment, the securities shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligations.

Section 704 Required and Permissive Investments. The County Treasurer shall not have any obligation to make any investment or reinvestment hereunder, unless any moneys on hand and accounted for in any one account exceeds \$5,000 and at least \$5,000 therein will not be needed for a period of not less than 60 days. In that event the County Treasurer shall invest or reinvest in securities to the extent practicable not less than substantially all the amount which will not be needed during such 60-day period, except for any moneys on deposit in an interest-bearing account in any Trust Bank, regardless of whether such moneys are evidenced by a certificate of deposit or otherwise, pursuant to Section 707 hereof. The County Treasurer may invest or reinvest any moneys on hand at any time as provided in Section 703 hereof even though he is not obligated to do so.

Section 705 Accounting for Investments. The securities purchased as an investment or reinvestment of moneys in any such account shall be deemed at all times to be a part of the account and held in trust therefor. Except as herein otherwise provided, any interest or other gain in any account resulting from any such investments and reinvestments in securities and from any deposits of moneys in any Trust Bank pursuant to this Article shall be credited to that Fund, and any loss in any account resulting from any such investments and reinvestments in securities and from any such deposits in any Trust Bank shall be charged or debited to that Fund. No loss or profit in any account on any investments or reinvestments in securities or any certificates of deposit shall be deemed to take place as a result of fluctuations in the market quotations of the investments, reinvestments or certificates before the sale or maturity thereof. In the computation of the amount in any account for any purpose hereunder, except as herein otherwise expressly provided, securities and certificates of deposit shall be valued at the cost thereof (including any amount paid as accrued interest at the time of purchase of the obligation) and other bank deposits shall be valued at the amounts deposited, exclusive of any accrued interest or any other gain to the County until such gain is realized. The expenses of purchase, safekeeping, sale and all other expenses incident to any investment or reinvestment of moneys pursuant to this Article shall be accounted for as an expense of the Project and charged to the Cost of Issuance Account.

Section 706 Redemption or Sale of Investment Securities. The County Treasurer having jurisdiction over moneys designated herein shall present for redemption at maturity or sale on the prevailing market at the best price obtainable any securities and

certificates of deposit so purchased as an investment or reinvestment of moneys in any account whenever it shall be necessary to do so in order to provide moneys to meet any withdrawal, payment or transfer from such account. The County Treasurer and each other officer of the County shall not be liable or responsible for any loss resulting from any such investment or reinvestment made in accordance with this Ordinance.

Section 707 Character of Funds. The moneys in any account herein authorized shall consist either of lawful money of the United States or permitted securities, or both. Moneys deposited in a demand or time deposit account in or evidenced by a certificate of deposit of any Trust Bank pursuant to Section 703 hereof, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 708 Accelerated Payments. Nothing contained in Article VI hereof prevents the accumulation in any account herein designated of any monetary requirements at a faster rate than the rate or minimum rate provided in Article VI therefor, as the case may be; but no payment shall be so accelerated if such acceleration shall cause the County to default in the payment of any obligation of the County relating to the Pledged Revenues or the Project. Nothing contained herein, in connection with the Pledged Revenues received in any Fiscal Year, requires the accumulation in any account for the payment in the Comparable Bond Year of Bond Requirements due in connection with any series of bonds or other securities payable from the Pledged Revenues and heretofore, herein or hereafter authorized, in excess of the Bond Requirements due in the Comparable Bond Year, and of any reserves required to be accumulated and maintained therefor, and of any existing deficiencies, and payable from such account, as the case may be, except as may be otherwise provided in Section 604 or elsewhere herein.

Section 709 Payment of Securities Requirements. The moneys credited to any account designated in Article VI hereof for the payment of the Bond Requirements due in connection with any series of bonds or other securities payable from the Pledged Revenues and heretofore, herein or hereafter authorized shall be used, without requisition, voucher, warrant or further order or authority (other than is contained herein), or any other preliminaries, to pay promptly the Bond Requirements payable from such account as such bonds or other securities become due, upon the respective interest payment dates and Redemption Dates, if any, on which the County is obligated to pay the bonds or other securities, or upon the respective interest payment and maturity dates of such bonds or other securities, as provided therefor herein or

otherwise, except to the extent any other moneys are available therefor, including, without limitation, moneys accounted for in the Bond Fund.

Section 710 Payment of Redemption Premiums. Notwithstanding any other provision herein, this Ordinance requires the accumulation in any account designated in Article VI hereof for the payment of any series of bonds or other securities payable from the Pledged Revenues of amounts sufficient to pay not only the principal thereof and interest thereon payable from such account but also the prior redemption premiums due in connection therewith, if any, as the same become due, whenever the County shall have exercised or shall have obligated itself to exercise a prior redemption option relating thereto, except to the extent provision is otherwise made therefor, if any prior redemption premium is due in connection therewith. In that event moneys shall be deposited into such account in due season for the payment of all such Bond Requirements without default as the same become due.

ARTICLE VIII.

SECURITIES LIENS AND ADDITIONAL SECURITIES

Section 801 Lien of the Bonds. The Bonds authorized herein constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues on a parity with the lien of the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds, subject to and after any superior liens upon such Pledged Revenues of any superior bonds or superior securities.

Section 802 Equality of Bonds. The Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any Parity Securities hereafter authorized to be issued and from time to time Outstanding are equally and ratably secured by a lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of the issuance of the Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds and any other such Parity Securities, it being the intention of the County that there shall be no priority among the Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds, and any such Parity Securities, regardless of the fact that they may be actually issued and delivered at different times.

Section 803 Issuance of Superior or Parity Securities. Nothing herein, subject to the limitations stated in Sections 811 and 812 hereof, prevents the issuance by the County of additional bonds or other additional securities payable from the Pledged Revenues and constituting a lien thereon superior to or on a parity with, the lien thereon of the Bonds, nor prevents the issuance of bonds or other securities refunding all or a part of the Bonds (or funding or refunding any other than Outstanding securities payable from Pledged Revenues), except as provided in Sections 807 through 812 hereof; but before any such additional Superior or Parity Securities are authorized or actually issued (excluding any Superior or Parity refunding securities other than any securities refunding Subordinate Securities, as permitted in Section 810C hereof):

A. Absence of Default. At the time of the adoption of the supplemental instrument authorizing the issuance of the additional securities, the County shall not be in default in making any payments required by Sections 604, 606 or 607 hereof with respect to any Superior or Parity Securities.

B. Earnings Test. Except as hereinafter otherwise provided: (1) the Pledged Revenues derived in the Fiscal Year immediately preceding the date of the issuance of the additional Superior or Parity Securities shall have been at least sufficient to pay an amount equal to the combined maximum annual principal and interest requirements (to be paid during any one Bond Year, commencing with the Bond Year in which the additional Superior or Parity Securities are issued and ending on the last Bond Year in which any then Outstanding Bonds mature) of the Outstanding Bonds and any other Outstanding Superior or Parity Securities of the County and the bonds or other securities proposed to be issued (excluding the reserves therefor); or, (2) the Pledged Revenues estimated by the Assistant County Manager, independent feasibility consultant or an Independent Accountant to be derived in the first five Fiscal Years immediately succeeding the issuance of the other additional Superior or Parity Securities proposed to be issued, shall be at least equal to such combined maximum annual principal and interest requirements to be paid during such Comparable Bond Year.

C. Adjustment of Pledged Revenues. In any computation of such earnings test as to whether or not additional Superior or Parity Securities may be issued as provided in subsection B of this Section, the amount of the Pledged Revenues for the next preceding Fiscal Year shall be decreased and may be increased by the amount of any loss or gain conservatively estimated by the Assistant County Manager, independent feasibility consultant or Independent Accountant making the computations under this Section, which loss or gain results from any change in the rate of the imposition of that part of the Consolidated Tax constituting a part of the Pledged Revenues which change took effect during the next preceding Fiscal Year or thereafter prior to the issuance of such Superior or Parity Securities, as if such modified rate shall have been in effect during the entire next preceding Fiscal Year, if such change shall have been made by the County before the computation of the designated earnings test but made in the same Fiscal Year as the computation is made or in the next preceding Fiscal Year.

Section 804 Certification of Revenues. A written certification or written opinion by the Assistant County Manager, an independent feasibility consultant or an Independent Accountant, based upon estimates thereby as provided in Sections 803B and 803C hereof, that the annual revenues when adjusted as hereinabove provided in Section 803C hereof, are sufficient to pay such amounts as provided in Section 803B hereof, shall be conclusively presumed to be accurate in determining the right of the County to authorize, issue, sell and deliver additional securities superior to or on a parity with the Bonds.

Section 805 Subordinate Securities Permitted. Nothing herein, subject to the limitations stated in Sections 811 and 812 hereof, prevents the County from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

Section 806 Superior Securities Permitted. Nothing herein, subject to the requirements stated in Article VIII hereof, prevents the County from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon prior and superior to the lien thereon of the Bonds, the 2012 Bonds, the 2015 Bonds, the 2016 Bonds, the 2019 Bonds and the 2020 Bonds; however, such additional superior bonds or other additional superior securities shall not be issued as general obligations of the County.

Section 807 Issuance of Refunding Securities. At any time after the Bonds, or any part thereof, are issued and remain Outstanding, if the County shall find it desirable to refund any Outstanding Bonds or other Outstanding securities payable from and constituting a lien upon any Pledged Revenues, such Bonds or other securities, or any part thereof, may be refunded only if the Bonds or other securities at the time or times of their required surrender for payment shall then mature or shall be then callable for prior redemption for the purpose of refunding them at the County's option upon proper call, unless the owner or owners of all such Outstanding Bonds or other securities consent to such surrender and payment, regardless of whether the priority of the lien for the payment of the refunding securities on the Pledged Revenues is changed (except as provided in Sections 806 and 808 through 812 hereof).

Section 808 Partial Refundings. The refunding bonds or other refunding securities so issued, unless issued as subordinate securities, shall enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded, if there is any; and the owner or owners of the refunding securities shall be subrogated to all of the rights and privileges

enjoyed by the owner or owners of the unrefunded securities of the same issue partially refunded by the refunding securities.

Section 809 Limitations Upon Refundings. Any refunding bonds or other refunding securities payable from any Pledged Revenues shall be issued with such details as the County may by instrument provide, subject to the provisions of Sections 811 and 812 hereof, and subject to the inclusion of any such rights and privileges designated in Section 808 hereof, but without any impairment of any contractual obligation imposed upon the County by any proceedings authorizing the issuance of any unrefunded portion of the Outstanding securities of any one or more issues (including, without limitation, the Bonds).

Section 810 Protection of Securities Not Refunded. If only a part of the Outstanding Bonds and other Outstanding securities of any issue or issues payable from the Pledged Revenues is refunded, then such securities may not be refunded without the consent of the owner or owners of the unrefunded portion of such securities:

A. Requirements Not Increased. Unless the refunding securities do not increase for any Bond Year the annual principal and interest requirements evidenced by the refunding securities and by the Outstanding securities not refunded on and before the last maturity date or last Redemption Date, if any, whichever is later, if any, of the unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Pledged Revenues is not raised to a higher priority than the lien thereon of the bonds or other securities thereby refunded; or

B. Subordinate Lien. Unless the lien on any Pledged Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or

C. Default and Earnings Test. Unless the refunding bonds or other refunding securities are issued in compliance with Section 803 hereof (including subsections A through C thereof) and Section 804 hereof.

Section 811 Payment Dates of Additional Securities. Any additional superior, parity or subordinate bonds or other additional superior, parity or subordinate securities (including, without limitation, any funding or refunding securities) issued in compliance with the terms hereof shall bear interest payable at the times and shall mature on the dates designated by

the County in the supplemental ordinance authorizing such securities as provided in Section 812 hereof.

Section 812 Supplemental Ordinance. Additional bonds or other additional securities payable from the Pledged Revenues shall be issued only after authorization thereof by a supplemental instrument of the County stating the purpose or purposes of the issuance of the additional bonds or other additional securities, directing the application of the proceeds thereof to such purpose or purposes, directing the execution thereof, and fixing and determining the date, principal amount, maturity or maturities, designation and numbers thereof, the maximum rate or rates of interest to be borne thereby, any prior redemption privileges of the County with respect thereto and other provisions thereof not in conflict with this Ordinance. All additional bonds or other additional securities shall bear such date, shall bear such numbers and series designation, letters or symbols prefixed to their numbers distinguishing them from each other security, shall be payable at such place or places at such times, may be subject to redemption prior to maturity on such terms and conditions, and shall bear interest at such rate or at such different and varying rates per annum, as may be fixed by instrument or other document of the County.

ARTICLE IX.

MISCELLANEOUS PROTECTIVE COVENANTS

Section 901 General. The County hereby particularly covenants and agrees with the owners of the Bonds and makes provisions which shall be a part of its contract with such owners to the effect and with the purposes set forth in the following provisions and sections of this article.

Section 902 Performance of Duties. The County shall faithfully and punctually perform or cause to be performed all duties with respect to the Pledged Revenues and the Project required by the Constitution and laws of the State and the various resolutions, ordinances and other instruments of the County, including, without limitation, the proper segregation of the proceeds of the Bonds and the Pledged Revenues and their application from time to time to the respective accounts provided therefor.

Section 903 Further Assurances. At any and all times the County, except when otherwise required by law, shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Pledged Revenues, and other moneys and accounts hereby pledged or assigned, or which the County may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Ordinance and to comply with the Project Act, the Bond Act and all laws supplemental thereto. The County shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Revenues and other moneys and accounts pledged hereunder and all the rights of every owner of any Bonds against all claims and demands of all Persons whomsoever.

Section 904 Conditions Precedent. Upon the date of issuance of any Bonds, all conditions, acts and things required by the Constitution or statutes of the State, including without limitation, the Project Act, the Consolidated Tax Act and the Bond Act, or this Ordinance, to exist, to have happened, and to have been performed precedent to or in the issuance of the Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other

obligations of the County, shall not contravene any debt or other limitation prescribed by the State Constitution or statutes.

Section 905 Covenant to Perform. The County shall observe and perform all of the terms and conditions contained in this Ordinance and the Project Act, the Bond Act and all laws supplemental thereto and shall comply with all valid acts, rules, regulations, orders and directives of any legislative, executive, administrative or judicial body applicable to the Project, to any such other facilities, or to the County.

Section 906 Protective Security. The County and the officers, agents and employees of the County shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bond Requirements of the Bonds and any other securities payable from the Pledged Revenues according to the terms thereof. No contract shall be entered into nor any other action taken by which the rights of any owner of any Bond or other security payable from the Pledged Revenues might be prejudicially and materially impaired or diminished.

Section 907 Accumulation of Interest Claims. In order to prevent any accumulation of coupons or claims for interest after maturity, the County shall not directly or indirectly extend or assent to the extension of the time for the payment of any coupon or claim for interest on any of the Bonds or any other securities payable from the Pledged Revenues; and the County shall not directly or indirectly be a party to or approve any arrangements for any such extension or for the purpose of keeping alive any of such coupons or other claims for interest. If the time for the payment of any such coupons or of any other such installment of interest shall be extended in contravention of the foregoing provisions, such coupon or installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or the security of this Ordinance, except upon the prior payment in full of the principal of all Bonds and any such other securities then Outstanding and of all matured interest on such securities the payment of which has not been extended.

Section 908 Prompt Payment of Bonds. The County shall promptly pay the Bond Requirements of every Bond issued hereunder and secured hereby at the places, on the dates, and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

Section 909 Use of Bond Fund. The Bond Fund shall be used solely, and the moneys credited to such account are hereby pledged, for the purpose of paying the Bond Requirements of the Bonds, subject to the provisions concerning surplus moneys in Sections 605, 608 and 1001 hereof.

Section 910 Additional Securities. Any other securities hereafter authorized to be issued and payable from the Pledged Revenues shall not hereafter be issued, unless the additional securities are also issued in conformance with the provisions of Articles VI and VIII hereof.

Section 911 Other Liens. Other than as provided herein, there are no liens or encumbrances of any nature whatsoever on or against the Project, or any part thereof, or on or against the Pledged Revenues derived or to be derived.

Section 912 Corporate Existence. The County shall maintain its corporate identity and existence so long as any of the Bonds remain Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities, duties and immunities of the County and is obligated by law to fix and collect the Pledged Revenues as herein provided without adversely affecting to any substantial degree at any time the privileges and rights of any owner of any Outstanding Bond.

Section 913 Treasurer's Report. If the County defaults in paying promptly the Bond Requirements of the Bonds and any other securities payable from the Pledged Revenues as the same fall due, or in the keeping of any covenants herein contained, and if such default continues for a period of 60 days, or if the Pledged Revenues in any Fiscal Year fail to equal at least the amount of the Bond Requirements of the Outstanding Bonds and any other securities (including all reserves therefor specified in the authorizing proceedings) payable from the Pledged Revenues in the Comparable Bond Year, the County Treasurer shall (a) submit to the Board a report on such deficiency and a proposal setting forth a plan to produce Pledged Revenues in the following Fiscal Year sufficient to pay such amounts, to the extent practicable and (b) submit to the Board quarterly reports on the progress made in implementing the plan so long as such default continues or so long as the Pledged Revenues are less than the amount hereinabove designated in this Section.

Section 914 Budgets. The County and officials of the County shall annually and at such other times as may be provided by law prepare and adopt a budget relating to the Project.

Section 915 Adequacy and Applicability of Consolidated Tax. There shall be imposed and collected the Consolidated Tax, of which 15% is expected to generate an amount sufficient to produce Pledged Revenues to pay in each Fiscal Year:

A. Principal, Interest and Reserves. An amount equal to the sum of the annual principal and interest requirements on the Bonds and any other securities payable from the Pledged Revenues in the Comparable Bond Year and any amounts required to be accumulated from the Pledged Revenues in such Bond Year into any reserves for such securities;

B. Deficiencies. Any amounts required to meet then existing deficiencies relating to any account relating to the Pledged Revenues or any securities payable therefrom; but the foregoing rate maintenance covenant is subject to compliance by the County with any legislation of the United States or the State or any regulation or other action taken by the Federal Government or any State agency or public body of the State pursuant to such legislation, in the exercise of the police power thereof for the public welfare, which legislation, regulation or action limits or otherwise inhibits the amounts of fees, rates and other charges due to the County as a result of the imposition of the Consolidated Tax, including, without limitation, increases in the amounts of such charges. All of such Pledged Revenues shall be subject to distribution to the payment of the Bond Requirements of all securities payable from the Pledged Revenues, including reasonable reserves therefor, as herein provided and the payment of expenses of the Project.

Section 916 Collection of Pledged Revenues. The Board, on behalf of the County; shall cause the Pledged Revenues, to be collected as soon as reasonable, shall prescribe and enforce rules and regulations or impose contractual obligations for the payment thereof.

Section 917 Imposition of Consolidated Tax. The County shall continue to establish, fix, impose and collect the Consolidated Tax required by Section 915 hereof, if such

action is necessary therefor. No reduction in the initial or existing imposition of Consolidated Tax may be made unless:

A. No Default. The County has fully complied with the provisions of Article VI hereof for at least the full Fiscal Year immediately preceding such reduction of the rate; and

B. Sufficient Revenues. The estimated revenues resulting from the proposed rate, after its proposed reduction, for the Project shall be sufficient in the full Fiscal Year immediately preceding such reduction to meet the obligation of Section 915 hereof.

Section 918 Records. So long as any of the Bonds and any other securities payable from the Pledged Revenues remain Outstanding, proper books of record and account shall be kept by the County, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues. Such books shall include (but not necessarily be limited to) monthly records showing:

A. Receipts. The revenues received from the Pledged Revenues, and

B. Expenses. A detailed statement of the expenditures from the Pledged Revenues.

Section 919 Maintenance and Inspection of Records. Any owner of any of the Bonds or any other securities payable from the Pledged Revenues, or any duly authorized agent or agents of such owner, shall have the right at all reasonable times to inspect all records, accounts and data relating thereto, concerning the Pledged Revenues and to make copies of such records, accounts and data.

Section 920 Tax Levies. The County annually shall levy, or cause to be levied, General Taxes on all taxable property in the County fully sufficient to pay the Bond Requirements of Outstanding Bonds (and any other indebtedness or other obligations of the County), except to the extent other revenues are available therefor, including, without limitation, the Pledged Revenues pledged for the payment of the Bonds, as the Bond Requirements accrue, reasonable allowance being made for delinquent tax collections anticipated at the time of each levy, at the time and in the manner provided by law for levying other Taxes; and the County and the Board shall require the officers of the County to levy, extend, and collect General Taxes in the manner provided by law for the purpose of creating funds for the payment of the Bond

Requirements of the Bonds, other indebtedness, or general obligations. General Taxes for the Bonds, when collected, shall be kept for and applied only to the payment of the Bond Requirements of the Bonds, as herein provided.

Section 921 Completion of Project. The County, with the proceeds derived from the sale of the Bonds and any other available moneys, shall proceed to cause the Project to be completed without delay to the best of the County's ability and with due diligence, as herein provided.

Section 922 Tax Covenant. The County covenants for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any project refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

ARTICLE X.

MISCELLANEOUS

Section 1001 Defeasance. When all Bond Requirements of any Bond have been duly paid, the pledge and lien and all obligations hereunder as to that Bond shall thereby be discharged and the Bonds shall no longer be deemed to be Outstanding within the meaning of this Ordinance. There shall be deemed to be due payment of any Outstanding Bond or other security when the County has placed in escrow or in trust with a Trust Bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bond or other security, as the same become due to the final maturity of the Bond or other security, or upon any Redemption Date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the Bond or other security for payment then. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the owners thereof to assure availability as so needed to meet the schedule. For the purpose of this Section, "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Section 1002 Delegated Powers. The Chair of the Board, the Clerk and Treasurer of the County, and other officers and agents of the County hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation:

A. Printing Bonds. The printing of the Bonds, including, without limitation, the printing on the Bond, if requested by the Purchaser, a statement of insurance, if applicable, pertaining to the Bonds; and

B. Final Certificates. The execution of such certificates electronically or otherwise as may be reasonably required by the Purchaser, relating, inter alia, to

(1) The signing of the Bonds,

- (2) The tenure and identity of the officials of the County,
- (3) The delivery of the Bonds and the receipt of the bond purchase price,
- (4) The exclusion of the interest on the Bonds from gross income for federal income tax purposes, and
- (5) If it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity therefore.

C. Certificate and Agreement. The completion and execution electronically or otherwise by the Assistant County Manager or the County Manager of the Certificate of the Assistant County Manager in accordance with the provisions of this Ordinance. The completion and execution electronically or otherwise by the Assistant County Manager or the County Manager of an agreement between the County and the Paying Agent and Registrar relating to the duties of the Paying Agent and Registrar under this Ordinance.

D. Purchase Proposal. The execution electronically or otherwise by the County Assistant County Manager, or in such officer's absence, the County Manager of the Purchase Proposal between the Purchaser and the County.

Section 1003 Statute of Limitations. No action or suit based upon the Bonds or other obligation of the County shall be commenced after it is barred by any statute of limitations relating thereto. Any trust or fiduciary relationship between the County and the owner of any Bonds or other obligee regarding any such other obligation shall be conclusively presumed to have been repudiated on the maturity date or other due date thereof unless the Bonds are presented for payment or demand for payment of any such other obligation is otherwise made before the expiration of the applicable limitation period. Any moneys from whatever source derived remaining in any account reserved, pledged or otherwise held for the payment of any such obligation, action or suit for the collection of which has been barred, shall revert to the Income Account, unless the County shall otherwise provide by instrument of the County. Nothing herein prevents the payment of any such obligation after any action or suit for its collection has been barred if the County deems it in the best interests of the public to do so and orders such payment to be made.

Section 1004 Evidence of Ownership. Any request, consent or other instrument which this Ordinance may require or may permit to be signed and to be executed by the owner of any Bonds or other securities may be in one or more instruments of similar tenor and shall be signed or shall be executed by each such owner in person or by such owner's attorney appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any Person of the securities, shall be sufficient for any purpose of this Ordinance (except as otherwise herein expressly provided) if made in the following manner, but the County may, nevertheless, in its discretion require further or other proof in cases when it deems the same desirable:

A. Proof of Execution. The fact and the date of the execution by any owner of any Bonds or other securities or such owner's attorney of such instrument may be provided by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Paying Agent and Registrar or of a notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the individual 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 the notary public or other officer; the authority of the individual or individuals executing any such instrument on behalf of a corporate owner of any securities may be established without further proof if the instrument is signed by an individual purporting to be the president or a vice president of the corporation with a corporate seal affixed and attested by an individual purporting to be its secretary or an assistant secretary; and the authority of any Person or Persons executing any such instrument in any fiduciary or representative capacity may be established without further proof if the instrument is signed by a Person or Persons purporting to act in such fiduciary or representative capacity; and

B. Proof of Ownership. The ownership of any of the Bonds or other securities held by any Persons executing any instrument as a holder of securities, and the numbers, date and other identification thereof, together with the date of holding the securities, shall be proved by the registration records at the County kept by the Registrar.

Section 1005 Warranty upon Issuance of Bonds. Any Bonds authorized as herein provided, when duly executed and delivered for the purpose provided for in this Ordinance shall constitute a warranty by and on behalf of the County for the benefit of each and every future holder of any of the Bonds that the Bonds have been issued for a valuable consideration in full conformity with law.

Section 1006 Immunities of Purchaser. The Purchaser and any associate thereof are under no obligation to any holder of the Bonds for any action that they may or may not take or in respect of anything that they may or may not do by reason of any information contained in any reports or other documents received by them under the provisions of this Ordinance. The immunities and exemptions from liability of the Purchaser and any associate thereof hereunder extend to their partners, directors, successors, employees and agents.

Section 1007 Police Power. Nothing herein prohibits or otherwise limits or inhibits the exercise by the Federal Government, the State, any agency thereof or any public body thereof, including, without limitation, the County, of the police power, i.e., essential governmental powers for the public welfare. The provisions hereof are subject to any proper exercise hereafter of the police power thereby. The County cannot contract away the police power thereof nor limit or inhibit by contract the proper exercise of the police power thereby, and this Ordinance does not purport to do so.

Section 1008 Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent so appointed shall resign, or if the Assistant County Manager shall determine to replace the Registrar or Paying Agent, the County, as directed by the Assistant County Manager, may, upon notice mailed to each owner of any Bond at his or her address last shown on the registration records, appoint a successor Registrar or Paying Agent or both. Every such successor Registrar or Paying Agent shall be an officer or employee of the County or a Trust Bank. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder. No resignation or dismissal of the Registrar or the Paying Agent may take effect until a successor is appointed.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any

corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this ordinance, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Ordinance to the contrary notwithstanding.

ARTICLE XI.

PRIVILEGES, RIGHTS AND REMEDIES

Section 1101 Bondowner's Remedies. Each owner of any Bond issued hereunder shall be entitled to all of the privileges, rights and remedies provided or permitted in the Project Act and the Bond Act, and as otherwise provided or permitted by law or in equity or by other statutes, except as provided in Sections 207 through 211 hereof, but subject to the provisions herein concerning the pledge of and the covenants and the other contractual provisions concerning the Pledged Revenues and the proceeds of the Bonds.

Section 1102 Right to Enforce Payment. Nothing in this article affects or impairs the right of any owner of any Bond to enforce the payment of the Bond Requirements due in connection with his or her Bond or the obligation of the County to pay the Bond Requirements of the Bond to the owner thereof at the time and the place expressed in the Bond.

Section 1103 Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal and Premium. Payment of any installment of principal of the Bond, or any prepayment premium due in connection therewith, or both, is not made when the same becomes due and payable, at maturity, or by proceedings for optional prepayment, or otherwise;

B. Nonpayment of Interest. Payment of any installment of interest on the Bonds is not made when the same becomes due and payable;

C. Incapable to Perform. The County for any reason is rendered incapable of fulfilling its obligations hereunder;

D. Nonperformance of Duties. The County fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Pledged Revenues, or otherwise, including, without limitation, this Ordinance, and such failure continues for 60 days after receipt of notice from the owners of 10% in principal amount of the Bonds then Outstanding;

E. Appointment of Receiver. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the County

appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or if an order or decree having been entered without the consent or acquiescence of the County is not vacated or discharged or stayed on appeal within 60 days after entry; and

F. Default of Any Provision. The County makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in this Ordinance on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the County by the owners of 10% in principal amount of the Bonds then Outstanding.

Section 1104 Remedies for Default. Upon the happening and continuance of any of the events of default, as provided in Section 1103 hereof, then and in every case the owner or owners or not less than 10% in principal amount of the Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the County and its agents, officers and employees to protect and to enforce the rights of any owner of Bonds under this Ordinance by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the County to act as it if were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds and any Parity Securities then Outstanding.

Section 1105 Receiver's Rights and Privileges. Any receiver appointed in any proceedings to protect the rights of owners hereunder, the consent to any such appointment being hereby expressly granted by the County, receive and apply all Pledged Revenues arising after the appointment of the receiver in the same manner as the County itself might do.

Section 1106 Rights and Privileges Cumulative. The failure of any owner of any Outstanding bond to proceed in any manner herein provided shall not relieve the County or any officers, agents or employees thereof of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any owner shall not be deemed a waiver of any other right or privilege thereof.

Section 1107 Duties upon Defaults. Upon the happening of any of the events of default as provided in Section 1103 hereof, the County, in addition, shall do and perform all proper acts on behalf of and for the owners of the Bonds to protect and to preserve the security created for the payment of their Bonds and to insure the payment of the Bond Requirements promptly as the same become due. During any period of default, so long as any of the Bonds issued hereunder, as to any Bond Requirements, are Outstanding, except to the extent it may be unlawful to do so, all Pledged Revenues shall be paid into the Bond Fund, or, in the event of securities heretofore and hereafter issued and Outstanding during that period of time on a parity with the Bonds, shall be paid into the bond accounts for all Parity Securities on an equitable and prorated basis, and used for the purposes therein provided. If the County fails or refuses to proceed as in this Section provided, the owner or owners of not less than 10% in principal amount of the Bonds then Outstanding, after demand in writing, may proceed to protect and to enforce the rights of the owners of the Bonds as hereinabove provided; and to that end any such owners of Outstanding Bonds shall be subrogated to all rights of the County under any agreement, lease or other contract the Pledged Revenues entered into before the effective date of this Ordinance or thereafter while any of the Bonds are Outstanding.

Section 1108 Prejudicial Action Unnecessary. Nothing in this article requires the County to proceed as provided therein if the County determines in good faith and without any gross abuse of its discretion that if the County so proceeds it is more likely than not to incur a net loss rather than a net gain, or the action is otherwise likely to affect materially and prejudicially the owners of the Outstanding Bonds and any Outstanding Parity Securities.

ARTICLE XII.

AMENDMENT OF ORDINANCE

Section 1201 Privilege of Amendments. This Ordinance may be amended or supplemented by instruments adopted by the County in accordance with the laws of the State, without receipt by the County of any additional consideration, but with the written consent of the insurer of the Bonds, if any, or the owners of a majority in aggregate principal amount of the Bonds authorized by this Ordinance and Outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding, pursuant to paragraph (4) of Section 102B hereof, any Bonds which may then be held or owned for the account of the County, but including such refunding securities as may be issued for the purpose of refunding any of the Bonds if the refunding securities are not owned by the County.

Section 1202 Limitations upon Amendments. No such instrument shall permit without the written consent of the insurer of the Bonds, if any, and all owners of the Bonds adversely and materially affected thereby:

A. Changing Payment. A change in the maturity or in the terms of redemption of the principal of any Outstanding Bond or any installment of interest thereon; or

B. Reducing Return. A reduction in the principal amount of any Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith; or

C. Modifying any Bond. A reduction of the percentages or otherwise affecting the description of Bonds the consent of the owners of which is required for any modification or amendment; or

D. Priorities between Bonds. The establishment of priorities as between Bonds issued and Outstanding under the provisions of this Ordinance; or

E. Partial Modification. The modifications of or otherwise materially and prejudicially affecting the rights or privileges of the owners of less than all of the Bonds then Outstanding.

Section 1203 Notice of Amendment. Whenever the County proposes to amend or modify this Ordinance under the provisions of this Article, it shall cause notice of the

proposed amendment to be given not later than 30 days prior to the date of the proposed enactment of the amendment by mailing to each:

- (1) The insurer of the Bonds, if any,
- (2) The Paying Agent,
- (3) The Registrar, and
- (4) The owner of each of the Bonds Outstanding.

The notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the Clerk for public inspection.

Section 1204 Time for Amendment. Whenever at any time within one year from the date of the mailing of such notice, there shall be filed in the office of the Clerk an instrument or instruments executed by the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument, thereupon, but not otherwise, the County may adopt the amendatory instrument and the instrument shall become effective.

Section 1205 Binding Consent to Amendment. If the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds Outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners shall have consented to and approved the adoption thereof as herein provided, no owner of any Bond, whether or not the owner shall have consented to or shall have revoked any consent as in this article provided, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the County from taking any action pursuant to the provisions thereof.

Section 1206 Time Consent Binding. Any consent given by the owner of a Bond pursuant to the provisions of this Article shall be irrevocable for a period of 6 months from the date of the publication of the notice above provided for in paragraph 2 of Section 1203 A hereof, and shall be conclusive and binding upon all future owners of the same Bond during that period. The consent may be revoked at any time after 6 months from the date of the mailing of the notice, by the owner who gave the consent or by a successor in title by filing notice of the

revocation with the Clerk, but the revocation shall not be effective if the insurer of the Bonds, if any, or the owners of a majority in aggregate principal amount of the Bonds Outstanding, before the attempted revocation, consented to and approved the amendatory instrument referred to in the revocation.

Section 1207 Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of this Article, the terms and the provisions of this Ordinance or of any instrument amendatory hereof or supplemental hereto and the rights and the obligations of the County, the insurer of the Bonds, if any, and of the owners of the Bonds hereunder may be modified or amended in any respect upon the adoption by the County and upon the filing with the Clerk of an instrument to that effect and with the consent of the insurer of the Bonds, if any, or the owners of all the then Outstanding Bonds, the consent to be given as provided in Section 1004 hereof, and no notice to the insurer of the Bonds, if any, or the owners of Bonds, shall be required as provided in Section 1203 hereof, nor shall the time of consent be limited except as may be provided in the consent.

Section 1208 Exclusion of County's Bonds. At the time of any consent or of other action taken under this Article, the County shall furnish to the Clerk a certificate of the County Treasurer, upon which the County may rely, describing all Bonds to be excluded, for the purpose of consent or of other action or of any calculation of Outstanding Bonds provided for in this Article, and the County shall not be entitled with respect to such Bonds to give any consent or to take any other action provided for in this Article, pursuant to paragraph (4) of Section 102B hereof

Section 1209 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in this Article provided may bear a notation by endorsement or otherwise in form approved by the County as to the action; and if any Bond so authenticated and delivered shall bear such notation, then upon demand of the owner of any Bond Outstanding at such effective date and upon presentation of his or her Bond for the purpose at the principal office of the Secretary, suitable notation shall be made on the Bond by the Secretary as to any such action. If the County so determines, new Bonds so modified as in the opinion of the County to conform to such action shall be prepared, authenticated and delivered; and upon demand of the owner of any Bond then Outstanding, shall be exchanged without cost to the owner for Bonds then Outstanding upon surrender of the Bonds.

Section 1210 Proof of Ordinances and Bonds. The fact and date of execution of any instrument under the provisions of this Article, the amount and number of the Bonds held by any Person executing the instrument, and the date of his or her holding the same may be proved as provided by Section 1004 hereof.

PASSED AND ADOPTED BY AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY, NEVADA, ON OCTOBER 13, 2020.

Proposed on October 13, 2020.

Proposed by Commissioner _____.

Passed October 13, 2020.

Those Voting Aye:

Those Voting Nay:

Absent:

Chair

Board of County Commissioners

Washoe County, Nevada

(SEAL)

Attest:

County Clerk

This Ordinance shall be in full force and effect from and after the ____ day of the month of October of the year 2020, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA

)

) ss.

COUNTY OF WASHOE

)

I am the qualified and elected Clerk of Washoe County (the "County"), and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of an ordinance adopted by Board of County Commissioners (the "Board") of the County at a meeting held on October 13, 2020. The original of the ordinance has been approved and authenticated by the signatures of the Chair of the Board and myself as County Clerk and sealed with the seal of the County, and has been recorded in the minutes of the Board kept for that purpose in my office.

2. Said proceedings were duly had and taken as therein shown. The Commissioners set forth in the ordinance were present at the meeting and voted on the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020 and the Nevada Governor's Directive 006, as amended. A copy of the notice of meeting (attached as Exhibit A) and excerpts from the agenda for the meeting relating to the Ordinance, as posted no later than 9:00 a.m. on the third working day prior to the meeting, on the County's website, on the State of Nevada's official website and if required by the NRS 241.020 and the Nevada Governor's Directive 006, as extended, at least three (3) other separate, prominent places within the jurisdiction of the Board.

5. Prior to 9:00 a.m. at least 3 working days before such meetings, such notice was mailed to each person, if any, who has requested notices of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

6. A copy of an affidavit evidencing publication of notice of adoption of the ordinance is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand on October 13, 2020.

County Clerk

EXHIBIT A

(Attach Copy of Notice of October 13, 2020 Meeting)

EXHIBIT B

(Attach Affidavit of Publication of Notice of Adoption of Ordinance Twice by Title)