



LAKE COUNTY FOREST PRESERVES
www.LCFPD.org

Preservation, Restoration, Education and Recreation

DATE: October 5, 2015

TO: Carol Calabresa, Chair
Land Preservation and Acquisition Committee

Bonnie Thomson Carter, Chair
Planning and Restoration Committee

S Michael Rummel, Chair
Finance and Administrative Committee

FROM: Stephen A. Neaman
Director of Finance

SUBJECT: \$25,010,000 Million General Obligation Bonds, Series 2015

RECOMMENDATION: Recommend adoption of an Ordinance authorizing the sale of \$25,010,000 general obligation land preservation, acquisition, restoration and public access improvement bonds, Series 2015, as approved by the November 4, 2008 referendum, and providing for the levy and collection of a tax for payment of the bonds.

BACKGROUND: In the November 4, 2008 election, the voters approved a \$185 million bond referendum for land preservation, acquisition, restoration, and public access improvements. The Board-approved allocation is (80%) \$148 million for land preservation and acquisition, and (20%) \$37 million for habitat restoration projects and public access improvements. The final approximately \$25 million remains to be issued (approximately \$8 million for land acquisition and approximately \$17 million for capital improvements). These amounts are included in the approved FY 2015/16 Budget and Five-Year Capital Improvement Plan.

The bonds will be sold in a competitive sale. The Ordinance authorizes the Designated Officers (at least two of whom must be elective representatives and one of whom must be an appointed representative) to proceed with the necessary steps to sell the bonds. The Designated Officers are the District President, the Finance and Administrative Committee Chair, the Treasurer, the Executive Director, and the Director of Finance. The sale is currently scheduled for November 9, 2015.

REASON FOR RECOMMENDATION: Board approval is required in accordance with District policy.

REVIEW BY OTHERS: Executive Director, Corporate Counsel, Bond Counsel and Financial Advisor.

FINANCIAL IMPACT: The Ordinance provides for a tax levy beginning with the 2015 levy to repay the principal and interest on the bonds.

PRESENTER: Stephen A. Neaman

STATE OF ILLINOIS)
) SS
 COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
 LAKE COUNTY FOREST PRESERVE DISTRICT
 REGULAR OCTOBER MEETING
 OCTOBER 13, 2015**

MADAM PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **LAND PRESERVATION AND ACQUISITION, PLANNING AND RESTORATION, and FINANCE AND ADMINISTRATIVE COMMITTEES** present herewith "An Ordinance Authorizing the Sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the Execution of One or More Bond Orders in Connection Therewith, and the Levy of a Direct Annual Tax Sufficient to Pay the Principal of and Interest on Said Bonds" and request its adoption.

LAND PRESERVATION AND ACQUISITION COMMITTEE:

PLANNING AND RESTORATION COMMITTEE:

	YEA	NAY		YEA	NAY
<u>Carol Calabresa</u> Carol Calabresa, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Bonnie Thomson Carter</u> Bonnie Thomson Carter, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Steven W. Mandel</u> Steven W. Mandel, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Nick Sauer</u> Nick Sauer, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Bonnie Thomson Carter</u> Bonnie Thomson Carter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Carol Calabresa</u> Carol Calabresa	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Linda Pedersen</u> Linda Pedersen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Bill Durkin</u> Bill Durkin	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Tom Weber</u> Tom Weber	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Sandra Hart</u> Sandra Hart	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Jeff Werfel</u> Jeff Werfel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Diane Hewitt</u> Diane Hewitt	<input type="checkbox"/>	<input type="checkbox"/>
<u>Terry Wilke</u> Terry Wilke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Sid Mathias</u> Sid Mathias	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			<u>Craig Taylor</u> Craig Taylor	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			<u>Tom Weber</u> Tom Weber	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**FINANCE AND ADMINISTRATIVE
COMMITTEE:**

YEA NAY

<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
S. Michael Rummel, Chair		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Linda Pedersen, Vice Chair		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Steve Carlson		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Durkin		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Sandra Hart		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Aaron Lawlor		
<hr/>	<input type="checkbox"/>	<input type="checkbox"/>
Audrey Nixon		

ORDINANCE NUMBER _____

AN ORDINANCE authorizing the sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the execution of one or more bond orders in connection therewith, and the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

Adopted by the Board of Commissioners
on the 13th day of October 2015.

Published in Pamphlet Form by the
Authority of the Board of Commissioners
on the 13th day of October 2015.

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* This Table of Contents is for the convenience of the reader and is not a part of this ordinance.

ORDINANCE NUMBER _____

AN ORDINANCE authorizing the sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the execution of one or more bond orders in connection therewith, and the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

P R E A M B L E S

— WHEREAS —

A. The Lake County Forest Preserve District, Lake County, Illinois (the “*District*”) is a duly organized and operating forest preserve district under the constitution and laws of the State of Illinois.

B. The District operates, *inter alia*, under the following Illinois acts and laws, in each case as amended:

1. the Downstate Forest Preserve District Act (“*Act*”) relating to operations generally;
2. the Local Government Debt Reform Act (“*Debt Reform Act*”) relating to borrowing and finance; and
3. the Property Tax Extension Limitation Law (the “*Limitation Law*”) relating to certain ad valorem property tax limits.

C. The District is governed by a duly constituted Board of Commissioners (the “*Board*”), and the tax extension officer for the District is the County Clerk (the “*County Clerk*”) of The County of Lake, Illinois (the “*County*”).

D. The Board has considered its existing land preservation, acquisition, restoration, and public access improvement programs and the additional land and improvements which are advisable in order to serve the needs of the residents and the mission of the District.

E. The Board has previously found and determined and does hereby affirm that it is in the best interests of the District and the residents thereof that the Board be authorized to continue preservation and acquisition of natural areas and other lands and properties within the District, and to acquire and improve public use areas for recreation, education, and historic facilities at District sites (collectively, the “*Project*”) pursuant to its powers under the Act and, accordingly, be authorized to borrow money upon the faith and credit of the District for the Project and issue bonds therefor.

F. The Board has previously found and determined and does hereby affirm that the Project is needed to provide a quality land preservation and improvement program in and for the District.

G. The Board has determined and does affirm that there are insufficient funds of the District on hand and lawfully available to pay the costs of the Project.

H. The Board, by ordinance duly adopted, did authorize the submission of the following proposition to the voters of the District at the General Election held on the 4th day of November 2008 (the “*Election*”):

Shall the Lake County Forest Preserve District, Lake County, Illinois borrow money and issue bonds to acquire and improve forest preserve lands in order to preserve and restore wildlife habitats, trail and greenway corridors, wetlands, prairies and forests; to provide flood control; and to create and improve public use areas for recreation, education and historic facilities in an amount not to exceed \$185,000,000.00?

(the “*Proposition*”).

I. The County Clerk, as election authority (the “*Election Authority*”), caused proper notice to be given of the Election by publishing notice one or more times in one or more local community newspapers published in and having general circulation in the District, the date or dates of the publications being not more than 30 and not less than 10 days prior to the date of the

Election, each of which notices did specify the date of the Election, the time of opening and closing of the polls, and the proposition to be voted upon.

J. The Election Authority further caused a true and correct copy of the specimen ballot label containing the Proposition to be timely published in such newspapers as required by the laws of the State of Illinois.

K. The Election was duly and legally held and conducted by the proper persons appointed by the Election Authority to act as judges for the Election, and the Proposition submitted at the Election was submitted upon proper ballots.

L. In accordance with the general election law of the State of Illinois, the Election Authority did duly, timely and properly canvass the Election and declare the Proposition passed by the requisite majority of the electors.

M. No petition or proceeding is now or ever has been pending or threatened contesting the results of the Election.

N. The Board hereby finds that the District has been authorized to issue bonds in the aggregate amount of \$185,000,000 for the Project.

O. The District has issued \$159,990,000 of the bonds so authorized; and the Board now deems it advisable, necessary and for the best interests of the District that the additional aggregate principal amount of \$25,010,000 of the bonds so authorized be issued at this time, leaving a remainder authorized, but unissued at this time, of \$25,010,000.

P. The Board has determined that it is desirable and in the best interests of the District that certain officers of the District be authorized to sell one or more series of bonds from time to time and accordingly, it is necessary that said officers be so authorized with certain and delegated limitations as hereinafter set forth.

NOW THEREFORE BE IT AND IT IS HEREBY ORDAINED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois, as follows:

Section 1. Definitions. A. Words and terms used in this Ordinance shall have the meanings assigned them unless the context or use clearly indicates another or different meaning is intended. Words and terms defined in the singular may be used in the plural and vice-versa. Reference to any gender shall be deemed to include the other and also inanimate persons such as corporations, where applicable.

B. The following words and terms are as defined in the preambles hereto.

Act

Board

County

County Clerk

Debt Reform Act

District

Election

Election Authority

Limitation Law

Project

Proposition

C. The following words and terms are defined as set forth.

“*Bond Counsel*” means Chapman and Cutler LLP, attorneys, Chicago, Illinois.

“*Bond Fund*” means the Bond Fund created in Section 14 of this Ordinance.

“*Bond Order*” means a Bond Order, to be executed by any two of the Designated Officers acting together (at least one of whom shall be elective), and setting forth certain details of the Bonds of each series as provided in Section 11 of this Ordinance.

“*Bond Purchase Agreement*” is defined as each “Official Notice of Sale” and accompanying “Official Bid Form” as prepared by the District, aided by the Financial Advisor, upon acceptance by the District after receipt of bids at competitive offering.

“*Bond Register*” means the books of the District kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

“*Bond Registrar*” means Amalgamated Bank of Chicago, Chicago, Illinois, duly authorized to do business as a bond registrar and paying agent with the powers and duties as herein set forth, or a successor thereto or a successor designated as bond registrar and paying agent hereunder.

“*Bonds*” means the General Obligation Land Acquisition and Development Bonds Series 2015 [and, if applicable, optional series letter designation], authorized to be issued by this Ordinance, in one or more series, including bonds issued in exchange for or upon transfer or replacement of bonds of the same series previously issued under this Ordinance.

“*Book Entry Form*” means the form of the Bonds as fully registered and available in physical form only to the Depository.

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

“*Defeasance Obligations*” means (a) direct and general full faith and credit obligations of the United States Treasury (“*Directs*”), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

“Depository” means The Depository Trust Company, a limited trust company organized under the laws of the State of New York, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

“Designated Officers” means the officers of the District as follows: President of the Board (elective), Treasurer of the District (elective), Chair of the Finance and Administrative Committee (elective), Executive Director (appointive) and Director of Finance (appointive); *provided, however*, that subject to the provisions of this Ordinance, any act required of more than one of such officers shall be done by not less than one elected officer; and *provided, further*, that (a) if an elective Designated Officer (i) is unwilling or unable to fulfill the duties of a Designated Officer; or (ii) after the apparent Purchasers are identified as a result of the competitive public sale proceedings for the Bonds, holds a prohibited financial interest in any contract or work related to the Bonds, such Designated Officer shall no longer be a Designated Officer and the President of the District shall appoint either the Vice-President of the District (elective), the Assistant Treasurer (elective), or the Vice-Chair of the Finance and Administrative Committee (elective) as a Designated Officer, and (b) if an appointive Designated Officer (i) is unwilling or unable to fulfill the duties of a Designated Officer; or (ii) after the apparent Purchasers are identified as a result of the competitive public sale proceedings for the Bonds, holds a prohibited financial interest in any contract or work related to the Bonds, such Designated Officer shall no longer be a Designated Officer and the Chief Operations Officer (appointive) shall serve as a Designated Officer.

“Financial Advisor” means Speer Financial, Inc., Chicago, Illinois.

“Insurer” means an issuer of a municipal bond or financial guaranty insurance policy issued in connection with the issuance and delivery of the Bonds.

“Ordinance” means this Ordinance, numbered as set forth on the title page hereof, and passed by the Board on the 13th day of October 2015.

“Project Fund” means the project fund created in Section 14 of this Ordinance.

“Property Taxes” means the real property taxes levied to pay the Bonds as described and levied in Section 12 of this Ordinance.

“Purchase Price” means the price to be paid by the Purchasers of the Bonds, to-wit, not less than 98% of the par value of the Bonds plus accrued interest.

“Purchasers” means the purchasers of the Bonds as shall receive an award of sale at a public competitive sale as conducted by the Financial Advisor.

“Record Date” means the first day of the month of any regular or other interest payment date occurring on the 15th day of any month and the 15th day preceding any interest payment date occasioned by the redemption of Bonds on other than the 15th day of a month.

“Representations Letter” means such agreement or agreements by and among the District, the Bond Registrar, and the Depository as shall be necessary to effectuate Book Entry Form for the Bonds, and includes the Blanket Letter of Representations, dated July 14, 1999, previously executed by the District and the Depository.

“Rule” means Rule 15c2-12 as promulgated by the Securities and Exchange Commission.

“Secretary” means the Secretary of the Board and of the District.

“Tax-exempt” means, with respect to a series of Bonds, the status of interest paid and received thereon as excludable from gross income of the owners thereof for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations

“*Term Bonds*” means Bonds subject to mandatory redemption by operation of the Bond Fund and designated as Term Bonds in a Bond Order.

D. Definitions also appear in the preambles hereto or in specific sections, as appear below. The headings in and the table of contents preceding this Ordinance are for the convenience of the reader and are not a part of this Ordinance.

Section 2. Incorporation of Preambles. The Board finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 3. Authorization. It is hereby found and determined that the Board has been authorized by law to borrow the sum of not less than \$185,000,000 upon the credit of the District and as evidence of such indebtedness to issue at this time bonds in the aggregate principal amount of \$25,010,000 in order to pay the costs of the Project. The Bonds shall be issued pursuant to the Act and the Debt Reform Act. Because the Bonds were approved at the Election, the Bonds and the taxes to be extended for payment are not subject to the tax limitation provisions of the Limitation Law.

Section 4. Bond Details. At this time, there shall be borrowed on the credit of and for and on behalf of the District the sum of \$25,010,000 for the Project; and bonds of the District shall be issued in one or more series and shall each be designated “*General Obligation Land Acquisition and Development Bond, Series 2015 [if applicable, an optional series letter designation]*.” The Bonds shall be in fully registered form and also in Book Entry Form. The Bonds shall be dated as of the date of delivery thereof (the “*Dated Date*”); each Bond shall also bear its respective date of authentication; and the Bonds shall be numbered consecutively within series in such reasonable manner as the Bond Registrar shall determine. The Bonds shall become

due or subject to mandatory redemption on December 15 of the years 2016 through 2032, in the amounts (which, for one or more of such years, may be a zero amount) for such years as shall be set forth in the applicable Bond Order; *provided, however*, that the maximum amount of interest on and principal of the Bonds due in any period from a given December 16 to the following December 15 shall not exceed \$3,100,000. The Bonds shall bear interest at the rate of not greater than five percent (5.0%) per annum. The Bonds shall be in denominations of \$5,000 or integral multiples thereof (but no single such bond shall represent principal maturing on more than one date). Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually in each year, commencing not earlier than June 15, 2016, and not later than December 15, 2016, as shall be set forth in the applicable Bond Order, and at the respective rates percent per annum provided, until the principal thereof shall be paid or duly provided for. Interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer, in lawful money of the United States of America, as may be agreed by the Secretary or Treasurer of the District, the Bond Registrar, and the Depository. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The principal of the Bonds shall be payable upon presentation at the office designated for such purpose of the Bond Registrar. The Bonds may be Term Bonds as provided by the applicable Bond Order.

Section 5. Book Entry Form. The Bonds shall be issued in the form of a separate single fully registered Bond for each of the maturities of each series of the Bonds. Upon initial issuance, the ownership of each Bond shall be registered in the Bond Register in such name as may be provided by the Depository (the "*Book Entry Owner*"). The Secretary or the Treasurer is authorized to execute a Representations Letter or to utilize the provisions of an existing Representations Letter. Without limiting the generality of the authority given with respect to

entering into the Representations Letter for the Bonds, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices. With respect to Bonds registered in the Bond Register in the name of the Book Entry Owner, neither the District nor the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank, or other financial institution being referred to herein as a “*Depository Participant*”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, neither the District nor the Bond Registrar shall have any responsibility or obligation with respect to (a) the accuracy of the records of the Depository, the Book Entry Owner, or any Depository Participant with respect to any ownership interest in the Bonds; (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register or as expressly provided in the Representations Letter, of any notice with respect to the Bonds, including any notice of redemption; or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. In the event that for any reason the District determines that the Depository should not continue to act or the Depository declines to continue to act, then the District may designate a successor or substitute Depository or provide for certificated Bonds at such time.

Section 6. Execution; Authentication. The Bonds shall be signed by the manual or duly authorized facsimile signatures of the President and Secretary of the District, and shall be registered, numbered, and countersigned by the manual or duly authorized facsimile signature of the Treasurer, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the District. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the District and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized signatory of the Bond Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Redemption.

A. Optional Redemption. If so provided in the applicable Bond Order, any Bonds may be subject to redemption prior to maturity at the option of the District, in whole or in part on any date, at such times and at such optional redemption prices as shall be determined by the Designated Officers in such Bond Order. Such optional redemption prices shall be expressed as a percentage of the principal amount of Bonds to be redeemed, *provided* that such percentage shall not exceed one hundred three percent (103%), plus accrued interest to the date of

redemption. If less than all of the Outstanding Bonds of a series are to be optionally redeemed, the Bonds to be redeemed shall be from such maturities and in such principal amounts as shall be determined by the District. As provided in the applicable Bond Order, some portion or all of the Bonds may be made not subject to optional redemption.

B. Term Bonds; Mandatory Redemption and Covenants; Effect of Purchase or Optional Redemption of Term Bonds. The Bonds may be subject to mandatory redemption (as Term Bonds) as provided in a Bond Order. Bonds designated as Term Bonds shall be made subject to mandatory redemption by operation of the Bond Fund at a price of not to exceed par and accrued interest, without premium, on December 15 of the years and in the amounts as shall be determined in such Bond Order. The District covenants that it will redeem Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds. Proper provision for mandatory redemption having been made, the District covenants that the Term Bonds so selected for redemption shall be payable as at maturity, and taxes shall be levied and collected as provided herein accordingly. If the District redeems pursuant to optional redemption as may be provided or purchases Term Bonds of any maturity and cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the District shall determine. If the District redeems pursuant to optional redemption as may be provided or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the

amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the District shall determine.

Section 8. Redemption Procedures. The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows.

A. No Further Action for a Mandatory Redemption. For a mandatory redemption, the Bond Registrar shall proceed to redeem Bonds without any further order or direction from the District whatsoever.

B. Optional Redemption. For an optional redemption, the District shall, at least 45 days prior to a redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the series and maturities (and, if applicable, the scheduled mandatory redemptions affected) and principal amounts of Bonds to be redeemed.

C. Selection of Bonds within a Maturity. For purposes of any redemption of less than all of the Bonds, of a single series and maturity which by the terms of such Bonds are subject to redemption within a maturity by lot, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection prior to or upon the time of the giving of official notice of redemption or, in the event of a refunding or defeasance of Bonds, at such earlier time as being advised by the District that funds have been set aside to defease such Bonds in accordance with the defeasance provisions of this Ordinance.

D. Official Notice of Redemption. The Bond Registrar shall promptly notify the District in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the District by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

- (1) the redemption date;
- (2) the redemption price;
- (3) if less than all of the outstanding Bonds of a particular series and maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;
- (4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office designated for such purpose of the Bond Registrar.

E. Conditional Redemption. A notice of redemption may, at the option of the District, state that said redemption shall be conditional upon the receipt of moneys sufficient to pay the redemption price of the Bonds to be redeemed by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the District shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed.

F. Bonds Shall Become Due. Official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, subject to the stated condition in the paragraph (E) immediately preceding, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

G. Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to

receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice*, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Representations Letter, and the giving of such notice shall constitute a waiver by the Depository and the Book Entry Owner, as registered owner, of the foregoing notice.

H. New Bond in Amount Not Redeemed. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like series and tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

I. Effect of Nonpayment upon Redemption. If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

J. Bonds to Be Cancelled; Payment to Identify Bonds. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

K. Additional Notice. The District agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange

Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however*, that such additional notice shall be (a) advisory in nature, (b) solely in the discretion of the District, (c) not be a condition precedent of a valid redemption or a part of the Bond contract, and (d) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the District with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

L. Bond Registrar to Advise District. As part of its duties hereunder, the Bond Registrar shall prepare and forward to the District a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

Section 9. Registration of Bonds; Persons Treated as Owners. The District shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the office designated for such purpose of the Bond Registrar, which is hereby constituted and appointed the registrar of the District for the Bonds. The District is authorized to prepare, and the Bond Registrar or such other agent as the District may designate shall keep custody of, multiple Bond blanks executed by the District for use in the transfer and exchange of Bonds. Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office designated for such purpose of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the District shall

execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like series and tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount. The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each series and maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such series and maturity less the amount of such Bonds which have been paid. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his (her) legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of Bonds for any transfer or exchange of Bonds, but the District or the Paying Agent may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 10. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however*, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then the second paragraph of the front side of the Bond and the legend “See

Reverse Side for Additional Provisions” shall be omitted and paragraphs on the reverse side of the Bond shall be inserted immediately after the first paragraph on the front side.

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE COUNTY OF LAKE
LAKE COUNTY FOREST PRESERVE DISTRICT**

**GENERAL OBLIGATION LAND ACQUISITION AND DEVELOPMENT BOND
SERIES 2015 [OPTIONAL SERIES LETTER DESIGNATION]**

See Reverse Side for
Additional Provisions

Interest Maturity Dated
Rate: ____% Date: December 15, _____ Date: _____, 2015 CUSIP: _____

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Lake County Forest Preserve District, Lake County, Illinois (the “*District*”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Dated Date identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, on June 15 and December 15 of each year, commencing _____ 15, 20__, and until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption prior to maturity may be and become applicable hereto. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the office designated for such purpose of Amalgamated Bank of Chicago, located in the City of Chicago, Illinois, or successor, as paying agent and bond registrar (the “*Bond Registrar*”). Payment of

interest shall be made in lawful money of the United States of America to the Registered Owner hereof as shown on the registration books of the District maintained by the Bond Registrar at the close of business on the Record Date for each interest payment date and shall be paid by funds transfer as agreed by the District and The Depository Trust Company, its nominee, or successor, as provided for same. “*Record Date*” means the first day of the month of any regular or other interest payment date occurring on the 15th day of any month and the 15th day preceding any interest payment date occasioned by the redemption of Bonds on other than the 15th day of a month.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts, and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of Bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax sufficient to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the Lake County Forest Preserve District, Lake County, Illinois, by its Board of Commissioners, has caused this Bond to be signed by the manual or duly authorized facsimile signatures of the President and Secretary of the District, and to be registered, numbered, and countersigned by the manual or duly authorized facsimile signature of the Treasurer of the District, and the seal of the District or facsimile thereof to be affixed thereunto, all as appearing hereon and as of the Dated Date as identified above.

President, Board of Commissioners

Secretary, Board of Commissioners

Registered, Numbered and Countersigned:

Treasurer

Date of Authentication: _____, 2015

CERTIFICATE
OF
AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Ordinance and is one of the General Obligation Land Acquisition and Development Bonds, Series 2015 [Optional Series Letter Designation], of the Lake County Forest Preserve District, Lake County, Illinois.

AMALGAMATED BANK OF CHICAGO
as Bond Registrar

Bond Registrar and Paying Agent:

AMALGAMATED BANK OF CHICAGO

with payment and registration offices
located in Chicago, Illinois

By _____
Authorized Officer

[Form of Bond - Reverse Side]

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

**GENERAL OBLIGATION LAND ACQUISITION AND DEVELOPMENT BOND
SERIES 2015 [OPTIONAL SERIES LETTER DESIGNATION]**

This Bond is one of a series of bonds issued by the District to pay for the acquisition and development of forest preserve lands, all as authorized pursuant to the provisions of Illinois law, including, specifically, the Downstate Forest Preserve District Act, as amended, and the Local Government Debt Reform Act, as amended; and, further, as authorized by the electors at an election held on the 4th day of November 2008; and, also, further, as authorized by the Board of Commissioners of the District by an ordinance (as supplemented by the Bond Order authorized therein and executed in connection with the sale of the Bonds, the “*Ordinance*”) duly and properly adopted on the 13th day of October 2015, in all respects as provided by law.

This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance.

This Bond is subject to mandatory and optional redemption upon the terms, notice, redemption prices, and other applicable provisions of the Ordinance.

The District and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of or on account of the principal of or interest thereon and for all other purposes whatsoever; all such payments so made to any such Registered Owner or upon such Owner’s order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid; and neither the District nor the Bond Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto:

Here insert identification number, such as Employer ID, SSN.

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 11. Sale of Bonds; Certain Conditions of Sale. Any two of the Designated Officers (at least one of whom shall be elective), acting in concert, are hereby authorized to proceed, without any further official authorization or direction whatsoever from the Board, to sell and deliver Bonds as herein provided. The Designated Officers shall be and are hereby authorized and directed to sell the Bonds to the Purchasers at the Purchase Price, *provided, however,* that the following conditions shall be met:

- A. The Bonds shall be sold at public competitive sale.
- B. The Financial Advisor shall provide advice (in the form of a written certificate) that the terms of the Bonds are fair and reasonable in light of current

conditions in the market for tax-exempt obligations such as the Bonds for such Bonds as are to be Tax-exempt.

C. Such other conditions of sale as are set forth in this Ordinance shall be met. Nothing in this Section shall require the Designated Officers to sell the Bonds if in their judgment, aided by the Financial Advisor, the conditions in the bond markets shall have markedly deteriorated from the time of adoption hereof, but the Designated Officers shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance shall have been met. It shall be a finding in the Bond Order that to the best of the knowledge and belief of the Designated Officers executing same no Designated Officer is, in any manner prohibited by law, financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in the Bond Purchase Agreement with the Purchasers. Upon the sale of the Bonds, the Designated Officers and any other officers or employees of the District as shall be appropriate shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, a Bond Order, Preliminary Official Statement, Official Statement, Bond Purchase Agreement (as herein defined), closing documents; further, such certifications, tax returns, and documentation as may be advised by Bond Counsel as appropriate to establish and maintain the Tax-exempt status of the interest on the Bonds pursuant to the Code. The preparation by the Designated Officers, other staff of the District, and the Financial Advisor, and distribution of a Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Purchasers of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of

the Bonds) is also hereby authorized and approved. Any one of the Designated Officers charged with sale of the Bonds shall execute the Bond Purchase Agreement, and his or her execution shall constitute full and complete approval of all necessary or appropriate completions and revisions as shall appear therein. Upon the sale of the Bonds, the Designated Officers so acting shall prepare or cause to be prepared the Bond Order for same, which document shall be in form and substance substantially as the District has previously within the past five years authorized and delivered in connection with the sale of its bonds, as on file in the books and records of the District, which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the District and made available to the Board at a regular public meeting thereof. *The authority to sell the Bonds pursuant to any Bond Order as herein provided shall expire on April 13, 2016.*

Section 12. Tax Levy. In order to provide for the collection of direct annual taxes sufficient to pay and discharge the principal of and interest on the Bonds as the same become due, there is hereby levied upon all the taxable property within the District a direct annual tax for each of the years and in amounts sufficient for that purpose (the "*Property Taxes*"); and there is hereby levied upon all of the taxable property in the District, direct annual taxes in the specific amounts and for the levy years as follows:

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR (\$) SUM OF	
2015	3,100,000	for interest and principal up to and including December 15, 2016
2016	3,100,000	for interest and principal
2017	3,100,000	for interest and principal
2018	3,100,000	for interest and principal
2019	3,100,000	for interest and principal
2020	3,100,000	for interest and principal
2021	3,100,000	for interest and principal
2022	3,100,000	for interest and principal
2023	3,100,000	for interest and principal
2024	3,100,000	for interest and principal
2025	3,100,000	for interest and principal
2026	3,100,000	for interest and principal
2027	3,100,000	for interest and principal
2028	3,100,000	for interest and principal
2029	3,100,000	for interest and principal
2030	3,100,000	for interest and principal
2031	3,100,000	for interest and principal

The Property Taxes will be reduced upon sale of the Bonds and determination of the actual aggregate amounts of principal of and interest on the Bonds due in each year. The Secretary is hereby expressly authorized and directed to file the Bond Order with the County Clerk upon the sale of the Bonds of every series, and each Bond Order shall reflect the final Property Taxes to be levied for the Bonds of such series in such specific amounts and for such years as shall be necessary. The Property Taxes and other moneys on deposit (collectively, the “*Bond Moneys*”) in the Bond Fund shall be applied to pay principal of and interest on the Bonds as follows:

A. Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity or as redeemed pursuant to mandatory redemption from the Bond Fund; or

B. On or before 65 days preceding a mandatory redemption date, and provided notice is given to the Bond Registrar on or before said 65th day preceding a mandatory redemption date, Bond Moneys up to the amount of the redemption requirement on such

mandatory redemption date plus interest due on Term Bonds on such date may be applied (1) to the purchase of Term Bonds of the maturity for which such mandatory redemption requirement was established at prices (including commissions and charges, if any) not exceeding par and accrued interest to such mandatory redemption date or (2) to the redemption of such Bonds, without premium, pursuant to optional redemption provisions applicable thereto. Upon the purchase or redemption of Term Bonds of any maturity pursuant to this paragraph (B), an amount equal to the principal amount of such Bonds or applicable portion thereof so purchased or redeemed shall be deducted from the mandatory redemption requirement as provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of payment on the Term Bonds as due at maturity or subject to mandatory redemption in any year as the District shall at such time determine.

Principal of or interest on any Bond coming due at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the District, and the fund from which such payment was made shall be reimbursed out of the Property Taxes when the same shall be collected. The District covenants and agrees with the Purchasers and the registered owners from time to time of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the Property Taxes; and the District and its officers will comply with all present and future applicable laws in order to assure that the Property Taxes will be levied, extended, and collected as provided herein and deposited in the Bond Fund.

Section 13. Filing of Ordinance. Upon the passage of this Ordinance and sale of the first series of Bonds, the Secretary is hereby directed to file a certified copy of this Ordinance

(with or followed in due course by a Bond Order, as previously provided) with the County Clerk; and it shall be the duty of the County Clerk annually in and for each of the years provided, to ascertain the rate necessary to produce the Property Taxes, and extend the same for collection on the tax books against all of the taxable property within the District in connection with other taxes levied in each of said years for District purposes, in order to raise the respective amounts of the Property Taxes; and in each year such annual tax shall be computed, extended, and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general District purposes. When collected, the Property Taxes shall be placed to the credit of the Bond Fund.

Section 14. Use of Bond Proceeds; Creation of Funds. A. The principal proceeds received upon sale of each series of the Bonds shall be deposited into a separate fund for such series, each of which shall be designated “General Obligation Land Acquisition and Development Bonds, Series 2015 [Optional Series Letter Designation], Project Fund” (the “*Project Fund*”), hereby created. Each series Project Fund shall be separately held and accounted for. Further, unless otherwise provided in the Bond Order, 32% of such proceeds of each series shall be deposited to the credit of an account of each such Project Fund designated the “*Acquisition Account*,” and 68% of such proceeds shall be deposited to the credit of an account of the Project Fund designated the “*Development Account*.” Monies in the Acquisitions Accounts shall be used solely for land acquisition costs under the Act, and monies in the Development Accounts shall be used solely for the development of District lands as provided in the Act. The Board may, by ordinance, direct transfers from (i) the Development Account of a Project Fund to the Acquisitions Account of the same Project Fund; and (ii) the Acquisitions Account of a Project Fund to the Development Account of the same Project Fund, *provided, however*, that prior to doing so, the Board shall obtain the opinion of Bond Counsel (or other

counsel whose opinions are routinely accepted by the purchasers of state and local government bonds) that such transfer is proper under the Act and does not adversely affect the Tax-exempt status of any Bonds. Disbursements shall be made from each Account of the Project Fund solely and only for the costs of the Project properly payable from such Account, including related expenses of issuance of the Bonds of the series or otherwise incidental to the Bonds of such series or to the Project, and for which the proceeds are hereby appropriated. Interest received from deposits in each Account of the Project Fund shall be retained in such Account of the Project Fund and shall be applied to pay costs of the Project properly payable from such Account.

B. There is hereby created the “General Obligation Land Acquisition and Development Bonds, Series 2015 [Optional Series Letter Designation] Bond Fund” (the “*Bond Fund*”), which fund shall be the sole fund for the payment of principal of and interest on the Bonds of all series. Accrued interest, if any, on the sale and delivery of the Bonds shall be deposited into the Bond Fund and applied to the payment of first interest due on the series of Bonds from which derived. The Property Taxes received for the payment of the Bonds shall be deposited into the Bond Fund and used solely and only for paying the interest on and principal of the Bonds. Interest received from deposits in the Bond Fund (i) is hereby appropriated for the purpose of, and shall be retained in the Bond Fund for payment of the Bonds on the interest payment date next after such interest is received or (ii) to the extent permitted by law, may be transferred by the Board to such other fund of the District as the Board may designate.

C. Alternatively to the creation of the Bond Fund, or any Project Fund as described above, the Treasurer may allocate Bond Moneys or the proceeds of the Bonds to one or more related funds of the District already in existence and in accordance with good accounting practice; *provided, however*, that this shall not relieve the District or the Treasurer of the duty to

account and invest for the Bond Moneys and the proceeds of the Bonds as herein provided, as if such funds had in fact been created.

Section 15. General Tax Covenants. The District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting, or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the District may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. In furtherance of the foregoing provisions, but without limiting their generality, the District agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants, and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with such Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the District in such compliance.

Section 16. Certain Specific Tax Covenants.

A. None of the Bonds shall be a “private activity bond” as defined in Section 141(a) of the Code; and the District certifies, represents, and covenants as follows:

(1) Not more than 5% of the net proceeds of the Bonds of each series is to be used, directly or indirectly, in any trade or business carried on by any person other than a state or local governmental unit.

(2) Not more than 5% of the amounts necessary to pay the principal of and interest on the Bonds of each series, taken separately, will be derived, directly or indirectly, from payments with respect to any private business use by any person other than a state or local governmental unit.

(3) None of the proceeds of any series of the Bonds is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

(4) Other than as may be permitted under paragraph (1) above (relating to 5% use for each series), no user of the land or improvements to land of the District to be acquired or made as part of the Project, other than the District or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the District or another governmental unit, will be a user of such land or improvements as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract other than as expressly permitted by the Code, or (iii) any other arrangement.

B. The Bonds shall not be “arbitrage bonds” under Section 148 of the Code; and the District certifies, represents, and covenants as follows:

(1) With respect to the Project, the District has heretofore incurred or within six months after delivery of each series of the Bonds expects to incur substantial binding obligations to be paid for with money received from the sale of such series of the Bonds,

said binding obligations comprising binding contracts for the Project in not less than the amount of 5% of the proceeds of such series of the Bonds.

(2) More than 85% of the proceeds of the Bonds of each series are expected to be expended on or before three years after delivery of such series for the purpose of paying the costs of the Project.

(3) All of the principal proceeds of the Bonds of each series and investment earnings thereon are expected to be used, needed and expended for the purpose of paying the costs of the Project including expenses incidental thereto.

(4) Acquisitions of and work constituting the Project to be payable from each series of the Bonds are expected to proceed with due diligence to completion.

(5) Except for the Bond Fund, the District has not created or established and will not create or establish any sinking fund reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

(6) Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the District officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate District officers are hereby authorized to make such investments.

(7) Unless an applicable exception to Section 148(f) of the Code, relating to the rebate of “excess arbitrage profits” to the United States Treasury (the “*Rebate Requirement*”) is available to the District, the District will meet the Rebate Requirement.

(8) Relating to applicable exceptions, any District officer charged with issuing the Bonds is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the District.

C. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the District prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the Project or expenditures for which an intent to reimburse it as properly declared under Treasury Regulations Section 1.103-18. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.103-18 as to all costs of the Project paid within 60 days prior to the date hereof and prior to issuance of the Bonds.

D. The District reserves the right to use or invest moneys in connection with any series of the Bonds in any manner or to use the District land or improvements acquired, constructed, or made as part of the Project in any manner (the “*Use Changes*”), notwithstanding the representations and covenants made in Sections 15 and 16 herein; provided it shall first have received an opinion of Bond Counsel (or other counsel whose opinions are routinely accepted by the purchasers of state and local government bonds) to the effect that the Use Changes are proper under applicable law and will not result in loss or impairment of Tax-exempt status for the Bonds.

Section 17. Pertaining to the Bond Registrar. If requested by the Bond Registrar, any of the Designated Officers are authorized to execute such standard form of agreement between the District and the Bond Registrar with respect to the obligations and duties hereunder. Subject

to modification by such agreement, the Bond Registrar accepts the duties listed as follows: (a) as applicable, to act as bond registrar, authenticating agent, paying agent, and transfer agent as provided herein; (b) to maintain a list of registered owners as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential except as otherwise may be required by law; (c) to cancel and/or destroy Bonds which have been paid at maturity, upon redemption or submitted for exchange or transfer; (d) to furnish the District at least annually a certificate with respect to Bonds cancelled and/or destroyed; and (e) to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding, and payments made with respect to interest on the Bonds. The District covenants that it shall at all times retain a Bond Registrar with respect to the Bonds, that it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment or registration of transfer or exchange, and that it shall require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry. The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the District that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. The Bond Registrar is the agent of the District and shall not be liable in connection with the performance of its duties except for its own negligence, willful wrongdoing, acts, or omissions. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Bonds. The District may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudged a bankrupt or insolvent,

or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the District covenants and agrees that it will thereupon appoint a successor Bond Registrar. The District shall mail notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association authorized to do trust business in Illinois and having capital, surplus, and undivided profit in excess of \$100,000,000.

Section 18. Insurance. The Designated Officers as part of a Bond Order or any related document of sale or delivery of the Bonds are hereby expressly authorized to sell the Bonds subject to the provisions of a municipal bond or financial guaranty insurance policy issued by an Insurer (the “*Policy*”). In such event, so long as such Policy shall be in full force and effect, the District and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Bonds, subrogation of the rights of the Bondholders to the Insurer when holding Bonds, amendment hereof, or other terms, as approved by any one or more of the Designated Officers, his, her or their approval to constitute full and complete acceptance by the District of such terms and provisions under authority of this Section.

Section 19. Continuing Disclosure Undertaking. Any of the Designated Officers is hereby authorized to execute and deliver the Continuing Disclosure Undertaking, which document shall be in form and substance substantially as the District has previously within the past three years authorized and delivered in connection with the sale of its bonds, as on file in the books and records of the District, but recognizing recent amendments to the Rule, to effect compliance with the Rule. When such Continuing Disclosure Undertaking is executed and delivered on behalf of the District, it will be binding on the District and the officers, agents, and

employees of the District, and the same are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing Disclosure Undertaking as executed and delivered. Notwithstanding any other provisions hereof, the sole remedies for failure to comply with such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the District to comply with its obligations thereunder.

Section 20. Defeasance. Any Bond or Bonds (a) which are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with a bank or trust company authorized to keep trust accounts to pay all principal and interest due thereon, or (c)(i) for which sufficient United States of America funds and Defeasance Obligations shall have been deposited with a bank or trust company authorized to keep trust accounts, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, (ii) accompanied by an opinion of Bond Counsel (or other counsel whose opinions are routinely accepted by the purchasers of state and local government bonds) as to compliance with the covenants with respect to such Bonds, and (iii) accompanied by an express declaration of defeasance by the Board; shall cease to have any lien on or right to receive or be paid from the taxes levied hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the Tax-Exempt status of such Bond or Bonds and payment, registration, transfer, and exchange are expressly continued for all Bonds whether outstanding Bonds or not.

Section 21. Severability. If any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 22. Superseder. All ordinances, procedural rules, or parts thereof in conflict herewith be and the same are hereby superseded and waived for purposes of this Ordinance; and this Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted October 13, 2015.

President, Board of Commissioners

Secretary, Board of Commissioners

MINUTES of a regular public meeting of the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois, held in the County Board Chambers, County Building, 18 North County Street, Waukegan, Illinois, in said District at _____ a.m., on the 13th day of October 2015.

* * *

The meeting was called to order by the President, and upon the roll being called, _____, the President, and the following members of the Board of Commissioners, all being physically present in chambers, answered present: _____

The following Commissioners were allowed by a majority of the Commissioners of the Board of Commissioners in accordance with and to the extent allowed by rules adopted by the Board of Commissioners to attend the meeting by video or audio conference: _____

No Commissioner was denied permission to attend the meeting by video or audio conference.

The following Commissioners were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

There being a quorum present, the Board of Commissioners conducted various business.

* * * * *

The President announced that the next item for consideration on the agenda was the issuance of the District's fourth series of general obligation land acquisition bonds from the approval at the November 4, 2008, referendum, and that the Board of Commissioners would consider the adoption of an ordinance authorizing the sale of the bonds, the execution of a bond order in connection with the bonds, and the levy of a direct annual tax to pay the principal of and interest on the bonds.

Whereupon the Finance and Administrative Committee Chair, presented and explained an ordinance which was before the Board of Commissioners in words and figures as provided:

AN ORDINANCE authorizing the sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the execution of one or more bond orders in connection therewith, and the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

Commissioner _____ moved and Commissioner _____ seconded the motion that said ordinance as presented by the Secretary be adopted.

After a full discussion thereof, in the presence of a quorum at all times, including a public recital of the nature of the matter being considered and such other information as would advise the public of the business being conducted, the President directed that the roll be called for a vote upon the motion to adopt said ordinance as presented.

Upon the roll being called, the following Commissioners voted

AYE: _____

NAY: _____

Whereupon the President declared the motion carried and said ordinance adopted and directed the Secretary to record the same in the records of the Board of Commissioners of Lake County Forest Preserve District, Lake County, Illinois, which was done.

* * *

Upon motion duly made, seconded and carried, the meeting was adjourned.

Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

CERTIFICATION OF AGENDA, MINUTES AND ORDINANCE AND OF PUBLICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Commissioners (the “*Board*”) of the Lake County Forest Preserve District, Lake County, Illinois (the “*District*”), and as such official I am the keeper of the records and files of the Board and of the District.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legal meeting of the Board held on the 13th day of October 2015 (the “*Meeting*”), insofar as same relates to the adoption of an ordinance entitled:

AN ORDINANCE authorizing the sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the execution of one or more bond orders in connection therewith, and the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

(the “*Ordinance*”) a true, correct and complete copy of which Ordinance as adopted appears before the foregoing transcript of the minutes of the Meeting.

I do further certify that the deliberations of the Board on the adoption of the Ordinance were conducted openly; that the vote on the adoption of the Ordinance was taken openly; that the Meeting was called and held at a specified time and place convenient to the public; that notice of the Meeting was duly given to all of the news media requesting such notice; that an agenda (the “*Agenda*”) for the Meeting was posted at least 48 hours in advance of holding the Meeting and also not later than 5:00 p.m. on the Friday preceding the Meeting at the location where the meeting was held and at the principal office of the District and remained continuously so posted until not earlier than the adjournment of the Meeting; that the Agenda contained a separate and

specific item relating to the consideration of the Ordinance for passage; that a true, correct, and complete copy of the Agenda is attached to this Certificate; that the Meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Downstate Forest Preserve District Act of the State of Illinois, as amended; and that the Board has complied with all of the provisions of law and with all of the procedural rules of the Board in the conduct of the Meeting and the adoption of the Ordinance.

I do further certify that I did publish in pamphlet form, by authority of the Board, a true and correct copy of the Ordinance, on the 13th day of October 2015; and, on said day and thereafter, maintained said pamphlets available and sufficient to meet the needs of the general public, at my office.

IN WITNESS WHEREOF I hereunto affix my official signature and the official seal of the District this 13th day of October 2015.

Secretary, Board of Commissioners

[SEAL]

[Attach: Agenda, Minutes and Ordinance.]

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Lake, Illinois, and as such official I do further certify that on the ____ day of _____ 2015, there was filed in my office a duly certified copy of an ordinance entitled:

AN ORDINANCE authorizing the sale of \$25,010,000 General Obligation Land Acquisition and Development Bonds of the Lake County Forest Preserve District, Lake County, Illinois, the execution of one or more bond orders in connection therewith, and the levy of a direct annual tax sufficient to pay the principal of and interest on said bonds.

duly adopted by the Board of Commissioners of Lake County Forest Preserve District, Lake County, Illinois, on the 13th day of October 2015, and that the same has been deposited in (and all as appearing from) the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County this ____ day of _____ 2015.

County Clerk of
The County of Lake, Illinois

[SEAL]