

**ORDINANCE #66686**  
**Board Bill No. 60**

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT AUTHORIZING AND DIRECTING THE ISSUANCE AND DELIVERY OF NOT TO EXCEED \$50,000,000 PRINCIPAL AMOUNT OF PUBLIC SAFETY GENERAL OBLIGATION REFUNDING BONDS, SERIES 2005, OF THE CITY OF ST. LOUIS, MISSOURI, TO EFFECT THE REFUNDING OF ALL OR A PORTION OF THE CITY OF ST. LOUIS, MISSOURI PUBLIC SAFETY GENERAL OBLIGATION BONDS, SERIES 1999 (REFERRED TO AS THE "REFUNDED BONDS") AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; SETTING FORTH CERTAIN TERMS AND CONDITIONS FOR THE ISSUANCE OF SUCH BONDS; PRESCRIBING THE FORM AND DETAILS OF THE BONDS; APPOINTING A PAYING AGENT AND BOND REGISTRAR IN CONNECTION WITH SUCH BONDS; APPOINTING AN ESCROW AGENT IN CONNECTION WITH THE REFUNDING OF THE REFUNDED BONDS, AUTHORIZING THE NEGOTIATED SALE OF THE BONDS AND THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING THE PREPARATION, EXECUTION AND DISTRIBUTION OF THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT AND THE PREPARATION, EXECUTION AND DELIVERY OF THE CONTINUING DISCLOSURE AGREEMENT, THE ESCROW AGREEMENT, AND OTHER MATTERS WITH RESPECT THERETO; AUTHORIZING THE NEGOTIATION AND PURCHASE OF BOND INSURANCE, IF ANY, AND THE APPROVAL AND EXECUTION OF DOCUMENTS NECESSARY TO COMPLY WITH THE DUTIES OF THE CITY UNDER ANY AGREEMENT FOR BOND INSURANCE; AND PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY BECOME DUE; AUTHORIZING THE PROPER OFFICIALS, AGENTS AND EMPLOYEES OF THE CITY TO EXECUTE SUCH DOCUMENTS AND TO TAKE SUCH ACTIONS AS ARE NECESSARY OR APPROPRIATE; REPEALING ORDINANCES OF THE CITY TO THE EXTENT INCONSISTENT WITH THE TERMS OF THIS ORDINANCE; AND CONTAINING SEVERABILITY AND EMERGENCY CLAUSES.

**WHEREAS**, The City of St. Louis, Missouri (the "City") is a constitutional charter city of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

**WHEREAS**, the City is authorized under its Charter to incur indebtedness and to issue and sell general obligation bonds of the City to evidence such indebtedness for the purpose of providing funds to pay the costs of certain improvement projects and refunding any bonded indebtedness; and

**WHEREAS**, pursuant to such authority and an ordinance duly passed by the Board of Aldermen of the City, an election was ordered to be held in the City on November 3, 1998, a general municipal election day, on the question of whether to issue the general obligation bonds of the City in an amount of \$65,000,000.00 for the purposes of acquiring certain real property, for constructing, reconstructing, repairing, furnishing, rehabilitating, renovating, and equipping buildings and appurtenances thereto for the Fire Department, for acquiring, purchasing, installing, constructing, replacing and modifying equipment for the communications system to be used by the City and for purchasing certain equipment, including but not limited to fire trucks, ambulances and firefighter personal protective equipment; and

**WHEREAS**, notice of the election was duly prepared, executed and published in the manner provided by law, and the election was duly held in accordance with the provisions of the notice and the laws of the State of Missouri; and

**WHEREAS**, the votes cast at the election on such question were duly canvassed as provided by law, and it was found and declared that more than two-thirds of the qualified voters of the City voting at such election on such question voted in favor of the issuance of such bonds (the "Voter Approval"); and

**WHEREAS**, on June 29, 1999 the City issued \$64,999,742.40 of its Public Safety General Obligation Bonds, Series 1999 (the "Series 1999 Bonds") pursuant to Ordinance No. 64641 for the purpose of (i) acquiring certain real property, constructing, reconstructing, repairing, furnishing, rehabilitating, renovating and equipping buildings and appurtenances thereto for the Fire Department, and acquiring, purchasing, installing, constructing, replacing, and modifying equipment for the communications system to be used by the City, and purchasing certain equipment, including but not limited to, fire trucks, ambulances and firefighter personal protective equipment; (ii) constructing, reconstructing, repairing, furnishing, rehabilitating, renovating and equipping buildings and appurtenances thereto for the Police Department, and the purchase of new equipment for the Laboratory Division of the Police Department; and (iii) demolishing and abating various abandoned or condemned buildings under the control of the City; and

**WHEREAS**, the City has determined that it is in the best interest of the City to effect debt service savings by issuing bonds to provide for the refunding of any or all of the outstanding Series 1999 Bonds (the Series 1999 Bonds to be refunded are referred to as the “Refunded Bonds”); and

**WHEREAS**, pursuant to Section 3 of Article XVII of the St. Louis City Charter, refunding bonds do not count against the \$65,000,000.00 of Series 1999 Bonds authorized pursuant to Voter Approval; and

**WHEREAS**, the Board of Aldermen of the City has determined that it is in the best interest of the City to sell such Bonds at a private sale; and

**WHEREAS**, it is necessary at this time to authorize the issuance and delivery of up to \$50,000,000 principal amount of its Public Safety General Obligation Refunding Bonds, Series 2005 (the “Bonds”) for the purpose of refunding the Refunded Bonds and paying the costs of issuance of the Bonds and approving certain actions and the execution of certain agreements in connection with such Bonds.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

**SECTION ONE. DEFINITIONS**

**101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere in this Ordinance, the following words and terms as used in this Ordinance shall have the meanings set forth below. Any terms not defined in this Ordinance shall have the definitions and meanings set forth in the Bond Purchase Agreement.

“Beneficial Owner” means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person's subrogee.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the City and the Underwriters.

“Bond Registrar” means UMB Bank, N.A., and any successor.

“Bonds” means the Public Safety General Obligation Refunding Bonds, Series 2005, authorized and issued by the City pursuant to this Ordinance.

“Bond Insurance Policy” means the municipal bond insurance policy issued by the Bond Insurer that guarantees payment on the Bonds.

“Bond Insurer” means if bond insurance is obtained, the company selected by the City to issue a municipal bond insurance policy insuring the payment on some or all of the Bonds.

“Business Day” means any day except Saturday, Sunday, a legal holiday, or a day on which banking institutions located in the State of Missouri are authorized by law to close.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

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

“Continuing Disclosure Agreement” shall mean that certain Continuing Disclosure Agreement between the City and UMB Bank, N.A., as Dissemination Agent thereunder, and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“City” means The City of St. Louis, Missouri, and any successors or assigns.

“Debt Service Fund” means the Debt Service Fund referred to in Section Five, paragraph 501 of this Ordinance.

“DTC” means The Depository Trust Company of New York, New York.

“Governmental Obligations” means direct obligations of, or obligations the principal of and interest on which are

guaranteed by, the United States of America or securities which represent an undivided interest in such obligations or securities to the extent that the Treasury of the United States is ultimately responsible for payment thereof.

“Outstanding,” when used with reference to the Bonds, means as of any particular date, all Bonds theretofore authenticated and delivered under this Ordinance, except:

- (a) Bonds theretofore canceled by the Paying Agent and Bond Registrar or delivered to the Paying Agent and Bond Registrar for cancellation;
- (b) Bonds deemed paid in accordance with the provisions of this Ordinance; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Ordinance.

“Owner” means the person or persons in whose name or names a Bond shall be registered on the books of the Paying Agent and Bond Registrar kept for that purpose in accordance with the provisions of this Ordinance.

“Participant” means any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Participating Underwriter” shall have the meaning ascribed thereto in the Continuing Disclosure Agreement.

“Paying Agent” means UMB Bank, N.A., and any successor.

“Representation Letter” means the Representation Letter from the City and the Paying Agent to DTC with respect to the Bonds.

“Tax Compliance Agreement” means the Tax Compliance Agreement, dated the date of issuance of the Bonds.

“Underwriters” means the underwriters who purchase the Public Safety General Obligation Refunding Bonds, Series 2005 pursuant to the Bond Purchase Agreement.

## **SECTION TWO. AUTHORIZATION OF THE BONDS**

**201. Authorization of the Bonds.** The City does hereby authorize and direct the issuance of the Bonds pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, and the Charter of the City, to refund the Refunded Bonds and to pay costs of issuance, and does hereby find and declare that this Ordinance is being enacted pursuant to the laws of the State of Missouri, including particularly Chapter 108, Missouri Revised Statutes, 1994, as amended, and that the issuance of the Bonds is for the public purposes set forth in the recitals to this Ordinance.

The Board of Aldermen, acting as the governing authority of the City, does hereby authorize the City to issue the Public Safety General Obligation Refunding Bonds, Series 2005 in one or more series in an aggregate principal amount not to exceed Fifty Million Dollars (\$50,000,000). The proceeds of the Bonds will, together with other available funds, if any, be used to refund the Refunded Bonds and to pay certain costs of issuance of the Bonds. Subject to the terms of this Ordinance, the City hereby authorizes and directs the Mayor and the Comptroller of the City in the exercise of their sole discretion to determine and establish the aggregate principal amount and the other terms and conditions of the Bonds.

**202. Description of the Bonds.** The Bonds shall consist of fully registered Bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof, numbered from R-1 consecutively upward in order of issuance. Interest on the Bonds shall be payable semiannually on an interest payment date each year (each an “Interest Payment Date”) to be determined by the Comptroller of the City and set forth in the Bond Purchase Agreement. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds shall bear interest from their dated date or from the most recent Interest Payment Date to which interest has been paid or duly provided for. The Bonds shall be substantially in the form set forth in Section Four of this Ordinance, and shall be subject to registration, transfer and exchange as provided in this Section.

**203. Designation of Paying Agent and Bond Registrar.** UMB Bank, N.A. is hereby designated as the City's paying agent for the payment of principal of, premium, if any, and interest on the Bonds and bond registrar and transfer agent with respect

to the registration, transfer and exchange of Bonds (the "Paying Agent" and "Bond Registrar").

**204. Method and Place of Payment of Bonds.** The principal of, and premium, if any, on the Bonds shall be payable to the registered Owners thereof in lawful money of the United States of America upon presentation and surrender of such Bonds as they respectively become due at the payment office of the Paying Agent and Bond Registrar.

The interest on the Bonds shall be payable to the registered Owners thereof by check or draft mailed by the Paying Agent and Bond Registrar to the persons in whose names the Bonds are registered on the close of business on the first day (whether or not a Business Day) of the month of each Interest Payment Date (the "Record Date") at their addresses as they appear on the bond registration books maintained by the Bond Registrar. Notwithstanding the foregoing, payment of the interest on each Bond shall be made by electronic transfer of immediately available funds to any registered Owner of \$1,000,000 or more in aggregate principal amount of Bonds at such electronic transfer address as such registered Owner shall specify if such registered Owner shall provide written notice to the Paying Agent and Bond Registrar not less than fifteen days prior to the Record Date on which any such payment is due requesting such electronic transfer and specifying such electronic transfer address which address shall include the name of the Bank, its ABA routing number and the account number to which such transfer shall be directed. Such notice may, if so stated therein, apply to all subsequent payments to such registered Owner while such registered Owner owns at least \$1,000,000 in principal amount of the Bonds.

**205. Registration Provisions.** The City shall, as long as any of the Bonds herein authorized remain Outstanding, cause to be kept at the payment office of the Bond Registrar books for the registration of Bonds as herein provided. The Bonds when issued shall be registered in the name of the owners on the books of registration of the City to be kept in the payment office of the Bond Registrar for that purpose. Each Bond shall be made payable to the registered Owner thereof. Each Bond shall be transferable only upon the registration books maintained by the Bond Registrar by the registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof at the payment office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered Owner or his duly authorized attorney. Upon the transfer of any Bond and the payment of any fee, tax or governmental charge, the Bond Registrar shall issue in the name of the transferee a Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond, registered in the name of the transferee, in any denomination herein authorized.

Upon surrender of any Bonds at the payment office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered Owner or his duly authorized attorney, such Bonds may, at the option of the registered Owner thereof, and upon payment of any fee, tax or governmental charge required to be paid, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, in any denomination herein authorized.

The Paying Agent and Bond Registrar shall not be required to exchange or register a transfer of (a) any Bonds during the fifteen-day period next preceding the selection of Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Bonds selected for redemption, or (b) any Bonds selected, called or being called for redemption in whole or in part except, in the case of any Bond to be redeemed in part, the portion thereof not so to be redeemed.

The City, the Bond Registrar and the Paying Agent may deem and treat the person in whose name any Bond shall be registered on the registration books maintained by the Bond Registrar 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, redemption price, and interest on such Bond and for all other purposes, and all such payments so made to any such registered Owner or upon his 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 City, nor the Bond Registrar, nor the Paying Agent shall be affected by any notice to the contrary, but such registration may be changed as herein provided. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. For every such exchange or transfer of Bonds the Bond Registrar may make a charge to the registered Owner sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer. The fees and charges of the Bond Registrar for making any exchange or transfer provided for by this Ordinance and the expense of any Bond printing necessary to effect the subsequent exchange or transfer of any Bond shall be paid by the City. The Bond Registrar shall not be required to register, transfer or exchange Bonds for a period of fifteen days next preceding an Interest Payment Date on the Bonds. If any registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such registered Owner hereunder or under the Bonds.

**206. Execution and Delivery of the Bonds.** The Mayor and Comptroller of the City are hereby authorized and directed to prepare and execute the Bonds in the manner specified above, and, when duly executed, to deliver the Bonds to the Bond Registrar with instructions to authenticate and deliver the Bonds to the representative of the Underwriters thereof, on payment of the purchase price, plus accrued interest thereon, if any, to the date of their delivery and upon satisfaction of the other terms of such purchase as provided in the Bond Purchase Agreement. The Bonds shall be executed in the name and for and on behalf of the City by the manual or facsimile signatures of the Mayor and Comptroller and attested by the manual or facsimile signature of the Register, and the seal of the City shall be affixed to or imprinted on each Bond. In case any officer whose signature or facsimile thereof appears on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in Section Four of this Ordinance, which shall be manually executed by the Bond Registrar. No Bond shall be entitled to any security or benefit under this Ordinance or shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Bond Registrar, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

The Bonds signed, sealed and authenticated as herein provided shall be and constitute valid and binding obligations of the City according to the terms of this Ordinance, although the exchange or transfer thereof may be made at a date or dates after any officer whose signature is affixed thereto shall have ceased to be the incumbent of his office.

**207. Mutilated, Lost, Stolen or Destroyed Bonds.** In the event any Bond is mutilated, lost, stolen, or destroyed, the City shall execute and the Paying Agent and Bond Registrar shall authenticate a new Bond of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Paying Agent and Bond Registrar, and in the case of any lost, stolen, or destroyed Bond, there first shall be furnished to the City and the Paying Agent and Bond Registrar evidence of such loss, theft or destruction satisfactory to the City and the Paying Agent and Bond Registrar, together with an indemnity satisfactory to them which indemnity shall, in any event, name the City and the Paying Agent and Bond Registrar as beneficiaries. In the event any such Bond shall have matured, the Paying Agent and Bond Registrar, instead of delivering a duplicate Bond, may pay the same without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond. The City and the Paying Agent and Bond Registrar may charge the Owner of such Bond with their reasonable fees and expenses for such service. In executing a new Bond, the City may rely conclusively upon a representation by the Paying Agent and Bond Registrar that the Paying Agent and Bond Registrar are satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft or destruction of any Bond.

**208. Destruction of Bonds.** Whenever any Outstanding Bond shall be delivered to the Paying Agent and Bond Registrar for cancellation pursuant to this Ordinance, or for replacement pursuant to Section 207 of this Ordinance, such Bond shall be promptly canceled and thereafter destroyed by the Bond Registrar in accordance with then applicable record retention requirements, and counterparts of a certificate of cancellation shall be furnished by the Paying Agent and the Bond Registrar to the City.

**209. Temporary Bonds.** Until Bonds in definitive form are ready for delivery, the City may execute, and upon the request of the City, the Paying Agent and Bond Registrar shall authenticate and deliver, subject to the provisions, limitations and conditions set forth above, one or more Bonds in temporary form, whether printed, typewritten, lithographed or otherwise produced, substantially in the form of the definitive Bonds, with appropriate omissions, variations and insertions, and in authorized denominations. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the liens and benefits of this Ordinance. Upon presentation and surrender of any Bond or Bonds in temporary form, the City shall, at the request of the Paying Agent and Bond Registrar, execute and deliver to the Paying Agent and Bond Registrar, and the Paying Agent and Bond Registrar shall authenticate and deliver, in exchange therefor, a Bond or Bonds in definitive form. Such exchange shall be made by the Paying Agent and Bond Registrar without making any charge therefor to the Owner of such Bond in temporary form. Notwithstanding the foregoing, Bonds in definitive form may be issued hereunder in typewritten form.

**210. Securities Depository.**

- (a) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be

issued in the principal amount of each stated maturity of each series of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the registration books maintained by the Bond Registrar in the name of Cede & Co., as nominee of DTC. The Paying Agent and Bond Registrar and the City may treat DTC (or its nominee) as the sole and exclusive Owner of the Bonds registered in its name for the purposes of payment of the principal of, premium, if any, or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners of Bonds under this Ordinance, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Paying Agent and Bond Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being an Owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of, premium, if any, or interest on the Bonds, with respect to any notice which is permitted or required to be given to Owners of Bonds under this Ordinance, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as the Owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Paying Agent shall pay all principal of, premium, if any, and interest on such Bonds, and shall give all notices with respect to such Bonds, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (d) hereof.

(b) In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the City may notify DTC and the Paying Agent and Bond Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bond certificates. In such event, the Bonds will be transferable in accordance with paragraph (d) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Paying Agent and Bond Registrar and discharging its responsibilities with respect thereto under applicable law. In such event, the Bonds will be transferable in accordance with paragraph (d) hereof. The City and the Paying Agent and Bond Registrar shall be entitled to rely conclusively on the information provided to it by DTC and its Participants as to the names and addresses of and principal amounts held by the beneficial owners of the Bonds.

(c) The execution and delivery of the Representation Letter to DTC by the Mayor and/or Comptroller of the City is hereby authorized, and execution of the Representation Letter by the Mayor and/or Comptroller of the City shall be conclusive evidence of such approval. The Representation Letter shall set forth certain matters with respect to, among other things, notices, consents and approvals by Owners of the Bonds and Beneficial Owners and payments on the Bonds. The Paying Agent and Bond Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Ordinance.

(d) In the event that any transfer or exchange of Bonds is permitted under paragraph (a) or (b) hereof, such transfer or exchange shall be accomplished upon receipt by the Paying Agent and Bond Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Ordinance. In the event Bond certificates are issued to holders other than Cede & Co., or its successor as nominee for DTC as holder of all of the Bonds, the provisions of this Ordinance shall also apply to all matters relating thereto, including, without limitation, the printing of such certificates and the method of payment of principal of and interest on such certificates.

### **SECTION THREE. REDEMPTION OF BONDS**

**301. Optional Redemption.** The City is authorized to establish that, at its option, the Bonds may be non-callable or may be made subject to redemption and payment prior to maturity, in whole or in part at any time in any order of maturity as selected by the City and in multiples of \$5,000 within a maturity, at such times and at such redemption price or prices all as determined by the Comptroller of the City, and as set forth in the Bond Purchase Agreement as executed and delivered by the City.

**302. Mandatory Sinking Fund Redemption.** The Bonds may be subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements to be determined by the Comptroller of the City in the manner set forth in the Bond Purchase Agreement as executed and delivered by the City.

The Paying Agent shall each year in which Bonds are to be redeemed pursuant to the terms of this paragraph make timely selection of such Bonds or portions of such Bonds to be so redeemed and shall give notice thereof as provided in paragraph 303 of this Ordinance without further instructions from the City.

The Paying Agent may, upon the receipt of written instructions from the Treasurer, use moneys on deposit in the Debt Service Fund at any time to purchase Bonds in the open market at a price not in excess of their principal amount, plus accrued interest thereon to the date of purchase. At the option of the Treasurer, such option to be exercised on or before the forty-fifth day next preceding any date on which Bonds are scheduled to be redeemed pursuant to this paragraph, the Treasurer may (i) deliver to the Paying Agent (A) for cancellation, Bonds in any aggregate principal amount desired, or (B) funds, together with appropriate instructions, for the purpose of purchasing any Bonds from any Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical, or (ii) receive a credit in respect to the mandatory redemption obligation of the City under this paragraph for any Bonds of the same maturity that prior to such date have been redeemed or purchased (other than through the operation of the requirements of this paragraph) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this paragraph. Each Bond so delivered or previously purchased or redeemed pursuant to either of the two preceding sentences shall be credited at 100% of the principal amount thereof against the obligation of the City to redeem Bonds of the same maturity on any mandatory redemption date or dates as specified in writing by the City; provided that the total amount to be so credited with respect to any one mandatory redemption date shall in all cases be equal to \$5,000 or any integral multiple thereof. If the City intends to exercise the option granted by clauses (i) or (ii) above, the City shall, on or before the forty-fifth day next preceding any date on which Bonds are scheduled to be redeemed pursuant to this paragraph, furnish the Paying Agent a certificate signed by the City indicating to what extent such clauses (i) and (ii) are to be complied with in respect to such mandatory redemption requirement.

**303. Notice of Redemption.** Notice of the City's intent to redeem Bonds pursuant to Section 301 of this Ordinance (including, when only a portion of the Bonds are to be redeemed, the maturities of such Bonds and the principal amounts thereof) shall be given by or on behalf of the City by registered or certified mail, postage prepaid, to the Paying Agent and Bond Registrar, such notice to be mailed not less than forty-five days prior to the date fixed for redemption. Notice of the selection or call for redemption identifying the Bonds or portions thereof to be redeemed, shall be given by the Paying Agent and Bond Registrar on behalf of the City by mailing a copy of the redemption notice at least thirty days but not more than sixty days prior to the date fixed for redemption by first class mail, postage prepaid, to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books; and a second notice of redemption shall be sent by certified mail, return receipt requested, at such address to the Owner of any Bond who has not submitted his Bond to the Paying Agent and Bond Registrar for payment on or before the date sixty days following the date fixed for redemption; provided, however, that neither any defect in giving such notice by mailing as aforesaid nor any defect in any notice so mailed shall affect the validity of any proceeding for the redemption of any Bond. Any notice mailed as provided in this section shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

Each notice of redemption shall state (i) the complete official caption, including the Bond series, of the Bonds; (ii) the date of mailing of the notice of redemption, (iii) the date fixed for redemption; (iv) the redemption price or prices; (v) the identification of the Bonds to be redeemed, by giving the individual certificate number of each Bond to be redeemed (or stating that all of the Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption); (vi) the CUSIP numbers of all Bonds being redeemed (provided such notice may contain a disclaimer as to the accuracy of such numbers); (vii) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed; (viii) the date of issue of the Bonds as originally issued; (ix) the rate or rates of interest borne by each Bond being redeemed; (x) the maturity date of each Bond being redeemed; (xi) the place or places where amounts due upon such redemption will be payable; (xii) the notice shall be void and of no effect in the event the Paying Agent and Bond Registrar does not have sufficient money to pay the redemption price of the Bonds on the redemption date; and (xiii) the address and telephone number of the contact person at the office of the Paying Agent with respect to such redemption. The notice shall require that such Bonds be surrendered at the payment office of the Paying Agent and Bond Registrar for redemption at the redemption price and shall state that further interest on such Bonds will not accrue from and after the redemption date provided by the Paying Agent and Bond Registrar has on deposit sufficient funds to redeem the Bonds on such date. Notice of such redemption shall also be sent by certified mail, return receipt requested, overnight delivery service or other secure means (including telecopier transmission), postage prepaid, to certain municipal registered securities depositories which are known to the Paying Agent and Bond Registrar to be holding Bonds and at least two of the national information services that disseminate securities redemption notices, when possible, at least two days prior to the mailing of notice required by the first paragraph above, but in any event at least thirty days prior to the redemption date; provided that neither the failure to send such notice as aforesaid nor any defect in such notice shall affect the validity or sufficiency of the proceedings for the redemption of such Bonds. The Bond Registrar is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond to be redeemed.

**304. Selection of Bonds to Be Redeemed.** Bonds shall be selected for redemption as follows:

- (a) Bonds shall be redeemed in any order of maturity as selected by the City and only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds of any series are to be redeemed and paid prior to maturity, such Bonds shall be selected by the Paying Agent and Bond Registrar in \$5,000 units of face value in such equitable manner as the Paying Agent and Bond Registrar may determine.
- (b) In the case of a partial redemption of Bonds when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any fully registered Bond is selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the registered Owner of such fully registered Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Paying Agent and Bond Registrar (1) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such fully registered Bond. If the Owner of any such fully registered Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Paying Agent and Bond Registrar for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

**305. Effect of Call for Redemption.** Whenever any Bond is called for redemption and payment as provided in this Section, all interest on such Bond shall cease from and after the redemption date, provided funds sufficient for its payment at the price specified above are on deposit at the place of payment.

**SECTION FOUR. FORM OF BONDS**

**401. Form of Bonds.** The Bond form and the certificate of authentication to be endorsed thereon is hereby approved in substantially the following form, with appropriate variations, omissions and insertions as permitted or required by this Ordinance and the signature of the City officials executing the same shall be conclusive as to their approval of such variations, omissions and insertions on behalf of the City:

(FORM OF FULLY REGISTERED BOND)

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered Owner of this Bond, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA  
STATE OF MISSOURI  
THE CITY OF ST. LOUIS

Registered  
No. R- \_\_\_\_\_ \$ \_\_\_\_\_

THE CITY OF ST. LOUIS, MISSOURI  
PUBLIC SAFETY GENERAL OBLIGATION REFUNDING BOND  
SERIES 2005

Rate of Interest	Maturity Date	Dated Date	CUSIP
_____ %	_____	_____	_____

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

THE CITY OF ST. LOUIS, MISSOURI, a municipal corporation and political subdivision of the State of Missouri (the "City"), for value received, promises to pay to the Registered Owner shown above, or registered assigns, but solely in the manner hereinafter set forth, the Principal Amount shown above on the Maturity Date shown above, and to pay interest on such Principal Amount from the Dated Date shown above or from the most recent Interest Payment Date, as hereinafter defined, to which interest has been paid or duly provided for (likewise payable solely in the manner hereinafter set forth), payable semiannually on \_\_\_\_\_ and \_\_\_\_\_ (each an "Interest Payment Date") in each year, beginning \_\_\_\_\_, 20\_\_\_\_, until such Principal Amount shall have been paid. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The principal of, and redemption premium, if any, on this Bond, subject to prior redemption as hereinafter provided, shall be paid at maturity or upon earlier redemption to the person in whose name such Bond is registered on the registration books maintained by the Paying Agent and Bond Registrar (as herein defined) at the maturity or redemption date thereof, upon presentation and surrender of such Bond at the payment office of UMB Bank, N.A., or its successors or assigns (the "Paying Agent and Bond Registrar"). The interest payable on this Bond on any Interest Payment Date shall be paid by check or draft mailed by the Paying Agent and Bond Registrar to the person in whose name such Bond is registered on the registration books maintained by the Paying Agent and Bond Registrar at the close of business on the Record Date for such interest, which shall be the first day (whether or not a Business Day) of the month of such Interest Payment Date. Notwithstanding the foregoing, payment of the interest on this Bond shall be made by electronic transfer of immediately available funds to any registered Owner of \$1,000,000 or more in aggregate principal amount of Bonds at such electronic transfer address as such registered Owner shall specify if such registered Owner shall provide written notice to the Paying Agent and Bond Registrar not less than fifteen days prior to the Record Date on which any such payment is due requesting such electronic transfer and specifying such electronic transfer address. Such notice may, if so stated therein, apply to all subsequent payments to such registered Owner while such registered Owner owns at least \$1,000,000 in principal amount of the Bonds. The principal of and interest on this Bond shall be payable in lawful money of the United States of America.

THIS BOND is one of an authorized series of fully registered Bonds without coupons of the City designated "Public Safety General Obligation Refunding Bonds, Series 2005" aggregating the principal amount of \$50,000,000 (the "Bonds"), issued by the City for the purpose of providing funds to pay the costs of refunding all or a portion of the outstanding Public Safety General Obligation Bonds, Series 1999, originally issued in the principal amount of \$64,999,742.40, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, as further described in Ordinance No. \_\_\_\_\_ adopted by the Board of Aldermen of the City on \_\_\_\_\_, 2005 and approved by the Mayor of the City on \_\_\_\_\_, 2005 (the "Ordinance"). *Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.*

THE BONDS maturing on \_\_\_\_\_, \_\_\_\_\_ and thereafter may be called for redemption and payment prior to maturity, at the option of the City, on \_\_\_\_\_, \_\_\_\_\_, and thereafter, in whole at any time or in part on any Interest Payment Date in any order of maturity as selected by the City and in multiples of \$5,000 within a maturity, at the redemption price of \_\_\_\_\_% of the principal amount thereof plus accrued interest thereon to the date of redemption. The Bonds maturing \_\_\_\_\_, \_\_\_\_\_, shall be subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of this paragraph on \_\_\_\_\_, \_\_\_\_\_, and on each \_\_\_\_\_ thereafter to and including \_\_\_\_\_, \_\_\_\_\_, at the principal amount thereof plus accrued interest to the redemption date, without premium. The City shall redeem, on \_\_\_\_\_ in each of the following years, the following principal amounts of such Bonds:

<u>Year</u>	<u>Principal Amount</u>
Leaving \$ _____ principal amount of Bonds maturing on _____, _____, to be paid at maturity.	

The Paying Agent shall each year in which Bonds are to be redeemed pursuant to the foregoing terms make timely selection of such Bonds or portions of such Bonds to be so redeemed and shall give notice thereof as provided in the Ordinance without further instructions from the City.

The Paying Agent may, upon the receipt of written instructions from the City, use moneys on deposit in the Debt Service Fund at any time to purchase Bonds in the open market at a price not in excess of their principal amount, plus accrued interest thereon to the date of purchase. At the option of the City, such option to be exercised on or before the forty-fifth day next preceding any date

on which Bonds are scheduled to be redeemed pursuant to this paragraph, the City may (i) deliver to the Paying Agent (a) for cancellation, Bonds in any aggregate principal amount desired, or (b) funds, together with appropriate instructions, for the purpose of purchasing any Bonds from any Owner thereof, whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical, or (ii) receive a credit in respect to the mandatory redemption obligation of the City under this paragraph for any Bonds of the same maturity that prior to such date have been redeemed or purchased (other than through the operation of the requirements of this paragraph) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this paragraph. Each Bond so delivered or previously purchased or redeemed pursuant to either of the two preceding sentences shall be credited at 100% of the principal amount thereof against the obligation of the City to redeem Bonds of the same maturity on any mandatory redemption date or dates as specified in writing by the City; provided that the total amount to be so credited with respect to any one mandatory redemption date shall in all cases be equal to \$5,000 or any integral multiple thereof. If the City intends to exercise the option granted by clauses (i) or (ii) above, the City shall, on or before the forty-fifth day next preceding any date on which Bonds are scheduled to be redeemed pursuant to this paragraph, furnish the Paying Agent a certificate signed by the City indicating to what extent such clauses (i) and (ii) are to be complied with in respect to such mandatory redemption requirement.

In the event the City shall elect to so redeem and pay any of the Bonds prior to maturity as aforesaid, the City shall give written notice of its intention to redeem and pay such Bonds on a specified date, identifying the Bonds or portions thereof to be redeemed, such notice to be given by registered or certified mail addressed to the manager of the underwriting group purchasing the Bonds, and by first class mail addressed to the registered Owner of each Bond, each of such notices to be mailed at least thirty days but not more than sixty days prior to the date fixed for redemption. Whenever any Bond is called for redemption and payment as aforesaid, all interest on such Bond shall cease to accrue from and after the date for which such call is made, provided funds are available for the payment of such Bond at the price specified above.

BONDS shall be redeemed in any order of maturity as selected by the City and only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds of any series are to be redeemed and paid prior to maturity, such Bonds shall be selected by the Paying Agent and Bond Registrar in \$5,000 units of face value in such equitable manner as the Paying Agent and Bond Registrar may determine.

In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any fully registered Bond is selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the registered Owner of such fully registered Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Paying Agent and Bond Registrar (1) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption, and (2) for exchange, without charge to the registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such fully registered Bond. If the Owner of any such fully registered Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Paying Agent and Bond Registrar for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

THE BONDS constitute general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due. Notwithstanding the foregoing, the City reserves the option of obtaining the issuance of a municipal bond insurance policy on some or all of the Bonds that unconditionally guarantees the payment of that portion of the principal of and the interest on the applicable Bonds which has become due for payment, but is unpaid by reason of nonpayment by the City.

THE BONDS are issuable in the form of fully registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The registered Owner of any Bond or Bonds may surrender the same to the Bond Registrar (together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered Owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of Bonds in any denomination referred to above, subject to the conditions and upon payment of the charges provided in the Ordinance.

THIS BOND is transferable as provided in the Ordinance only upon the books kept for that purpose at the payment office of the Bond Registrar, by the registered Owner of this Bond in person, or by his duly authorized attorney, upon surrender of this Bond

together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered Owner or his duly authorized attorney, and thereupon, a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance, and upon payment of the charges therein prescribed. The City, the Bond Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered on the registration books maintained by the Paying Agent and Bond Registrar as the absolute owner of this Bond for the purpose of receiving payment of, or on account of, the principal of this Bond and interest due hereon and for all other purposes.

THIS BOND shall not be valid or binding on the City or be entitled to any security or benefit under the Ordinance until this Bond shall have been authenticated by the execution by the Bond Registrar of the Certificate of Authentication hereon.

When all of the Bonds shall have been paid and discharged or provision for their payment and discharge has been made in accordance with the terms of the Ordinance, then the requirements contained in the Ordinance, the pledge of the City's faith and credit made thereunder, and the rights granted thereunder shall terminate.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Missouri; that a direct annual tax upon all taxable tangible property situated in the City has been levied for the purpose of paying the principal of and interest on the Bonds when due; and that the total indebtedness of the City, including this Bond and the series of which it is one, does not exceed any constitutional or statutory limitation.

STATEMENT OF INSURANCE

\_\_\_\_\_ has delivered its municipal bond insurance policy with respect to the scheduled payments due of principal of and interest on this Bond to UMB Bank, N.A., St. Louis, Missouri, or its successor, as paying agent for the Bonds. Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from \_\_\_\_\_ or the Paying Agent.

IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI has caused this Bond to be executed by the manual or facsimile signatures of the Mayor and Comptroller and approved as to form only by the City Counselor and attested by the manual or facsimile signature of the Register and its official seal to be affixed or imprinted hereon, and this Bond to be dated as of the Dated Date shown above.

THE CITY OF ST. LOUIS

(SEAL)

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

ATTEST

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

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

Approved as to form:

By: \_\_\_\_\_  
City Counselor

CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds described in the within-mentioned Ordinance. The date of authentication of this Bond is \_\_\_\_\_, 2005.

UMB BANK, N.A.,  
As Paying Agent

By: \_\_\_\_\_  
Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address, including zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF TRANSFEREE: \_\_\_\_\_

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing \_\_\_\_\_, Attorney, to transfer said Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution (as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 AD-15))

\_\_\_\_\_  
(Signature of Registered Owner)

NOTICE: The signature above must correspond with the name of the registered Owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

**SECTION FIVE. APPLICATION OF BOND PROCEEDS**

**501. Creation of Funds.**

- (a) The following funds are hereby created in the City's Treasury to be maintained by the Treasurer of the City:
  - (i) the Series 2005 Debt Service Fund ("Debt Service Fund")
  - (ii) the Series 2005 Costs of Issuance Fund (the "Costs of Issuance Fund")
  - (iii) the Series 2005 Rebate Fund (the "Rebate Fund").

(b) The Escrow Fund established under the Escrow Agreement is acknowledged by the City. A portion of the proceeds of the Bonds in an amount set forth in the Escrow Agreement shall be transferred to the escrow trustee holding the Escrow Fund pursuant to Section 502(c) of this Ordinance. The City shall cause moneys in the Escrow Fund to be applied solely to the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds as herein provided, in accordance with the provisions of the Escrow Agreement.

**502. Disposition of Bond Proceeds and Other Moneys.**

- (a) All accrued interest, if any, received from the sale of the Bonds shall be deposited in the Debt Service Fund established by City's Treasury and maintained by the Treasurer of the City and invested pursuant to the provisions of the City Charter, state law, the provisions herein and the Tax Compliance Agreement for the retirement of general obligation bonds of the City.
- (b) A sum received from the sale of the Bonds shall be deposited into the Costs of Issuance Fund, established in the City's Treasury and disbursed by the Comptroller of the City.
- (c) A sum received from the proceeds of the Bonds shall be delivered to the escrow trustee holding the Escrow Fund pursuant to the Escrow Agreement without further authorization from any party and shall be applied to the redemption and defeasance of the Refunded Bonds, in accordance with the Escrow Agreement.

(Dd) In addition to the foregoing application of the proceeds of the Bonds, funds may be transferred from the accounts established in connection with the Refunded Bonds, and deposited into the funds established herein or in the Escrow Fund, as may be provided in the Bond Purchase Agreement.

**503. Application of Moneys in the Costs of Issuance Fund.** Moneys in the Costs of Issuance Fund shall be disbursed by the Comptroller of the City on invoices of those engaged to render professional services and other fees, costs and expenses incurred in connection with the issuance of the Bonds. Any surplus remaining in the Costs of Issuance Fund, shall after a reasonable time be transferred to and deposited in the Debt Service Fund.

**504. Application of Moneys in the Debt Service Fund.** The accrued interest received upon the sale of the Bonds, if any, and the moneys received from the taxes levied and collected pursuant to Section 602 shall be deposited in the Debt Service Fund and shall be applied by the Treasurer of the City solely for the payment of the principal of, premium, if any, and interest on the Bonds when due, in the manner provided in Section 602. The Treasurer of the City is authorized and direct to withdraw from the Debt Service Fund sums sufficient to pay the principal or redemption price of and interest on the Bonds and the fees and expenses of the Paying Agent and Bond Registrar as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal or redemption price, interest and the fees and expenses of the Paying Agent will become due.

**505. Rebate Fund.**

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the payment provisions provided in subsection (b) below, all amounts on deposit at any time in the Rebate Fund shall be held by the Treasurer in trust to the extent required to pay rebatable arbitrage to the United States of America, and neither the City nor the Owner of any Bonds shall have any rights in or claim to such money. All amounts held in the Rebate Fund shall be governed by this Section and by the Tax Compliance Agreement.

(b) Pursuant to the Tax Compliance Agreement, the City shall remit all required rebate installments and a final rebate payment to the United States from moneys held in the Rebate Fund created in this Ordinance or from other moneys. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and paid to the City.

(d) Notwithstanding any other provision of this Ordinance, the obligation to pay rebatable arbitrage to the United States and to comply with all other requirements of this Section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Bonds until all rebatable arbitrage shall have been paid.

**SECTION SIX. PAYMENT OF THE BONDS**

**601. Security for the Bonds.** The Bonds shall be general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**602. Levy and Collection of Annual Tax.** For the purpose of providing for the payment of the Bonds, as the same becomes due, there is hereby levied upon all of the taxable tangible property within the City a direct annual tax sufficient to meet principal and interest requirements on the Bonds. The amounts of the principal and interest on the Bonds resulting from the tax levy shall be set forth in the Bond Purchase Agreement.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other taxes of the City are levied and collected. The proceeds derived from such taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the City, and shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds, as and when the same shall become due, and the fees and expenses of the Paying Agent. If at any time such taxes are not collected in time to pay the principal of, premium, if any, or interest on the Bonds when due, the Treasurer of the City is hereby authorized and directed to pay such principal, premium, if any, or interest out of the Debt Service Fund or the general funds of the City and to reimburse such Debt Service Fund or the general funds for money so expended when such taxes are collected.

**603. Surplus in the Debt Service Fund.** Any moneys or investments remaining in the Debt Service Fund after the retirement of the indebtedness for which the Bonds were issued and all other indebtedness of the City shall be transferred and paid into the general fund of the City.

**604. Bond Insurance.** The City is hereby authorized at its option and upon recommendation of its Financial Advisor, to obtain a Bond Insurance Policy for some or all of the Bonds from a Bond Insurer that has a credit rating such that the City will achieve, in the opinion of the Financial Advisor, an economic benefit if such Bonds are secured by the Bond Insurance Policy. If the Bond Insurance is obtained, the Comptroller is hereby authorized to approve the terms of any agreement for a Bond Insurance Policy with the Bond Insurer, and the Comptroller, with the advice of the City Counselor as to form thereof and attested by the Register, is hereby authorized and directed to execute such agreement for the Bond Insurance Policy and other documents in connection therewith as required to obtain the Bond Insurance Policy. The premium payable with respect to any Bond Insurance Policy shall be payable out of the proceeds of the Bonds as a cost of issuance.

#### **SECTION SEVEN. DEPOSIT AND INVESTMENT OF FUNDS**

**701. Deposits of Moneys.** Cash moneys in each of the funds and accounts created by and referred to in this Ordinance shall be deposited with a bank or banks located in the State of Missouri which are members of the Federal Deposit Insurance Corporation, and all such bank deposits shall be continuously and adequately secured by the banks holding such deposits as provided by the laws of the State of Missouri, and the Charter and ordinances of the City. All moneys held in the funds and accounts created by this Ordinance shall be accounted for separately and apart from all other funds of the City.

**702. Investment of Funds.** Moneys held in any fund or account referred to in this Ordinance may be invested by the Treasurer of the City pursuant to and in compliance with the provisions of the City Charter, state law, and the provisions of the Tax Compliance Agreement in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, or in such other obligations as may be permitted by law and the Charter and ordinances of the City; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund or account was created. All interest on any investments held in any fund or account shall accrue to and become a part of such fund or account.

**703. Tax Covenant.** The City covenants that it will not take any action or permit any action to be taken or omit to take any action or permit the omission of any action reasonably within its control which action or omission will cause the interest on the Bonds to be included in gross income for federal income taxation purposes or otherwise adversely affect the exemption of the interest on the Bonds from federal and State of Missouri taxation. This covenant shall survive the payment of the Bonds and the termination of this Ordinance as provided in Section Ten of this Ordinance.

**704. Tax Compliance Agreement.** The Mayor, Comptroller and/or the Treasurer of the City are hereby authorized and directed to execute and deliver the Tax Compliance Agreement on behalf of the City with the approval as to form by the City Counselor, and the signatures of the City officials executing the same shall be conclusive as to their approval of the Tax Compliance Agreement by the City.

#### **SECTION EIGHT. DEFAULT AND REMEDIES**

**801. Remedies.** The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the registered Owners of the Bonds. The registered Owner or registered Owners of any of the Bonds at the time Outstanding shall have the right, for the equal benefit and protection of all registered Owners of Bonds similarly situated:

- (a) By mandamus or other suit, action or proceedings at law or in equity to enforce his or their rights against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the Constitution and laws of the State of Missouri; and
- (b) By suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the registered Owners of the Bonds.

**802. Limitation on Rights of Registered Owners.** No one or more registered Owners of the Bonds secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided

for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all registered Owners of such Outstanding Bonds.

**803. Remedies Cumulative.** No remedy conferred herein upon the registered Owners of the Bonds is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any registered Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient.

**804. No Acceleration.** Notwithstanding anything herein to the contrary, the Bonds are not subject to acceleration upon the occurrence of an event of default hereunder.

#### SECTION NINE. PAYING AGENT AND BOND REGISTRAR

##### 901. Successor Paying Agent and Bond Registrar.

(a) Any corporation or association into which the Paying Agent and Bond Registrar may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its 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 it is a party, provided that such surviving corporation or association shall maintain an office in the State of Missouri, shall be and become the successor Paying Agent and Bond Registrar hereunder, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties, anything herein to the contrary notwithstanding.

(b) The Paying Agent and Bond Registrar may at any time resign by giving thirty days' notice to the City. Such resignation shall not take effect until the appointment of a successor Paying Agent and Bond Registrar.

(c) The Paying Agent and Bond Registrar may be removed at any time by an instrument in writing delivered to the Paying Agent and Bond Registrar by the City. In no event, however, shall any removal of the Paying Agent and Bond Registrar take effect until a successor Paying Agent and Bond Registrar shall have been appointed.

(d) In case the Paying Agent and Bond Registrar shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting as Paying Agent and Bond Registrar, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the City. Every successor Paying Agent and Bond Registrar appointed pursuant to the provisions of this Section shall be, if there be such an institution willing, qualified and able to accept the duties of the Paying Agent and Bond Registrar upon customary terms, a bank or trust company within the State of Missouri, in good standing and having or being wholly owned by an entity having reported capital and surplus of not less than \$10,000,000. Written notice of such appointment shall immediately be given by the City to the Owners of the Bonds. Any successor Paying Agent and Bond Registrar shall execute and deliver an instrument accepting such appointment and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Paying Agent and Bond Registrar, but such predecessor shall nevertheless, on the written request of the City, or of the successor, execute and deliver such instruments and do such other things as may reasonably be required to more fully and certainly vest and confirm in such successor all rights, powers, duties and obligations of such predecessor. If no successor Paying Agent and Bond Registrar has accepted appointment in the manner provided above within 90 days after the Paying Agent and Bond Registrar has given notice of its resignation as provided above, the Paying Agent and Bond Registrar may petition any court of competent jurisdiction for the appointment of a temporary successor Paying Agent and Bond Registrar; provided that any Paying Agent and Bond Registrar so appointed shall immediately and without further act be superseded by a Paying Agent and Bond Registrar appointed by the City as provided above.

#### SECTION TEN. DEFEASANCE

##### 1001. Satisfaction and Discharge of this Ordinance.

(a) When the principal of, premium, if any, and interest on all the Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in paragraph 1002 of this Ordinance, and provision shall also

be made for paying all other sums payable hereunder, including the fees and expenses of the Paying Agent and Bond Registrar to the date of retirement of the Bonds, and all sums payable according to the provisions of the Tax Compliance Agreement, then the requirements contained in this Ordinance, except as otherwise provided herein, and the pledge of the City's faith and credit made hereunder and all other rights granted hereby shall terminate, cease, determine and be void, and thereupon the Paying Agent and Bond Registrar shall execute, acknowledge and deliver to the City such instruments of satisfaction and discharge or release as the City shall request to evidence such release and the satisfaction and discharge of this Ordinance and shall transfer all amounts remaining in the funds and accounts created hereby to the City except funds or securities in which such moneys are invested and held by the Paying Agent and Bond Registrar for the payment of the principal of, premium, if any, and interest on the Bonds and any funds or securities in which such moneys are invested and held by the Paying Agent and Bond Registrar for payment of rebate payments required under Section 148(f) of the Code.

(b) The City is hereby authorized to accept a certificate of the Paying Agent and Bond Registrar stating that the whole amount of the principal, premium, if any, and interest so due and payable upon all of the Bonds then Outstanding has been paid or provision for such payment has been made in accordance with paragraph 1002 of this Ordinance.

(c) Notwithstanding the foregoing, nothing herein shall be construed to imply that any obligation imposed under the Tax Compliance Agreement will terminate on the payment in full, or provision for payment thereof, of the Bonds.

**1002. Bonds Deemed to Be Paid.**

(a) Bonds shall be deemed to be paid within the meaning of this Section when payment of the principal of and the applicable redemption premium, if any, on such Bonds, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided in this Ordinance, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms of this Ordinance, or (ii) provision therefor shall have been made by depositing with the Paying Agent and Bond Registrar, or other bank located in the State of Missouri and having trust powers, at or prior to the maturity or redemption date of such Bonds, in trust for and irrevocably appropriated thereto, (1) moneys sufficient to make such payment or (2) noncallable Government Obligations, maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment; provided, however, that there shall be filed with the Paying Agent and Bond Registrar a verification report of a nationally recognized independent certified accounting firm that the moneys or Government Obligations escrowed are sufficient to ensure the availability of sufficient moneys to make such payments when due and an opinion of Bond Counsel to the effect that so providing for the payment of any Bonds will not cause the interest on the Bonds to be includible in gross income for purposes of federal income taxation. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or be entitled to the benefits of this Ordinance, except for the purposes of any such payment from such moneys or Government Obligations; provided, however, that nothing herein shall be construed to imply that any obligation imposed under the Tax Compliance Agreement will terminate on the payment in full, or provision for payment thereof, of the Bonds.

(b) Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (ii) of subparagraph (a) above shall be deemed a payment of such Bonds as aforesaid until, as to all such Bonds which are to be redeemed prior to their respective stated maturities, the City shall have irrevocably elected to redeem such Bonds and proper notice of such redemption shall have been given in accordance with Section Three of this Ordinance or irrevocable instructions shall have been given to the Paying Agent and Bond Registrar to give such notice.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including premium thereon, if any) and interest thereon shall be and are hereby irrevocably appropriated for and shall be applied to and be used solely for the payment of the particular Bonds (including premium thereon, if any) and interest thereon with respect to which such moneys and Government Obligations have been so set aside in trust.

(d) All moneys deposited with the Paying Agent and Bond Registrar or other bank shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance.

**SECTION ELEVEN. MISCELLANEOUS PROVISIONS**

**1101. Governing Law.** This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

**1102. Official Statement.** The Mayor, the Comptroller, the Treasurer and other appropriate City officials are hereby

authorized and directed to participate in the preparation of the preliminary official statement and the final official statement for the issuance and sale of the Bonds and are further authorized and directed to execute and deliver such documents with their signature thereon to be conclusive of such approval by the City. For the purpose of enabling the original purchaser of the Bonds to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the appropriate officials of the City are hereby authorized, if requested, to provide a letter or certification and to take such further actions or execute such documents as such officials in their reasonable judgment deem necessary to enable the original purchasers of the Bonds to comply with the requirements of Rule 15c2-12(b)(1).

**1103. Continuing Disclosure.** The Mayor and Comptroller of the City are hereby authorized and directed to execute the Continuing Disclosure Agreement, on behalf of the City, in the form attached hereto as Exhibit A, with approval as to form by the City Counselor, in such form and with changes, modifications or completions thereof not inconsistent with the provisions of this Ordinance as the City officials executing the same shall approve, and signatures of the City officials executing the same shall be conclusive as to their approval of the Continuing Disclosure Agreement by the City. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered an event of default hereunder; however, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this paragraph. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

**1104. Bond Purchase Agreement.** The Mayor, Comptroller, Register and City Counselor of the City are hereby authorized and directed to execute the Bond Purchase Agreement between the City and the Underwriters with the approval as to form by the City Counselor, and the signatures of the City officials executing the same shall be conclusive as to their approval of the Bond Purchase Agreement by the City. The City hereby agrees that it will comply with and carry out its obligations under the provisions of the Bond Purchase Agreement. The City's obligations under the Bond Purchase Agreement are subject to the performance of the Underwriters of their obligations thereunder.

**1105. Execution and Delivery of an Escrow Agreement.** In connection with the application of the proceeds of the Bonds towards the refunding of the Refunded Bonds, the City hereby authorizes and directs the Mayor and the Comptroller to enter into an Escrow Agreement (the "Escrow Agreement") with the Escrow Agent in the form attached hereto as Exhibit B, such Escrow Agreement to provide for the investment of the proceeds of the Bonds and the application of such amounts to the payment of the Refunded Bonds. The Mayor, the Comptroller, and other appropriate officials of the City, with the approval as to form by the City Counselor, are hereby authorized and directed to execute and deliver the Escrow Agreement in such form and with changes, modifications or completions thereof, not inconsistent with the provisions of this Ordinance, as the City officials executing the same shall approve, and the signatures of the City officials executing the same shall be conclusive as to their approval of the Escrow Agreement by the City.

**1106. Further Authorization.** The Mayor, Comptroller, Treasurer and Register of the City are hereby authorized, empowered and directed to do all such acts and things and to execute, acknowledge and deliver all such documents (including, without limiting the generality of the foregoing, any bond purchase agreement requested by any purchaser of the Bonds, any bond insurance agreement, any closing certificate, tax compliance agreement, arbitrage certificate or arbitrage regulation agreement in connection with the issuance of the Bonds) as may in his, her or their discretion be deemed necessary or desirable in order to carry out or comply with the terms and provisions of this Ordinance and the Official Statement and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments or other documents herein approved, authorized and confirmed which they may approve and the execution or taking of such action shall be taken as conclusive evidence of its necessity or advisability. All of the acts and undertakings of such officers which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done shall be and the same are hereby in all respects, ratified, confirmed and approved. Such entities shall be compensated for their service as deemed appropriate by the officers of the City.

**1107. Private Sale.** The Board of Aldermen of the City hereby declares that it is in its best interest to sell the Bonds at private negotiated sale at the best price obtainable as the Comptroller shall determine in her sole discretion, subject to the terms of this Ordinance and to the interest rate and par value limitations set forth in Section 108, Missouri Revised Statutes, as amended. The Board of Aldermen find that a public sale of the Bonds would cause additional expense to the City and since the condition of the current financial markets makes such a public sale not feasible or the best course of action for the City. The Mayor, Comptroller, Register, and City Counselor are hereby authorized to execute the Bond Purchase Agreement.

**1108. Authorized Officials; Further Authority.** The Mayor, the Comptroller, the Treasurer, the Register and other appropriate officers, agents and employees of the City, with the advice and concurrence of the City Counselor, are hereby authorized and empowered to execute and deliver the Bonds, the Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Agreement, any investment or related agreements, and all documents and other instruments which may be required under the terms of the Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Preliminary Official Statement, the Official Statement, the Continuing Disclosure Agreement, any agreement for credit enhancement and/or a credit facility or other documents in connection therewith as necessary to obtain credit enhancement and/or a credit facility, and this Ordinance, including, without limitation, applications, notices and other forms required to qualify the Bonds for sale under state securities or “Blue Sky” laws. The Mayor, the Comptroller, the Treasurer, the Register and other appropriate officers, agents and employees of the City, with the advice and concurrence of the City Counselor, are hereby authorized and empowered to execute such documents and to take such actions as are necessary or appropriate in connection with the issuance and sale of the Bonds and the consummation of the transactions contemplated hereby.

**1109. Repeal of Other Ordinances.** All ordinances or parts of ordinances in conflict with the provisions of this Ordinance shall be and the same hereby are repealed, insofar as they may so conflict.

**1110. Severability.** The sections of this Ordinance shall be severable. In the event that any section of this Ordinance is found by a court of competent jurisdiction to be illegal or unconstitutional, the remaining sections of this Ordinance are valid unless the court finds the valid sections of this Ordinance are so essentially and inseparably connected with, and so dependent upon, the void section that it cannot be presumed that the Board of Aldermen would have enacted the valid sections without the void sections; or unless the court finds the valid sections, standing alone, are incomplete and incapable of being executed in accordance with the legislative intent.

**1111. Emergency.** The passage of this Ordinance and the payment of the obligations to be provided for hereunder are necessary for the immediate preservation of the public peace, health and safety; an emergency is hereby declared to exist under the terms and provisions of Article IV, Sections 19 and 20, of the Charter of The City of St. Louis; and this Ordinance shall take effect immediately upon its approval by the Mayor.

**EXHIBIT A**

**Continuing Disclosure Agreement**

**CONTINUING DISCLOSURE AGREEMENT**

**between**

**THE CITY OF ST. LOUIS, MISSOURI**

**and**

**UMB BANK, N.A.  
St. Louis, Missouri  
As Dissemination Agent**

**Dated As of \_\_\_\_\_, 2005**

**THE CITY OF ST. LOUIS, MISSOURI  
Public Safety General Obligation Refunding Bonds  
SERIES 2005**

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## CONTINUING DISCLOSURE AGREEMENT

**This CONTINUING DISCLOSURE AGREEMENT** dated as of \_\_\_\_\_, 2005 (the “**Continuing Disclosure Agreement**”), is executed and delivered by **THE CITY OF ST. LOUIS, MISSOURI** (the “**City**”) and **UMB BANK, N.A.**, as dissemination agent (the “**Dissemination Agent**”).

## RECITALS

**1.** This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the City of \$\_\_\_\_\_ Public Safety General Obligation Refunding Bonds, Series 2005 (the “**Bonds**”), pursuant to the Constitution and statutes of the State of Missouri and Ordinance No. \_\_\_\_\_ (the “**Ordinance**”), passed by the Board of Alderman of the City on \_\_\_\_\_, 2005, and approved by the Mayor on \_\_\_\_\_, 2005.

**2.** The City and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). The City acknowledges that the City is the only “obligated person” with responsibility for continuing disclosure, and no other party has undertaken any responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any Beneficial Owner of the Bonds, with respect to the Rule.

In consideration of the mutual covenants and agreements herein, the City and the Dissemination Agent covenant and agree

as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

**“Annual Report”** means any Annual Report provided by the City pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

**“Beneficial Owner”** means any registered Owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the Owner of any Bonds for federal income tax purposes.

**“City”** means The City of St. Louis, Missouri.

**“Dissemination Agent”** means UMB Bank, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City.

**“Material Events”** means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

**“National Repository”** means any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in **Exhibit A**.

**“Participating Underwriter”** means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

**“Repository”** means each National Repository and each State Repository, if any.

**“Rule”** means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**“State Repository”** means any public or private repository or entity designated by the State of Missouri as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Continuing Disclosure Agreement, there is no State Repository.

**Section 2. Provision of Annual Reports.**

- (a) The City shall, or shall cause the Dissemination Agent to, not later than **180** days after the end of the City’s fiscal year, commencing with the year ending June 30, 2005, provide to each Repository the following financial information and operating data (the **“Annual Report”**):
- (1) The audited financial statements of the City for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided as a supplement to the Annual Report promptly after they become available.
  - (2) Updates as of the end of the fiscal year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit B**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been provided to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The City shall clearly identify each such other document so

included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall direct the Dissemination Agent to give notice of such change in the same manner as for a Material Event under **Section 3(d)**.

- (b) Not later than **15 Business Days** prior to the date specified in subsection (a) for providing the Annual Report to the Repositories, the City shall either: (1) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a); or (2) provide written notice to the Dissemination Agent that the City has provided the Annual Report to the Repositories.
- (c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the City that it has provided an Annual Report to the Repositories by the date required in subsection (b), the Dissemination Agent shall send a notice to each Repository in substantially the form attached as **Exhibit C**.
- (d) The Dissemination Agent shall:
  - (1) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and the State Repository, if any; and
  - (2) unless the City has provided the Annual Report to the Repositories, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to the Repositories and file a report with the City certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided, and listing all the Repositories to which it was provided.

### **Section 3. Reporting of Material Events.**

- (a) Pursuant to the provisions of this Section, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material ("**Material Events**"):
  - (1) principal and interest payment delinquencies;
  - (2) non-payment related defaults;
  - (3) modifications to rights of bondowners;
  - (4) optional, contingent or unscheduled bond calls;
  - (5) defeasances;
  - (6) rating changes;
  - (7) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
  - (8) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (9) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (10) substitution of credit or liquidity providers, or their failure to perform; or
  - (11) release, substitution or sale of property securing repayment of the Bonds.
- (b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the chief financial officer of the City or his or her designee, or such other person as the City shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the City promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the City determines that such event would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).
- (c) Whenever the City obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the City shall promptly notify and instruct the

Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

- (d) If the Dissemination Agent receives written instructions from the City to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with each National Repository or the Municipal Securities Rulemaking Board and the State Repository, if any, with a copy to the City. Notwithstanding the foregoing, notice of Material Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered Owners of affected Bonds pursuant to the Ordinance.

**Section 4. Termination of Reporting Obligation.** The City's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the City shall direct the Dissemination Agent to give notice of such termination or substitution in the same manner as for a Material Event under **Section 3(d)**.

**Section 5. Dissemination Agent.** The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the City. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the City pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is UMB Bank, N.A.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Agreement, the City and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the City and the Dissemination Agent with its written opinion that the undertaking of the City contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the City shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) the City shall direct the Dissemination Agent to give notice of such change in the same manner as for a Material Event under **Section 3(d)**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the City shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**Section 8. Default.** In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Ordinance, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the City or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

**Section 9. Duties and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are

specifically set forth in this Continuing Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The City shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

**Section 10. Notices.** Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed telefax, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

**If to the City:**

**The City of St. Louis**  
1200 Market Street  
Room 212  
St. Louis, Missouri 63103  
Attention: Comptroller

**The City of St. Louis**  
1200 Market Street  
Room 314  
St. Louis, Missouri 63103  
Attention: City Counselor

To the Dissemination Agent:

**UMB Bank, N.A.**  
2 South Broadway, Suite 435  
St. Louis, Missouri 63102  
Attention: Corporate Trust Department

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**Section 11. Beneficiaries.** This Continuing Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriters, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 12. Severability.** If any provision in this Continuing Disclosure Agreement, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 13. Counterparts.** This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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**Section 14. Governing Law.** This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

(SEAL)

The City of St. Louis, Missouri

By: \_\_\_\_\_  
Francis G. Slay, Mayor

Attest:

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

By: \_\_\_\_\_  
Parrie May, Register

Darlene Green, Comptroller

Approved as to form:

By: \_\_\_\_\_  
City Counselor

UMB Bank, N.A., as Dissemination Agent

(SEAL)

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

Attest:

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

**EXHIBIT A**

**NATIONALLY RECOGNIZED MUNICIPAL SECURITIES  
INFORMATION REPOSITORIES**

**(Via Federal Express)**

Bloomberg Municipal Repositories  
Bloomberg Business Park  
100 Business Park Drive  
Skillman, New Jersey 08558-3629

**(Via Regular Mail)**

Bloomberg Financial Markets  
Attention: Municipal Department  
P.O. Box 840  
Princeton, New Jersey 08542-0840  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
E-Mail: Munis@Bloomberg.com

Standard & Poor's J. J. Kenny Repository  
55 Water Street, 45th Floor  
New York, New York 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
E-mail: nrmsir\_repository@sandp.com

FT Interactive Data  
Attn: Repository  
100 William Street  
New York, New York 10038  
Phone: (212) 771-6999; 800-689-8466  
Fax: (212) 771-7390  
E-Mail: NRMSIR@interactivedata.com

DPC Data Inc.  
One Executive Drive  
Fort Lee, New Jersey 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107

E-Mail: nrmsir@dpcdata.com

**EXHIBIT B**

**FINANCIAL INFORMATION AND OPERATING DATA  
TO BE INCLUDED IN ANNUAL REPORT**

The following information and tables contained in the final Official Statement:

**EXHIBIT C**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

**Issuer:** The City of St. Louis, Missouri

**Name of Bond Issue:** \$\_\_\_\_\_ Public Safety General Obligation Refunding Bonds, Series 2005

**Name of Obligated Person:** The City of St. Louis, Missouri

**Date of Issuance:** \_\_\_\_\_, 2005

**NOTICE IS HEREBY GIVEN** that the City has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of \_\_\_\_\_, 2005, between the City and UMB Bank, N.A., as Dissemination Agent. [The Obligated Person has informed the Dissemination Agent that the Obligated Person anticipates that the Annual Report will be filed by \_\_\_\_\_.]

**Dated:** \_\_\_\_\_, \_\_\_\_

**UMB BANK, N.A.,**  
as Dissemination Agent on behalf of  
The City of St. Louis, Missouri

cc: Comptroller, City of St. Louis, Missouri  
City Counselor, City of St. Louis, Missouri

**EXHIBIT B  
Escrow Agreement**

**KING HERSHEY  
DRAFT DATED APRIL 25, 2005  
FOR DISCUSSION PURPOSES ONLY**

---

**ESCROW AGREEMENT**

**between**

**THE CITY OF ST. LOUIS, MISSOURI**

**and**

**UMB BANK, N.A.,  
AS ESCROW AGENT**

**DATED AS OF MAY 1, 2005**

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**ESCROW AGREEMENT**

**THIS ESCROW AGREEMENT**, dated as of June 1, 2005 (the “Agreement”), by and between the **CITY OF ST. LOUIS, MISSOURI**, a constitutional charter city and a political subdivision of the State of Missouri (the “City”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, in its capacity as escrow agent (hereinafter the “Escrow Agent”).

**WITNESSETH:**

**WHEREAS**, the City has heretofore duly authorized and issued pursuant to City Ordinance No. 64641 (the “1999 Ordinance”), its Public Safety General Obligation Bonds, Series 1999 (the “Series 1999 Bonds”), in the original aggregate principal amount of \$64,999,742.40 of which issue bonds in the aggregate principal amount of \$48,619,742.40 remain outstanding as of the date of this Agreement; and

**WHEREAS**, the Board of Aldermen of the City have determined that it is necessary and advisable and in the best interest of the City to pay, refund, redeem and retire **\*\*[all or a portion of]\*\*** the Series 1999 Bonds which remain outstanding and unpaid by depositing with the Escrow Agent funds in an amount sufficient together with certain funds of the City, to purchase direct obligations of the United States of America that may not be redeemed at the option of the issuer or any person other than the holder thereof, as identified in Schedule I of Exhibit A hereto (and together with any Substitute Obligations, as hereinafter defined, the “Defeasance Obligations”), which Defeasance Obligations will mature in principal amounts and bear interest in such amounts and become due and payable at such times so that monies will be available from such maturing principal and interest payments as shall, together with certain other funds of the City deposited with the Escrow Agent, be sufficient to pay all principal of, interest and redemption premium on that portion of the outstanding Series 1999 Bonds which mature on and after February 15, 20\_\_\_\_ (collectively, the “Refunded Bonds”) on August 15, 20\_\_\_\_ (the “Redemption Date”); and

**WHEREAS**, in order to provide funds to purchase the Defeasance Obligations, the City has determined that it is necessary to issue the City’s Public Safety General Obligation Refunding Bonds, Series 2005 (the “Series 2005 Bonds”) in the aggregate principal amount of \$ \_\_\_\_\_ under the authority of Ordinance No. \_\_\_\_\_ (the “2005 Ordinance”) adopted by the Board

of Aldermen of the City on \_\_\_\_\_, 2005, and approved by the Mayor of the City on \_\_\_\_\_, 2005, authorizing the City to issue the Series 2005 Bonds, a portion of the proceeds of which will be used for the purpose of providing funds, together with the investment earnings thereon, to refund the Refunded Bonds; and

**WHEREAS**, pursuant to the 2005 Ordinance, the City is authorized to issue the Series 2005 Bonds as therein provided, and to apply a portion of the proceeds thereof to the refunding of the Refunded Bonds; and

**WHEREAS**, the City has agreed to purchase certain direct obligations of the United States of America listed on Exhibit A, Schedule I hereto (the "Defeasance Obligations") from the proceeds of the Series 2005 Bonds, and has agreed to deposit with the Escrow Agent cash from the proceeds of the sale of the Series 2005 Bonds [and other available funds of the City], in the amounts set forth herein;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Creation of the Series 1999 Escrow Account.** There is hereby created and established with the Escrow Agent a special and irrevocable escrow account designated "The City of St. Louis Series 1999 Escrow Account for Public Safety General Obligation Bonds" (the "Escrow Account") to be held in the custody of the Escrow Agent in a segregated account separate and apart from all other funds held by the Escrow Agent, in trust for the benefit of the holders of the Refunded Bonds.

2. **Deposits into Escrow Account.**

(a) Concurrently with the execution of this Agreement, there is hereby deposited with the Escrow Agent, and the Escrow Agent hereby acknowledges the receipt of, immediately available funds in the amount of \$ \_\_\_\_\_, consisting of certain proceeds of the Series 2005 Bonds \*\*[and other available funds of the City]\*\*, which amount shall be deposited in the Escrow Account.

The aforesaid funds so held shall be deposited in the Escrow Account and applied and administered subject to and in accordance with the terms of this Agreement.

(b) The City hereby instructs the Escrow Agent to purchase with the aforesaid funds on deposit with the Escrow Agent, the Defeasance Obligations described in Schedule I of Exhibit A. Of the moneys deposited in the Escrow Account, \$ \_\_\_\_\_ shall be used to purchase the Defeasance Obligations listed in Schedule I of Exhibit A and \$ \_\_\_\_\_ shall be held uninvested.

(c) If for any reason, the Escrow Agent is unable to purchase all of the Defeasance Obligations on the date of issuance and delivery of the Series 2005 Bonds, additional cash shall be deposited in the Escrow Account in an amount which, together with cash then on deposit in the Escrow Account, will equal the full value at maturity of the Defeasance Obligations which cannot be delivered as of such date. If all or any portion of such undelivered Defeasance Obligations are subsequently delivered to the Escrow Agent for purchase, the Escrow Agent shall purchase such Defeasance Obligations and release any corresponding excess cash on deposit in the Escrow Account to the firm which posted such additional cash. If any securities other than the Defeasance Obligations listed on Schedule I of Exhibit A of this Agreement are to be purchased in lieu of the Defeasance Obligations listed on Schedule I of Exhibit A, the Escrow Agent shall follow the procedures set forth in Paragraph 4 of this Agreement with regard to the purchase of substituted securities.

3. **Creation of Lien.** The escrow created hereby shall be irrevocable. The holders of the Refunded Bonds are hereby granted an express lien on, and security interest in, the cash and Defeasance Obligations in the Escrow Account and all earnings thereon until used and applied in accordance with this Agreement. Except as otherwise expressly provided in Section 4 and Section 8 of this Agreement, such cash funds and the matured principal of and interest income from the Defeasance Obligations in the Escrow Account shall be applied solely for the payment of the principal of, redemption premium and interest on the Refunded Bonds.

The City hereby acknowledges and agrees that the deposit of funds hereinbefore described and application of the same in accordance with the terms of this Agreement will constitute all action required for the Refunded Bonds to cease to be entitled to any lien, benefit or security under the 1999 Ordinance and, upon such deposit and such application as aforesaid, all covenants, agreements and obligations of the City under the 1999 Ordinance to the owners of the Refunded Bonds shall cease, terminate and become void and be discharged and fully satisfied. Simultaneously with the delivery of the amounts described in the Section 2 above, the City shall provide to the Paying Agent for the Refunded Bonds and to the Escrow Agent a verification report addressed to the Paying Agent,

the City and Co-Bond Counsel from a firm of nationally recognized independent certified public accountants stating that the amounts which will consist of cash and/or Defeasance Obligations available or to be available for the payment of the City's Refunded Bonds will be sufficient to pay when due all principal and interest on the Refunded Bonds to the Redemption Date.

4. **Application of Proceeds of Defeasance Obligations.** Except as otherwise expressly provided herein, the Escrow Agent shall have no power or duty to invest any monies held hereunder or to sell, transfer or otherwise dispose of the Defeasance Obligations.

As the principal of and interest on the Defeasance Obligations shall mature and be paid, the Escrow Agent shall transfer from the Escrow Account to UMB Bank, N.A., as paying agent (the "Paying Agent") for the Refunded Bonds, from such maturing principal and interest and available cash funds, the amount necessary to pay principal of and interest coming due on the Refunded Bonds on each payment date to and including the Redemption Date. Such transfers for payment of principal of and interest on the Refunded Bonds shall be made from the matured principal and interest of the Defeasance Obligations and any other cash on deposit in the Escrow Account, all in accordance with the dates and amounts set forth in Schedule II of Exhibit A hereto.

On the Redemption Date, the Escrow Agent shall pay, pursuant to the 1999 Ordinance, principal of and interest on all of the Refunded Bonds which remains outstanding.

The liability of the Escrow Agent to make the payments required by this Section 4 shall be limited to the funds and Defeasance Obligations on deposit in the Escrow Account. Notwithstanding any other provisions of this Agreement, the City hereby covenants that no part of the proceeds of the Series 2005 Bonds or of the monies or funds in the Escrow Account shall be used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Series 2005 Bonds would have caused any of such Series 2005 Bonds or the Refunded Bonds to be an "arbitrage bond" under Section 148 of the Internal Revenue Code of 1986, as amended (herein the "Code"), and the regulations of the Treasury Department thereunder at the time of such use and applicable to obligations issued on the date of issuance of the Series 2005 Bonds.

At the written direction of the Treasurer of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of or request the redemption of the Defeasance Obligations acquired hereunder and substitute for the Defeasance Obligations other securities which qualify as Defeasance Obligations under the 1999 Ordinance (the "Substituted Obligations") which are not subject to redemption prior to maturity except at the option of the holder thereof; provided, however, that such substitution shall only occur upon the receipt by the Escrow Agent of (i) a new verification report by a verification agent of the sufficiency of the escrowed securities (assuming such substitution has been made) to provide for the payment of the Refunded Bonds in accordance with the terms herein and (ii) an opinion of Bond Counsel to the effect that such substitution shall not adversely affect the exclusion from gross income of interest on the Refunded Bonds or the Series 2005 Bonds. The City hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which, if reasonably expected on the date of issuance thereof, would cause any such Refunded Bonds or Series 2005 Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, and the regulations thereunder applicable to obligations issued on the issue date of such Refunded Bonds or Series 2005 Bonds. The Escrow Agent shall purchase such Substituted Obligations with the proceeds derived from the sale, transfer, disposition or redemption of the Defeasance Obligations in the Escrow Account together with any other funds available for such purpose.

5. **Escrow Agent Covenants.** The Escrow Agent covenants and agrees with the City as follows:

The Escrow Agent will hold the Defeasance Obligations and all interest income or profit derived therefrom and all uninvested deposits in an irrevocable segregated and separate trust fund account for the sole and exclusive benefit of the City (and the holders of the Refunded Bonds) to the purposes for which escrowed.

The Escrow Agent will take no action in the investment or securing of the proceeds of the Defeasance Obligations which would cause the Series 2005 Bonds to be classified as "arbitrage bonds" under Section 103(c) of the Code, and all lawful regulations promulgated thereunder, provided, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

The Escrow Agent will submit to the Comptroller of the City a statement within forty-five (45) days after January 1 and July 1 of each calendar year, commencing July 1, 2005, itemizing all moneys received by it and all payments made by it under the provisions of this Agreement during the preceding six (6) month period, and also listing the Defeasance Obligations on deposit therewith on the date of said report.

6. **City Covenants.** The City covenants and agrees with the Escrow Agent as follows:

The Escrow Agent in its capacity hereunder shall have no responsibility or liability whatsoever for (a) any of the recitals of the City herein, (b) the performance of or compliance by the City with any covenant, condition, term or provisions hereunder or under the 1999 Ordinance and (c) any undertaking or statement of the City hereunder or under the 1999 Ordinance.

All payments to be made by, and all acts and things required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the City.

7. **Redemption of Refunded Bonds.** The City has elected to call the Refunded Bonds for redemption and payment prior to maturity as set forth in Schedule II of Exhibit A and in accordance with the 1999 Ordinance. The City has directed the Paying Agent for the Refunded Bonds in an irrevocable letter of instructions to give notice of the refunding and of the call for redemption and payment of the Refunded Bonds in the manner provided in the 1999 Ordinance and in substantially the form of Exhibit B attached hereto by mailing a copy of such notice by first class mail as soon as practicable after the issuance of the Series 2005 Bonds to the owners of the Refunded Bonds. The City has also given the Paying Agent for the Refunded Bonds an irrevocable letter of instructions to redeem the Refunded Bonds called for redemption prior to maturity and to give notice of said redemption, in substantially the form of Exhibit C attached hereto, on behalf of the City pursuant to the requirements of the 1999 Ordinance to the owners thereof by mailing a copy of the applicable redemption notice by first class mail at least 30 days prior to the date fixed for redemption to the owner of each Refunded Bond to be redeemed at the address shown on the registration books maintained by the Paying Agent for the Refunded Bonds. The Escrow Agent agrees to take such further action as may be reasonably requested by the City or the Paying Agent for the Refunded Bonds, to cause the redemption of said Refunded Bonds in the principal amounts and at the times set forth in Schedule II of Exhibit A hereto.

The Escrow Agent acknowledges that the City has irrevocably elected and directed the Escrow Agent to cause to be redeemed on the Redemption Date, with the funds in the Escrow Account, all of the Refunded Bonds.

The Escrow Agent hereby agrees to direct the Paying Agent for the Refunded Bonds to expeditiously mail by first class mail, as soon as practicable, after the closing of the Series 2005 Bonds, a notice to registered owners of the Refunded Bonds in substantially the form attached hereto as Exhibit B.

The City hereby gives the Escrow Agent irrevocable instructions to direct the Paying Agent for the Refunded Bonds to provide in writing, notice in the name of the City, of the City's intention to redeem the Refunded Bonds, prior to their stated maturities, such notice to be in substantially the form attached hereto as Exhibit C and to be mailed to each of the registered owners of such Refunded Bonds, as hereinafter provided, not less than 30 nor more than 60 days prior to the Redemption Date.

8. **Remaining Funds.** All cash funds and Defeasance Obligations together with any income and interest thereon remaining in the Escrow Account after all Refunded Bonds have been duly paid in full at maturity according to their terms or upon redemption as herein provided, shall be transferred to the City, for use for any valid City purpose.

9. **Liability of Escrow Agent.**

(a) The Escrow Agent shall not be liable for any loss resulting from any investment, sale, transfer or other disposition made pursuant to this Agreement in compliance with the provisions this Agreement. The Escrow Agent shall have no lien whatsoever on, or right of set-off with respect to, any of the moneys or Defeasance Obligations on deposit in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement or otherwise.

(b) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Defeasance Obligations and moneys to pay the Refunded Bonds. So long as the Escrow Agent applies the Defeasance Obligations and moneys as provided herein, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding the foregoing, the Escrow Agent shall not be relieved of liability arising from, and proximate to, its failure to comply fully with the terms of this Agreement.

(c) In the event of the Escrow Agent's failure to account for any of the Defeasance Obligations or moneys received by it, said Defeasance Obligations or moneys shall be and remain the property of the City in trust for the owners of the Refunded Bonds as herein provided, and if for any reason, such Defeasance Obligations or moneys are not applied as herein provided, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof until the required application shall be made.

(d) The Escrow Agent may rely on and shall be protected in acting upon or refraining from acting upon in good faith any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, verification, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(e) The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement.

(f) No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that the Escrow Agent shall not be liable for any error of judgment made in good faith by an authorized officer or employee of the Escrow Agent, unless it shall be provided that the Escrow Agent was negligent in ascertaining the pertinent facts, or for the misconduct or negligence of any agent appointed with due care.

(g) Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Escrow Agent shall be subject to the provisions of this Section.

10. **Fees and Costs of the Escrow Agent.** The initial aggregate amount of the costs, fees and expenses of the Escrow Agent in connection with the creation of the escrow described in and created by this Agreement in carrying out the duties, terms or provisions of this Agreement shall be paid from money on deposit in the Series 2005 Costs of Issuance Account held under the 2005 Ordinance, concurrently with the issuance and delivery of the Series 2005 Bonds.

\*\*[Notwithstanding the preceding paragraph, the Escrow Agent shall be entitled to annual fees as agreed to by the Escrow Agent and the City and to reimbursement from the City of reasonable out-of-pocket, legal and extraordinary expenses incurred in carrying out the duties, terms or provisions of this Agreement, including but not limited to costs incurred for giving notice of redemption of any redeemed bonds. Claims for annual fees and for such reimbursement may be made to the City, and in no event shall such reimbursement be made from funds held by the Escrow Agent pursuant to this Agreement.]\*\*

11. **Resignation or Removal of Escrow Agent; Successor Escrow Agent.** The Escrow Agent at the time acting hereunder may, at any time, resign and be discharged from its duties and responsibilities hereby created by giving written notice to the City and \_\_\_\_\_, as the bond insurer (the "Bond Insurer"), not less than sixty (60) days prior to the date when the resignation is to take effect. Such resignation shall take effect immediately upon the occurrence of the following events: (i) the acceptance of the City and the Bond Insurer of the resignation, (ii) the appointment of a successor Escrow Agent (which may be a temporary Escrow Agent), (iii) the acceptance by such successor Escrow Agent of the terms, covenants and conditions of this Agreement, (iv) the transfer of the Escrow Account, including the moneys and Defeasance Obligations held therein, to such successor Escrow Agent, and (v) the completion of any other actions required for the principal of, and interest on, the Defeasance Obligations to be made payable to such successor Escrow Agent rather than to the resigning Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and to the City and signed by the owners of a majority in principal amount of the Refunded Bonds then outstanding. The Escrow Agent may also be removed by the Treasurer of the City or the Bond Insurer if the Escrow Agent fails to make timely payment on any Payment Date of the amounts required to be paid by it on such payment date by Section 4 of this Agreement to the persons specified in Section 4. Any removal pursuant to this paragraph shall become effective upon the occurrence of the following events: (i) the appointment of a successor Escrow Agent (which may be a temporary successor Escrow Agent) by the Treasurer of the City with the approval of the Bond Insurer, (ii) the acceptance by such successor Escrow Agent of the terms, covenants and conditions of this Agreement, (iii) the transfer of the Escrow Account, including the moneys and Defeasance Obligations held therein, to such successor Escrow Agent, and (iv) the completion of any other actions required for the principal of, and interest on, the Defeasance Obligations to be made payable to such successor Escrow Agent rather than to the Escrow Agent being removed.

In the event that the Escrow Agent shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer(s), or of a receiver appointed by a court, the City with the consent of the Bond Insurer shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the Treasurer of the City in the manner above provided, and any such temporary Escrow Agent so appointed by the Treasurer of the City shall immediately and without further act be superseded by the successor Escrow Agent so appointed.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such owners of a majority in principal amount of Refunded Bonds then outstanding or by the Treasurer of the City pursuant to the foregoing provisions of this Section within sixty (60) days after written notice of resignation of the Escrow Agent has been given

to the City and the Bond Insurer, the holder of any Refunded Bond or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and thereupon, such court may, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with full trust powers, authorized to do business in the State of Missouri, as amended, and organized under the banking laws of the United States of America or the State of Missouri, and shall have, at the time of appointment, capital, surplus and undivided profits of not less than Seventy Five Million Dollars (\$75,000,000).

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the City and the Bond Insurer an instrument in writing accepting such appointment hereunder and, thereupon, such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all of the rights, immunities, powers, trusts, duties and obligations of its predecessor, but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent, the City or the Bond Insurer, execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder, and every predecessor Escrow Agent shall deliver, to its successor, all securities and moneys held by such predecessor Escrow Agent and the duties and obligations of such predecessor Escrow Agent hereunder shall thereafter cease and terminate. In the event that any transfer, assignment or instrument in writing from the City or the Bond Insurer be required by any predecessor or successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instrument in writing shall, on request, be executed, acknowledged and delivered by the City or the Bond Insurer.

Any corporation into which the Escrow Agent, or any successor to it of the duties and responsibilities created by this Agreement, may be merged or converted, or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax free reorganization to which the Escrow Agent or any successor to it shall be a party or any entity to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust assets, shall, if satisfactory to the City and the Bond Insurer, be the successor Escrow Agent under this Agreement, without the execution or filing of any paper or any other act on the part of the parties hereto, anything herein to the contrary notwithstanding.

12. **Termination.** This Agreement shall terminate when all transfers required to be made by the Escrow Agent under the provisions of this Agreement shall have been made.

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

14. **Successors and Assigns.** All of the covenants, promises and agreements in this Agreement contained by or on behalf of the Escrow Agent shall be binding upon, and inure to the benefit of, their respective successors and assigns, whether or not so expressed.

15. **Reliance.** The Escrow Agent hereunder is conclusively entitled to rely on this Agreement and the opinions of Bond Counsel as to the validity and legal sufficiency thereof and of the refunding, and shall incur no liability for application of funds in accordance with the provisions of this Agreement.

16. **Governing Law.** This Agreement shall be governed by, and be construed in accordance with, the laws of the State of Missouri.

17. **Counterparts.** This Agreement may be executed in several counterparts, all of any of which shall be regarded, for all purposes, as one original, and shall constitute and be but one and the same instrument. In addition, the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

18. **Amendments to this Agreement.** This Agreement is made for the benefit of the City and the owners from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners,

the City and the Escrow Agent; provided however, that the City and the Escrow Agent may, without the consent of, or notice to, such owners, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an opinion of counsel, nationally recognized on the subject of municipal bonds, acceptable to the Escrow Agent with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

19. **Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, complaint, demand or other paper required by this Agreement to be given or filed with the following parties if the same is duly mailed and received by first-class, certified or registered mail, addressed as follows:

If to the City:

City of St. Louis, Missouri  
 City Hall  
 1200 Market Street  
 St. Louis, Missouri 63103  
 Attention: Treasurer, Room 220

With copies to the Mayor, Room 200 and the Comptroller, Room 212

- (b) If to the Paying Agent for the Refunded Bonds:

UMB Bank, N.A.  
 2 South Broadway, Suite 435  
 St. Louis, Missouri 63102  
 Attention: Corporate Trust Department

- (c) If to the Escrow Agent:

UMB Bank, N.A.  
 2 South Broadway, Suite 435  
 St. Louis, Missouri 63102  
 Attention: Corporate Trust Department

20. **Definitions.** Terms not otherwise defined herein shall have the meanings given to them in the 2005 Ordinance.

21. **Receipt of Documents.** The Escrow Agent hereby acknowledges receipt of a true and correct copy of the 2005 Ordinance, certified to be true and correct by a duly authorized officer of the City, and reference herein to or citation herein of any provisions of said document shall be deemed to incorporate the same as a part of this Agreement in the same manner and with the same effect as if it was fully set forth herein.

**IN WITNESS WHEREOF**, the parties hereto have each caused this Agreement to be executed by their duly authorized officers or elected officials, and their corporate seals to be hereunder affixed and attested as of the date first above written.

**THE CITY OF ST. LOUIS**

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

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

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

(SEAL)

ATTEST:

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

Approved as to form:

By: \_\_\_\_\_  
City Counselor

**UMB BANK, N.A., as Escrow Agent**

By: \_\_\_\_\_  
Vice President

(SEAL)

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary

**EXHIBIT A**

**SCHEDULE I  
Defeasance Obligations**

<u>Type</u>	<u>CUSIP or ID</u>	<u>Par Amount</u>	<u>Yield</u>	<u>Maturity Date</u>	<u>Dated Date</u>
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**EXHIBIT A**

**SCHEDULE II  
Debt Service Schedule for Refunded Bonds**

**EXHIBIT B**

**NOTICE TO OWNERS OF  
THE CITY OF ST. LOUIS, MISSOURI  
PUBLIC SAFETY GENERAL OBLIGATION BONDS, SERIES 1999  
DATED JUNE 1, 1999, MATURING ON FEBRUARY 15, 20\_\_\_\_, AND THEREAFTER  
\*\*[DESCRIBE REFUNDED BONDS]\*\***

Notice is hereby given by the undersigned on behalf of The City of St. Louis, Missouri (the "City") to the owners of the City's outstanding Public Safety General Obligation Bonds, Series 1999 (the "Series 1999 Bonds") maturing on February 15, 20\_\_\_\_, that there has been deposited irrevocably in trust with UMB Bank, N.A., Kansas City, Missouri, as Escrow Agent, direct obligations of the United States of America, the principal of and interest on which, together with other monies on deposit with the Escrow Agent, shall be sufficient to pay at their stated maturity or on August 15, 20\_\_ (with respect to the Series 1999 Bonds maturing on or after February 15, 20\_\_\_\_), redemption premium and interest thereon in accordance with the irrevocable election and instructions of the City of St. Louis, Missouri.

UMB Bank, N.A.  
As Paying Agent

**EXHIBIT C**

**NOTICE OF REDEMPTION TO THE OWNERS  
OF THE CITY OF ST. LOUIS, MISSOURI  
PUBLIC SAFETY GENERAL OBLIGATION BONDS, SERIES 1999  
DATED JUNE 1, 1999, MATURING ON FEBRUARY 15, 20\_\_\_\_,  
AND THEREAFTER**

Notice is hereby given by the undersigned on behalf of The City of St. Louis, Missouri (the "City") that all outstanding Public Safety General Obligation Bonds, Series 1999 (the "Series 1999 Bonds") maturing February 15, 20\_\_\_\_ have been irrevocably designated for payment upon redemption and shall be redeemed on August 15, 20\_\_\_\_, at a redemption price equal to the percentage set forth below of the principal amount thereof plus interest accrued on such principal amount to, but not including, the date fixed for redemption.

The stated maturity dates, aggregate principal amounts, interest rates, CUSIP numbers and redemption price (as a percentage) of the Series 1999 Bonds hereby called for redemption are as follows:

<u>STATED MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>CUSIP NUMBER</u>	<u>REDEMPTION PRICE</u>
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The total aggregate principal amount of Series 1999 Bonds maturing after February 15, 20\_\_\_\_, which are hereby called for redemption and shall be payable on August 15, 20\_\_, is \$\_\_\_\_\_.

The Series 1999 Bonds shall be payable upon presentation and surrender at the principal payment office of UMB Bank, N.A., Attention: Corporate Trust Department, 2401 Grand Blvd., First Floor, Kansas City, Missouri 64108. Inquiries or requests for additional information should be directed to the principal payment office of UMB Bank, N.A. or by telephone to (816) 860-3020.

Interest on the Series 1999 Bonds called for redemption shall cease to accrue from and after August 15, 20\_\_\_\_.

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

UMB BANK, N.A.  
PAYING AGENT

**Approved: May 25, 2005**