

1 Introduced December 18, 2007, by Councilman
2 Kingston, seconded by Councilman Canada,
3 (by request of Administration)

4 **Item No. 07-12-2703**

5 **ORDINANCE NO. 3452**

6
7 An ordinance providing for the incurring of debt and issuance of One Million
8 Nine Hundred Seventy-One Thousand Dollars (\$1,971,000) of Certificates of
9 Indebtedness, Series 2008, of the City of Slidell, State of Louisiana; prescribing the form,
10 terms and conditions of said Certificates; designating the date, denomination and place of
11 payment thereof in principal and interest; authorizing the agreement with the Paying
12 Agent; providing for the acceptance of a commitment for the purchase of said Certificates;
13 and providing for other matters in connection therewith.

14 WHEREAS, the Budget for the City of Slidell, State of Louisiana (the
15 "Issuer"), for the fiscal year ending June 30, 2008, shows an excess of revenues over
16 statutory, necessary and usual charges and all other expenses for such fiscal year, after
17 provision has been made for the payments required by the Outstanding Prior Lien
18 Certificates as hereinafter defined; and

19
20 WHEREAS, as described above, said budget shows surplus moneys
21 sufficient to meet the maximum principal and interest requirements in any future year on
22 the Certificates of Indebtedness authorized herein, and this Council, as the governing
23 authority of the Issuer (the "Governing Authority"), will herein obligate itself and its
24 successors in office to budget and set aside annually adequate funds for the payment of
25 the Certificates in principal and interest in future years and after provisions has been made
26 for the payments required by the Outstanding Prior Lien Certificates; and

27
28 WHEREAS, Sections 2921 to 2925, inclusive, of Title 33 of the Louisiana
29 Revised Statutes of 1950, as amended (R.S. 33:2921-2925), authorize the Issuer to make
30 and enter into contracts dedicating the excess of annual revenues of subsequent years
31 above statutory, necessary and usual charges to the payment of the cost of public
32 improvements which are to be borne by the Issuer under such contracts, provided all such
33 dedications do not exceed the estimated excess of revenue above statutory, necessary,
34 and usual charges for the year in which such contract is made, after provision has been
35 made for the payment of the Outstanding Prior Lien Certificates; and

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4 WHEREAS, the Issuer now desires to incur debt and issue One Million Nine
5 Hundred Seventy-One Thousand Dollars (\$1,971,000) of its Certificates of Indebtedness,
6 Series 2008, in the manner authorized and provided by the aforesaid Sections of the
7 Louisiana Revised Statutes of 1950, as hereinafter provided, for the purpose of
8 constructing and acquiring equipment and other improvements to the Issuer's utilities
9 system and paying the costs incurred in connection with the issuance of said Certificates;
10 and

11
12 WHEREAS, the Issuer is not now a party to any contract pledging or
13 dedicating its excess annual revenues above statutory, necessary and usual charges,
14 except its Outstanding Prior Lien Certificates; and

15
16 WHEREAS, it is the intention of the Issuer that the Certificates authorized
17 herein be secured by and payable from the excess of annual revenues of the Issuer; and

18
19 WHEREAS, it is anticipated that the State Bond Commission will approve the
20 issuance of the Certificates at its meeting on January 24, 2008; and

21
22 WHEREAS, it is the desire of this Governing Authority to fix the details
23 necessary with respect to the issuance of the Certificates and to provide for their
24 authorization and issuance; and

25
26 WHEREAS, it is the further desire of this Governing Authority to provide for
27 the sale of the Certificates at the price and in the manner hereinafter provided;

28
29 NOW, THEREFORE, BE IT ORDAINED by the Slidell City Council, acting as
30 the governing authority of the City of Slidell, State of Louisiana, that:

31
32 SECTION 1. Definitions. As used herein, the following terms shall have the
33 following meanings, unless the context otherwise requires:

34
35 "Act" means Sections 2921 to 2925, inclusive, of Title 33 of the Louisiana Revised
36 Statutes of 1950, as amended, and other constitutional and statutory authority.
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4 **“Agreement”** means the agreement to be entered into between the Issuer and the
5 Paying Agent pursuant to this Ordinance.
6

7 **“Certificates”** means the Issuer's Certificates of Indebtedness, Series 2008, autho-
8 rized by this Ordinance in the total aggregate principal amount of \$1,971,000.
9

10 **“Certificate Register”** means the records kept by the Paying Agent at its principal
11 corporate trust office in which registration of the Certificates and transfers of the Certifi-
12 cates shall be made as provided herein.
13

14 **“Code”** means the Internal Revenue Code of 1986, as amended.
15

16 **“Executive Officers”** means, collectively, the Mayor and the Council Administrator
17 of the Governing Authority.
18

19 **“Fiscal Year”** means the one-year accounting period commencing on July 1 of
20 each year, or such other one-year period as may be designated by the Governing
21 Authority as the fiscal year of the Issuer.
22

23 **“Governing Authority”** means the Slidell City Council.
24

25 **“Government Securities”** means direct obligations of, or obligations the principal
26 of and interest on which are unconditionally guaranteed by the United States of America,
27 which are non-callable prior to their maturity, may be United States Treasury obligations
28 such as the State and Local Government Series and may be in book-entry form.
29

30 **“Interest Payment Date”** means February 1 and August 1 of each year during
31 which the Certificates are outstanding, commencing August 1, 2008.
32

33 **“Issuer”** means the City of Slidell, State of Louisiana.
34

35 **“Ordinance”** means this Ordinance authorizing the issuance of the Certificates, as
36 it may be supplemented and amended.
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4 **“Outstanding”** when used with respect to Certificates means, as of the date of
5 determination, all Certificates theretofore issued and delivered under this Ordinance,
6 except:

- 7
- 8 1. Any Certificate theretofore cancelled by the Paying Agent or delivered to the
9 Paying Agent for cancellation;
- 10
- 11 2. Any Certificate for which payment or redemption sufficient funds have been
12 theretofore deposited in trust for the owners of such Certificate with the effect
13 specified in this Ordinance or by law, provided that if such Certificate is to be
14 redeemed, irrevocable notice of such redemption has been duly given or
15 provided for pursuant to this Ordinance or waived;
- 16
- 17 3. Any Certificate in exchange for or *in lieu* of which another Certificate has
18 been registered and delivered pursuant to this Ordinance; and
- 19
- 20 4. Any Certificate alleged to have been mutilated, destroyed, lost or stolen
21 which may have been paid as provided in this Ordinance or by law.
- 22
- 23 5. Any Certificate for the payment of the principal (or redemption price, if any) of
24 and interest on which money or Government Securities or both are held in
25 trust with the effect specified in this Ordinance.
- 26

27 **“Outstanding Prior Lien Certificates’** means the Issuer’s Revenue Anticipation
28 Notes, Series 2005.

29

30 **“Owner”** when used with respect to any Certificate means the Person in whose
31 name such Certificate is registered in the Certificate Register.

32

33 **“Paying Agent”** means Hancock Bank of Louisiana, in the City of Baton Rouge,
34 Louisiana, until a successor Paying Agent shall have been appointed pursuant to the
35 applicable provisions of this Ordinance and thereafter “Paying Agent” shall mean such
36 successor Paying Agent.

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4 **“Person”** means any individual, corporation, partnership, joint venture, association,
5 joint-stock company, trust, unincorporated organization or government or any agency or
6 political subdivision thereof.

7
8 **“Purchaser”** means Hancock Bank of Louisiana, in the City of Baton Rouge,
9 Louisiana, the original purchaser of the Certificates.

10
11 **“Record Date”** for the interest payable on any Interest Payment Date means the
12 15th calendar day of the month next preceding such Interest Payment Date.

13
14 SECTION 2. Authorization of Certificates; Maturities. In compliance with the terms
15 and provisions of the Act, and other constitutional and statutory authority and subject to the
16 approval of the State Bond Commission, there is hereby authorized the incurring of an
17 indebtedness of \$1,971,000 for, on behalf of, and in the name of the Issuer, for the
18 purpose of constructing and acquiring equipment and other improvements to the Issuer’s
19 utilities system and paying the costs incurred in connection with the issuance of the
20 Certificates, and to represent said indebtedness, this Governing Authority does hereby
21 authorize the issuance of One Million Nine Hundred Seventy-One Thousand Dollars
22 (\$1,971,000) of Certificates of Indebtedness, Series 2008, of the Issuer. The Certificates
23 shall be in fully registered form, shall be dated the date of delivery thereof, shall be issued
24 in denominations corresponding to the principal amount of each maturity (one Certificate
25 per maturity), and shall be numbered from R-1 upward. The Certificates shall bear
26 interest from the date thereof or from the most recent Interest Payment Date to which
27 interest has been paid or duly provided for, payable on each Interest Payment Date,
28 commencing August 1, 2008, at the following rate of interest per annum and shall become
29 due and payable and mature serially on February 1 of the years and in the amounts, as
30 follows:

31
32

<u>CERTIFICATE</u>	<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
<u>NUMBER</u>	<u>(FEB. 1)</u>	<u>AMOUNT</u>	<u>RATES</u>
R-1	2009	\$164,000	3.44%
R-2	2010	170,000	3.44%
R-3	2011	177,000	3.44%
R-4	2012	184,000	3.44%

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4	R-5	2013	192,000	3.44%
5	R-6	2014	200,000	3.44%
6	R-7	2015	208,000	3.44%
7	R-8	2016	216,000	3.44%
8	R-9	2017	225,000	3.44%
9	R-10	2018	235,000	3.44%

10
11 The principal of the Certificates, upon maturity or redemption, shall be payable at
12 the principal office of the Paying Agent, upon presentation and surrender thereof, and
13 interest on the Certificates shall be payable by check mailed by the Paying Agent to the
14 Owner (determined as of the close of business on the Record Date) at the address shown
15 on the Certificate Register. Each Certificate delivered under this Ordinance upon transfer
16 of, in exchange for or in lieu of any other Certificate shall carry all the rights to interest
17 accrued and unpaid, and to accrue, which were carried by such other Certificate, and each
18 such Certificate shall bear interest (as herein set forth) so neither gain nor loss in interest
19 shall result from such transfer, exchange or substitution.

20
21 No Certificate shall be entitled to any right or benefit under this Ordinance, or be
22 valid or obligatory for any purpose, unless there appears on such Certificate a certificate of
23 registration, substantially in the form provided in this Ordinance, executed by the Paying
24 Agent by manual signature.

25
26 **SECTION 3. Redemption Provisions.** The Certificates shall be callable for
27 redemption at the option of the Issuer in whole or in part at any time at a redemption price
28 of par plus accrued interest, if any, to the date of redemption. In the event a Certificate to
29 be redeemed is of a denomination larger than \$1,000, a portion of such Certificate (\$1,000
30 or any multiple thereof) may be redeemed. Any Certificate which is to be redeemed only in
31 part shall be surrendered at the office of the Paying Agent and there shall be delivered to
32 the Owner of such Certificate, a new Certificate of the same maturity and of authorized
33 denomination as requested by such owner in aggregate principal amount equal to and in
34 exchange for the unredeemed portion of the principal of the Certificate so surrendered.
35 Official notice of such call of any of the Certificates for redemption shall be given by means
36 of first class mail, postage prepaid, by notice deposited in the United States mails not less
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4 than thirty (30) days prior to the redemption date addressed to the registered owner of
5 each Certificate to be redeemed at his address as shown on the Certificate Register.
6

7 SECTION 4. Registration and Transfer. The Issuer shall cause the Certificate
8 Register to be kept by the Paying Agent. The Certificates may be transferred, registered
9 and assigned only on the Certificate Register, and such registration shall be at the
10 expense of the Issuer. A Certificate may be assigned by the execution of an assignment
11 form on the Certificate or by other instruments of transfer and assignment acceptable to
12 the Paying Agent. A new Certificate or Certificates will be delivered by the Paying Agent to
13 the last assignee (the new registered owner) in exchange for such transferred and
14 assigned Certificates after receipt of the Certificates to be transferred in proper form. Such
15 new Certificate or Certificates shall be in the denomination of \$1,000 or any integral
16 multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be
17 required to issue, register, transfer or exchange any Certificate during a period beginning
18 (i) at the opening of business on a Record Date and ending at the close of business on the
19 Interest Payment Date or (ii) with respect to Certificates to be redeemed, at the opening of
20 business fifteen (15) days before the date of the mailing of a notice of redemption of such
21 Certificates and ending on the date of such redemption.
22

23 SECTION 5. Form of Certificates. The Certificates and the endorsements to
24 appear thereon shall be in substantially the following forms, respectively, to-wit:
25

26 **[FORM OF CERTIFICATE]**
27

28 **No. R-_____ Principal Amount \$_____**
29

30 **UNITED STATES OF AMERICA**
31 **STATE OF LOUISIANA**
32 **PARISH OF ST. TAMMANY**
33

34 **CERTIFICATE OF INDEBTEDNESS, SERIES 2008**
35 **CITY OF SLIDELL, STATE OF LOUISIANA**
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Certificate <u>Date</u>	Maturity <u>Date</u>	Interest <u>Rate</u>
	February 1, _____	_____%

8
9 The **CITY OF SLIDELL, STATE OF LOUISIANA** (the "Issuer"), promises to pay, but solely
10 from the source and as hereafter provided, to:

11
12 **HANCOCK BANK OF LOUISIANA**

13
14 or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth
15 above, together with interest thereon from the Certificate Date set forth above or the most
16 recent interest payment date to which interest has been paid or duly provided for, payable
17 on February 1 and August 1 of each year, commencing August 1, 2008 (each an "Interest
18 Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount
19 is paid, unless this Certificate shall have been previously called for redemption and
20 payment shall have been made or duly provided for. The principal of this Certificate, upon
21 maturity or redemption, is payable in lawful money of the United States of America at the
22 principal office of Hancock Bank of Louisiana, in the City of Baton Rouge, Louisiana, or
23 successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Interest
24 on this Certificate is payable by check mailed by the Paying Agent to the registered owner
25 (determined as of the close of business on the 15th calendar day of the month next
26 preceding each Interest Payment Date) at the address as shown on the registration books
27 of the Paying Agent.

28
29 This Certificate is one of an authorized issue aggregating in principal the sum of
30 One Million Nine Hundred Seventy-One Thousand Dollars (\$1,971,000) (the "Certificates")
31 all of like tenor and effect except as to number, denomination and maturity, said Certifi-
32 cates having been issued by the Issuer pursuant to an ordinance adopted by its governing
33 authority on January 22, 2008 (the "Ordinance"), for the purpose of constructing and
34 acquiring equipment and other improvements to the Issuer's utilities system (the "Project"),
35 and paying the costs incurred in connection with the issuance of the Certificates, under the
36 authority conferred by Sections 2921 to 2925, inclusive, of Title 33 of the Louisiana
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4 Revised Statutes of 1950, as amended, and other applicable constitutional and statutory
5 authority.

6
7 The Certificates shall be callable for redemption at the option of the Issuer in whole
8 or in part at any time at a redemption price of par plus accrued interest, if any, to the date
9 of redemption. In the event a Certificate to be redeemed is of a denomination larger than
10 \$1,000, a portion of such Certificate (\$1,000 or any multiple thereof) may be redeemed.
11 Any Certificate which is to be redeemed only in part shall be surrendered at the office of
12 the Paying Agent and there shall be delivered to the owner of such Certificate, a new
13 Certificate of the same maturity and of authorized denomination as requested by such
14 owner in aggregate principal amount equal to and in exchange for the unredeemed portion
15 of the principal of the Certificate so surrendered. Official notice of such call of any of the
16 Certificates for redemption shall be given by means of first class mail, postage prepaid, by
17 notice deposited in the United States mails not less than thirty (30) days prior to the
18 redemption date addressed to the registered owner of each Certificate to be redeemed at
19 his address as shown on the Certificate Register.

20
21 The Issuer shall cause to be kept at the principal office of the Paying Agent a
22 register (the "Certificate Register") in which registration of the Certificates and of transfers
23 of the Certificates shall be made as provided in the Ordinance. This Certificate may be
24 transferred, registered and assigned only on the Certificate Register, and such registration
25 shall be at the expense of the Issuer. This Certificate may be assigned by the execution of
26 the assignment form hereon or by other instrument of transfer and assignment acceptable
27 to the Paying Agent. A new Certificate or Certificates will be delivered by the Paying Agent
28 to the last assignee (the new registered owner) in exchange for this transferred and
29 assigned Certificate after receipt of this Certificate to be transferred in proper form. Such
30 new Certificate or Certificates shall be in the denomination of \$1,000 or any integral
31 multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be
32 required to issue, register, transfer or exchange any Certificate during a period beginning
33 (i) at the opening of business on the 15th calendar day of the month next preceding an
34 Interest Payment Date and ending at the close of business on the Interest Payment Date
35 or (ii) with respect to Certificates to be redeemed, at the opening of business fifteen (15)
36 days before the date of the mailing of a notice of redemption of such Certificates and
37 ending on the date of such redemption. This Certificate shall not be valid or become
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4 obligatory for any purpose or be entitled to any security or benefit under the Ordinance
5 until the certificate of registration hereon shall have been signed by the Paying Agent.
6

7 The Certificates are secured by and payable as to principal and interest from a
8 pledge and dedication of the excess of annual revenues above statutory, necessary and
9 usual charges, after provision has been made for the payments required by the
10 outstanding Revenue Anticipation Notes, Series 2005 (the "Outstanding Prior Lien
11 Certificates"). The Issuer has covenanted and agreed to budget annually a sufficient sum
12 of money to pay the Certificates, and the interest thereon, if any, as they respectively
13 mature, including any principal and/or interest theretofore matured and then unpaid, and to
14 levy and collect in each year taxes and to collect other revenues within the limits
15 prescribed by law, sufficient to pay the principal of and interest on the Certificates, after the
16 payment in such years of all such statutory, necessary and usual charges and the principal
17 and interest falling due on the Outstanding Prior Lien Certificates. The Issuer, in the
18 Ordinance, has also entered into certain other covenants and agreements with the
19 registered owners of the Certificates, including a provision for the issuance of additional
20 debt obligations on a parity with the Certificates, for the terms of which reference is made
21 to the Ordinance.
22

23 It is certified that this Certificate is authorized by and issued in conformity with the
24 requirements of the Constitution and statutes of the State of Louisiana. It is further
25 certified, recited and declared that all acts, conditions and things required to exist, to
26 happen and to be performed precedent to and in the issuance of this Certificate and the
27 issue of which it forms a part to constitute the same legal, binding and valid obligations of
28 the Issuer have existed, have happened and have been performed in due time, form and
29 manner as required by law, and that the indebtedness of the Issuer, including this Certifi-
30 cate and the issue of which it forms a part, does not exceed the limitations prescribed by
31 the Constitution and statutes of the State of Louisiana.
32

33 IN WITNESS WHEREOF, the Slidell City Council, acting as the governing authority
34 of the Issuer, has caused this Certificate to be executed in the name of the Issuer by the
35 facsimile signatures of the Mayor and the Council Administrator of its governing authority
36 and the corporate seal of the Issuer to be impressed or imprinted hereon.
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**CITY OF SLIDELL,
STATE OF LOUISIANA**

Thomas P. Reeves
Council Administrator

Ben O. Morris
Mayor

[SEAL]

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4
5 * * * * *

6 (FORM OF PAYING AGENT'S CERTIFICATE OF REGISTRATION)
7

8 This Certificate is one of the Certificates referred to in the within mentioned
9 Ordinance.

10
11 **HANCOCK BANK OF LOUISIANA**
12 BATON ROUGE, LOUISIANA
13 as Paying Agent

14 Date of Registration:

15 By: _____
16 Authorized Officer

17 _____
18
19

20 (FORM OF ASSIGNMENT)
21

22 FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto
23 _____

24 Please Insert Social Security
25 or other Identifying Number of Assignee

26
27

28 the within Certificate and all rights thereunder, and hereby irrevocably constitutes and
29 appoints _____ attorney or agent to transfer the
30 within Certificate on the books kept for registration thereof, with full power of substitution in
31 the premises.

32 Dated: _____

33 NOTICE: The signature to this assignment must
34 correspond with the name as it appears upon the
35 face of the within Certificate in every particular,
36 without alteration or enlargement or any change
37 whatever.

38 * * * * *
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5 SECTION 6. Execution of Certificates. The Certificates shall be signed by the
6 Executive Officers for, on behalf of, in the name of and under the corporate seal of the
7 Issuer, which signatures and corporate seal may be either manual or facsimile.
8

9 SECTION 7. Pledge and Dedication of Revenues. The Certificates shall be
10 secured by and payable as to principal and interest from a pledge of the excess of annual
11 revenues of the Issuer above statutory, necessary and usual charges, after provision has
12 been made for the payment of the Outstanding Prior Lien Certificates. There is hereby
13 irrevocably pledged and dedicated to the payment of the Certificates an amount of such
14 excess of annual revenues sufficient to pay same in principal and interest as they respec-
15 tively mature. Until the Certificates shall have been paid in full in principal and interest, the
16 Governing Authority does hereby obligate the Issuer, itself and its successors in office, to
17 budget annually a sum of money sufficient to pay the Certificates and the interest thereon,
18 if any, as they respectively mature, including any principal and/or interest theretofore
19 matured and then unpaid, and to levy and collect in each year taxes and to collect other
20 revenues within the limits prescribed by law, sufficient to pay the principal of and interest
21 on the Certificates, after the payment in such years of the statutory, necessary and usual
22 charges and the principal and interest falling due on the Outstanding Prior Lien
23 Certificates. No further or additional pledges or dedications of the excess of annual
24 revenues shall be made which shall have priority over or parity with the pledge and
25 dedication of such revenues herein made, except as provided in Section 8 hereof.
26

27 SECTION 8. Parity Certificates. The Issuer shall issue no other certificates or
28 obligations of any kind or nature payable from or enjoying a lien on the excess of annual
29 revenues of the Issuer above the said statutory, necessary and usual charges, having
30 priority over or parity with the Certificates herein authorized except that additional
31 certificates of indebtedness or other debt obligations may hereafter be issued on a parity
32 with the Certificates under the following conditions:
33

34 (i) The Certificates herein authorized or any part thereof, including the
35 interest thereon, may be refunded, and the refunding certificates so issued shall
36 enjoy complete equality of lien with the portion of the Certificates which is not
37 refunded, if there be any, and the refunding certificates shall continue to enjoy
38 whatever priority of lien over subsequent issues may have been enjoyed by the
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4 Certificates refunded; provided, however, that if only a portion of the Certificates
5 outstanding is so refunded and the refunding certificates require total principal and
6 interest payments during any year in excess of the principal and interest which
7 would have been required in such year to pay the Certificates refunded thereby,
8 then such Certificates may not be refunded without the consent of the Owner of the
9 unrefunded portion of the Certificates issued hereunder (provided such consent
10 shall not be required if such refunding certificates meet the requirements set forth in
11 clause (ii) of this Section).

12
13 (ii) Additional certificates of indebtedness may be issued on and enjoy a full
14 and complete parity with the Certificates with respect to the excess of annual reve-
15 nues, provided that the anticipated excess of annual revenues in the year in which
16 the additional certificates of indebtedness are to be issued, as reflected in the
17 budget adopted by the Governing Authority, must be at least 1.5 times the
18 combined principal and interest requirements for any calendar year on the
19 Certificates and the said additional certificates of indebtedness.

20
21 (iii) Junior and subordinate certificates of indebtedness may be issued
22 without restriction.

23
24 (iv) The Issuer must be in full compliance with all covenants and
25 undertakings in connection with the Certificates and there must be no delinquencies
26 in payments required to be made in connection therewith.

27
28 (v) The additional certificates must be payable as to principal on February 1st
29 of each year, commencing not more than 2 years from the date thereof, and
30 payable as to interest on February 1 and August 1 of each year.

31
32 SECTION 9. Sinking Fund. For the payment of the principal of and the interest on
33 the Certificates and the Outstanding Prior Lien Certificates and any additional parity
34 certificates of indebtedness, there will be created a special fund known as "*Certificates of*
35 *Indebtedness (2007) Sinking Fund*" (the "Sinking Fund"), said Sinking Fund being
36 established and maintained with the regularly designated fiscal agent bank of the Issuer.
37 The Issuer shall deposit in said Sinking Fund at least one (1) day in advance of the date on
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4 which each payment of principal and/or interest on the Certificates falls due, funds fully
5 sufficient to promptly pay the maturing principal and/or interest so falling due on such date.
6 The depository for the Sinking Fund shall transfer from the Sinking Fund to the Paying
7 Agent funds fully sufficient to pay promptly the principal and interest falling due on such
8 date.

9
10 It shall be specifically understood and agreed, however, and this provision shall be
11 a part of this contract, that after the funds have actually been budgeted out of the revenues
12 of any Fiscal Year sufficient to pay the principal of and interest on the Certificates herein
13 authorized for the Fiscal Year, and all required amounts have been deposited in the
14 Sinking Fund established for the Certificates and the Outstanding Prior Lien Certificates,
15 then any excess of annual revenues remaining in that Fiscal Year shall be free for
16 expenditure by the Issuer for any other lawful corporate purpose.

17
18 All moneys deposited with the regularly designated fiscal agent bank or banks of the
19 Issuer or the Paying Agent under the terms of this Ordinance shall constitute sacred funds
20 for the benefit of the Owners of the Certificates and the Outstanding Prior Lien Certificates,
21 and shall be secured by said fiduciaries at all times to the full extent thereof in the manner
22 required by law for the securing of deposits of public funds.

23
24 All or any part of the moneys in the Sinking Fund shall, at the written request of the
25 Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana,
26 in which event all income derived from such investments shall be added to the General
27 Fund of the Issuer.

28
29 SECTION 10. Budget; Audit. As long as any of the Certificates are outstanding
30 and unpaid in principal or interest, the Issuer shall prepare and adopt a budget prior to the
31 beginning of each Fiscal Year and shall furnish a copy of such budget within thirty (30)
32 days after its adoption to the Paying Agent and the Purchaser; the Issuer shall also furnish
33 a copy of such budget to the Owners of any of the Certificates who request the same. Not
34 later than six (6) months after the close of each Fiscal Year, the Issuer shall cause an audit
35 of its books and accounts to be initiated by the Legislative Auditor or an independent firm
36 of certified public accountants showing the receipts and disbursements made by the Issuer
37 during the previous Fiscal Year. Such audit, when completed, shall be available for
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4 inspection by the Owner of any of the Certificates, and a copy of such audit shall be
5 furnished to the Purchaser.
6

7 SECTION 11. Application of Proceeds. The Executive Officers are hereby empow-
8 ered, authorized and directed to do any and all things necessary and incidental to carry out
9 all of the provisions of this Ordinance, to cause the necessary Certificates to be printed, to
10 issue, execute and seal the Certificates, and to effect delivery thereof as hereinafter
11 provided. The proceeds derived from the sale of the Certificates, if any, shall be deposited
12 by the Issuer with its fiscal agent bank or banks to be used only for the purpose for which
13 the Certificates are issued.
14

15 SECTION 12. Certificates Legal Obligations. The Certificates shall constitute legal,
16 binding and valid obligations of the Issuer and shall be the only representations of the
17 indebtedness as herein authorized and created.
18

19 SECTION 13. Ordinance a Contract. The provisions of this Ordinance shall
20 constitute a contract between the Issuer, or its successor, and the Owner or Owners from
21 time to time of the Certificates, and any such Owner or Owners may at law or in equity, by
22 suit, action, mandamus or other proceedings, enforce and compel the performance of all
23 duties required to be performed by this Governing Authority or the Issuer as a result of
24 issuing the Certificates.
25

26 No material modification or amendment of this Ordinance, or of any Ordinance
27 amendatory hereof or supplemental hereto, may be made without the consent in writing of
28 the Owners of two-thirds (2/3) of the aggregate principal amount of the Certificates then
29 outstanding; provided, however, that no modification or amendment shall permit a change
30 in the maturity or redemption provisions of the Certificates, or a reduction in the rate of
31 interest thereon, or in the amount of the principal obligation thereof, or affecting the
32 obligation of the Issuer to pay the principal of and the interest on the Certificates as the
33 same shall come due from the revenues appropriated, pledged and dedicated to the
34 payment thereof by this Ordinance, or reduce the percentage of the Owners required to
35 consent to any material modification or amendment of this Ordinance, without the consent
36 of the Owners of the Certificates.
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4 SECTION 14. Severability; Application of Subsequently Enacted Laws. In case
5 any one or more of the provisions of this Ordinance or of the Certificates shall for any
6 reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other
7 provisions of this Ordinance or of the Certificates, but this Ordinance and the Certificates
8 shall be construed and enforced as if such illegal or invalid provisions had not been
9 contained therein. Any constitutional or statutory provisions enacted after the date of this
10 Ordinance which validate or make legal any provision of this Ordinance and/or the Certifi-
11 cates which would not otherwise be valid or legal, shall be deemed to apply to this
12 Ordinance and to the Certificates.

13
14 SECTION 15. Recital of Regularity. This Governing Authority having investigated
15 the regularity of the proceedings had in connection with the Certificates and having
16 determined the same to be regular, the Certificates shall contain the following recital,
17 to-wit:

18
19 *"It is certified that this Certificate is authorized by and is issued*
20 *in conformity with the requirements of the Constitution and*
21 *statutes of the State of Louisiana."*

22
23 SECTION 16. Effect of Registration. The Issuer, the Paying Agent, and any agent
24 of either of them may treat the Owner in whose name any Certificate is registered as the
25 Owner of such Certificate for the purpose of receiving payment of the principal (and
26 redemption price) of and interest on such Certificate and for all other purposes whatsoev-
27 er, and to the extent permitted by law, neither the Issuer, the Paying Agent, nor any agent
28 of either of them shall be affected by notice to the contrary.

29
30 SECTION 17. Notices to Owners. Wherever this Ordinance provides for notice to
31 Owners of Certificates of any event, such notice shall be sufficiently given (unless
32 otherwise herein expressly provided) if in writing and mailed first class, postage prepaid, to
33 each Owner of such Certificates, at the address of such Owner as it appears in the
34 Certificate Register. In any case where notice to Owners of Certificates is given by mail,
35 neither the failure to mail such notice to any particular Owner of Certificates, nor any defect
36 in any notice so mailed, shall affect the sufficiency of such notice with respect to all other
37 Certificates. Where this Ordinance provides for notice in any manner, such notice may be
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4 waived in writing by the Owner or Owners entitled to receive such notice, either before or
5 after the event, and such waiver shall be the equivalent of such notice. Waivers of notice
6 by Owners shall be filed with the Paying Agent, but such filing shall not be a condition
7 precedent to the validity of any action taken in reliance upon such waiver.
8

9 SECTION 18. Cancellation of Certificates. All Certificates surrendered for
10 payment, redemption, transfer, exchange or replacement, if surrendered to the Paying
11 Agent, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered
12 to the Paying Agent and, if not already canceled, shall be promptly canceled by the Paying
13 Agent. The Issuer may at any time deliver to the Paying Agent for cancellation any Certifi-
14 cates previously registered and delivered which the Issuer may have acquired in any
15 manner whatsoever, and all Certificates so delivered shall be promptly canceled by the
16 Paying Agent. All canceled Certificates held by the Paying Agent shall be disposed of as
17 directed in writing by the Issuer.
18
19

20 SECTION 19. Mutilated, Destroyed, Lost or Stolen Certificates. If (1) any mutilated
21 Certificate is surrendered to the Paying Agent, or the Issuer and the Paying Agent receive
22 evidence to their satisfaction of the destruction, loss or theft of any Certificate, and (2)
23 there is delivered to the Issuer and the Paying Agent such security or indemnity as may be
24 required by them to save each of them harmless, then, in the absence of notice to the
25 Issuer or the Paying Agent that such Certificate has been acquired by a bona fide
26 purchaser, the Issuer shall execute, and upon its request the Paying Agent shall register
27 and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen
28 Certificate, a new Certificate of the same maturity and of like tenor, interest rate and
29 principal amount, bearing a number not contemporaneously outstanding. In case any such
30 mutilated, destroyed, lost or stolen Certificate has become or is about to become due and
31 payable, the Issuer in its discretion may, instead of issuing a new Certificate, pay such
32 Certificate. Upon the issuance of any new Certificate under this Section, the Issuer may
33 require the payment by the Owner of a sum sufficient to cover any tax or other
34 governmental charge that may be imposed in relation thereto and any other expenses
35 (including the fees and expenses of the Paying Agent) connected therewith. Every new
36 Certificate issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen
37 certificate shall constitute a replacement of the prior obligation of the Issuer, whether or not
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4 the mutilated, destroyed, lost or stolen Certificate shall be at any time enforceable by
5 anyone and shall be entitled to all the benefits of this Ordinance. Any additional
6 procedures set forth in the Agreement, authorized in this Ordinance, shall also be available
7 with respect to mutilated, destroyed, lost or stolen Certificates. The provisions of this
8 Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies
9 with respect to the replacement and payment of mutilated, destroyed, lost or stolen
10 Certificates.

11
12 SECTION 20. Discharge of Ordinance; Defeasance. If the Issuer shall pay or
13 cause to be paid, or there shall otherwise be paid to the Owners, the principal (and
14 redemption price) of and interest on the Certificates, at the times and in the manner
15 stipulated in this Ordinance, then the pledge of the money, securities, and funds pledged
16 under this Ordinance and all covenants, agreements, and other obligations of the Issuer to
17 the Owners of the Certificates shall thereupon cease, terminate, and become void and be
18 discharged and satisfied, and the Paying Agent shall pay over or deliver all money held by
19 it under this Ordinance to the Issuer.

20
21 Certificates or interest installments for the payment or redemption of which money
22 shall have been set aside and shall be held in trust (through deposit by the Issuer of funds
23 for such payment or redemption or otherwise) at the maturity or redemption date thereof
24 shall be deemed to have been paid within the meaning and with the effect expressed
25 above in this Section. Certificates shall be deemed to have been paid, prior to their
26 maturity, within the meaning and with the effect expressed above in this Section if there
27 shall have been deposited in trust either money in an amount which shall be sufficient, or
28 Government Securities the principal of and the interest on which when due will provide
29 money which, together with the money, if any, deposited in trust at the same time, shall be
30 sufficient to pay when due the principal of, premium, if any, and interest to become due on
31 such Certificates on and prior to the stated maturity or (if notice of the call for redemption
32 has been duly given or waived or if irrevocable arrangements therefor have been made)
33 redemption date thereof. Neither Government Securities nor money deposited in trust
34 pursuant to this Section, nor principal or interest payments on any such Government
35 Securities, shall be withdrawn or used for any such purpose other than, and shall be held
36 in trust for, the payment of the principal (and redemption price) of and interest on such
37 Certificates. Any cash received from such principal of and interest on such investment
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4 securities deposited in trust, if not needed for such purpose, shall, to the extent
5 practicable, be reinvested in Government Securities (which may be non-interest bearing)
6 maturing at times and in amounts sufficient to pay when due the principal, premium, if any,
7 and interest on such Certificates on and prior to the maturity thereof, and interest earned
8 from such reinvestments shall be paid over to the Issuer as received by the depository,
9 free and clear of any trust, lien, or pledge. Any payment for Government Securities
10 purchased for the purpose of reinvestment as aforesaid shall be made only against
11 delivery of such Government Securities.

12
13 SECTION 21. Successor Paying Agent; Paying Agent Agreement. The Issuer will
14 at all times maintain a Paying Agent meeting the qualifications hereinafter described for
15 the performance of the duties hereunder for the Certificates. The designation of the initial
16 Paying Agent in this Ordinance is hereby confirmed and approved. The Issuer reserves
17 the right to appoint a successor Paying Agent. Every Paying Agent appointed hereunder
18 shall at all times be a bank or trust company organized and doing business under the laws
19 of the United States of America or of any state, authorized under such laws to exercise
20 trust powers, and subject to supervision or examination by Federal or State authority. The
21 Executive Officers are hereby authorized and directed to take any and all action and
22 execute an appropriate agreement, instrument, document or certificate necessary to
23 effectuate the purpose of this Section.

24
25 SECTION 22. Disclosure Under SEC Rule 15c2-12. It is recognized that the Issuer
26 will not be required to comply with the continuing disclosure requirements described in the
27 Rule 15c-2-12(b) of the Securities and Exchange Commission [17 CFR •240.15c2-12(b)],
28 because:

- 29
30 (a) the Certificates are not being purchased by a broker, dealer or municipal
31 securities dealer acting as an underwriter in a primary offering of municipal securities, and
32 (b) the Certificates are being sold to only one financial institution(i.e., no more than
33 thirty-five persons), which (i) have such knowledge and experience in financial and
34 business matters that they are capable of evaluating the merits and risks of the
35 prospective investment in the Certificates and (ii) are not purchasing the Certificates for
36 more than one account or with a view to distributing the Certificates.

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4 SECTION 23. Arbitrage. The Issuer covenants and agrees that, to the extent
5 permitted by the laws of the State of Louisiana, it will comply with the requirements of the
6 Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to
7 establish, maintain and preserve the exclusion from "gross income" of interest on the
8 Certificates under the Code. The Issuer further covenants and agrees that it will not take
9 any action, fail to take any action, or permit any action within its control to be taken, or
10 permit at any time or times any of the proceeds of the Certificates or any other funds of the
11 Issuer to be used directly or indirectly in any manner, the effect of which would be to cause
12 the Certificates to be "arbitrage bonds: or would result in the inclusion of the interest on
13 any of the Certificates in gross income under the Code, including, without limitation, (i) the
14 failure to comply with the limitation on investment of Certificate proceeds or (ii) the failure
15 to pay any required rebate of arbitrage earnings to the United States of America or (iii) the
16 use of the proceeds of the Certificates in a manner which would cause the Certificates to
17 be "private activity bonds".
18

19 The Executive Officers are hereby empowered, authorized and directed to take any
20 and all action and to execute and deliver any instrument, document or certificate
21 necessary to effectuate the purposes of this Section.
22

23 SECTION 24. "Qualified Tax-Exempt Obligations". The Certificates are designated
24 as "qualified tax-exempt obligations: within the meaning of Section 265(b)(3)(B) of the
25 Code. In making this designation, the Issuer finds and determines that:
26

- 27 (a) the Certificates are not "private activity bonds" within the meaning of the
28 Code; and
29
30 (b) the reasonably anticipated amount of qualified tax-exempt obligations which
31 will be issued by the Issuer and all subordinate entities in calendar year 2008
32 does not exceed \$10,000,000.
33

34 SECTION 25. Award of Certificates. The Issuer hereby accepts the offer of the
35 Purchaser to purchase the Certificates attached hereto as **Exhibit A**. The Certificates
36 shall be delivered to the Purchaser upon the payment of the principal amount thereof.
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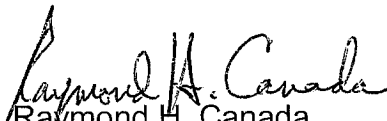
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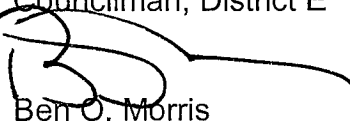
4 SECTION 26. Employment of Bond Counsel. The law firm of Foley & Judell,
5 L.L.P., Bond Counsel, is hereby employed as Bond Counsel to the Issuer to handle all
6 matters of a legal nature in connection with the negotiation, sale and delivery of the
7 Certificates. The fee of Foley & Judell, L.L.P., in connection with said program of finance
8 be and the same is hereby established and fixed, at a sum permitted under the Attorney
9 General's approved schedule for comprehensive legal and coordinate professional service
10 for revenue bonds based upon the total principal amount of the Certificates actually issued,
11 sold and delivered, plus "out-of-pocket" expenses. A certified copy of this Ordinance shall
12 be forwarded to the Attorney General of the State of Louisiana for his approval of the
13 employment herein provided for.

14
15 SECTION 27. Headings. The headings of the various sections hereof are inserted
16 for convenience of reference only and shall not control or affect the meaning or
17 construction of any of the provisions hereof.

18
19 SECTION 28. Introduction of Ordinance. This Ordinance having been introduced at
20 a duly convened meeting on December 18, 2007, in compliance with a duly published
21 agenda item and notice of introduction hereof having been published once in the official
22 journal of the Issuer at least seven (7) days prior to the date of adoption hereof and having
23 been duly adopted by the Slidell City Council on January 22, 2008, pursuant to a duly
24 published agenda item, in compliance with the provisions of the City Charter, this
25 Ordinance shall take effect immediately upon approval by the Mayor of the City.

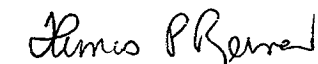
26
27 **ADOPTED** this 22nd day of January, 2008.

28
29
30 
31 Raymond H. Canada
32 President of the Council
33 Councilman, District E

34 
35 Ben O. Morris
36 Mayor

37 To Mayor: 1/23/08 3:50 pm

38 From Mayor: 1/25/08 1:40 p.m.

39
40 
41 Thomas P. Reeves
42 Council Administrator