

ORDINANCE NO. 2520

1 An ordinance providing for the issuance and sale of Three Million
2 Five Hundred Fifty-Five Thousand Dollars (\$3,555,000) of Public
3 Improvement Sales Tax Refunding Bonds, Series 1993A, of the City
4 of Slidell, State of Louisiana; prescribing the form, fixing the details
5 and providing for the rights of the owners thereof; providing for the
6 payment of the principal on such bonds and the application of the
7 proceeds thereof to the refunding of certain bonds of said City;
8 approving the official statement; providing for the employment of
9 special bond counsel; and providing for other matters in connection
10 therewith.

11
12 WHEREAS, the City of Slidell, State of Louisiana (the "Issuer") is now levying and
13 collecting a one percent (1%) sales and use tax (the "Tax") pursuant to an election held within the
14 corporate boundaries of the Issuer on November 27, 1962; and

15
16 WHEREAS, pursuant to the authority of the aforesaid election of November 27, 1962,
17 the Slidell City Council, acting as the governing authority of the Issuer (the "Governing Authority"),
18 adopted Ordinance No. 667 on November 28, 1962, levying and collecting the Tax; and

19
20 WHEREAS, the Issuer is authorized to fund the proceeds of the Tax into bonds
21 pursuant to an election held within the corporate boundaries of the Issuer on May 3, 1986, at which
22 election the following proposition was approved by a majority of the qualified electors voting at such
23 election, viz:

24
25 PROPOSITION

26
27 "Shall the City of Slidell, State of Louisiana, be authorized to fund
28 into bonds the proceeds of the existing one percent (1%) sales and
29 use tax levied by virtue of an election held on Tuesday, November 27,
30 1962, for the purpose of constructing, acquiring or improving lands,
31 buildings or other works of public improvement for said City, including
32 equipment and furnishings therefor, title to which shall be in the
33 public, for providing a reserve for said bonds and for paying the costs
34 of issuance therefor, said bonds to mature over a term not exceeding
35 twenty-five (25) years from date thereof, to bear interest at a rate or
36 rates of interest not exceeding twelve per centum (12%) per annum
37 and to be issued in accordance with the provisions and subject to the
38 limitations of Sub-Part F, Part III, Chapter 4, Title 39 of the
39 Louisiana Revised Statutes of 1950 and other constitutional and
40 statutory authority supplemental thereto, and shall the remainder of
41 the avails or proceeds of said tax in an amount up to one-half of the
42 total avails or proceeds of said tax be expended as appropriated by the
43 governing authority of said City with the remainder of the avails or
44 proceeds of said tax, if any, being dedicated and used for constructing,
45 acquiring or improving the above described capital improvements for
46 said City, title to which shall be in the public?

47
48 WHEREAS, the Issuer by virtue of authority of the aforesaid elections, has heretofore
49 issued \$3,800,000 of Public Improvement Sales Tax Bonds, Series 1986, of which \$3,460,000, due July
50 1, 1994 to July 1, 2011, inclusive, are outstanding and payable from a pledge and dedication of the
51 net revenues of the Tax (the "1986 Bonds");

52
53 WHEREAS, other than the 1986 Bonds, the Issuer has no other outstanding
54 indebtedness payable from the net revenues of the Tax, except for its Recreation Bonds of 1980
55 dated April 17, 1980, issued in the original principal amount of \$1,486,375 and currently outstanding
56 in the amount of \$932,375, due on April 17, 1994 to April 17, 2005, inclusive (the "1980 Bonds"); and

57
58 WHEREAS, the Issuer has found and determined that the refunding of \$3,120,000
59 of the 1986 Bonds, consisting of those 1986 Bonds which mature July 1 of the years 1997 through
60 2011, inclusive (the "Refunded Bonds") would be financially advantageous to the Issuer; and
61

1 WHEREAS, pursuant to Chapter 14A of Title 39 of the Louisiana Revised Statutes
2 of 1950, as amended, and other constitutional and statutory authority, it is now the desire of the
3 Issuer to adopt this Bond Ordinance in order to provide for the issuance of Three Million Five
4 Hundred Fifty-Five Thousand Dollars (\$3,555,000) principal amount of its Public Improvement Sales
5 Tax Refunding Bonds, Series 1993A (the "Bonds"), for the purpose of refunding the Refunded Bonds
6 and paying the costs of issuance, to fix the details of the Bonds and to sell the Bonds to the
7 purchasers thereof; and

8
9 WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be
10 secured by and payable from the net revenues of the Tax on a parity with the 1980 Bonds and the
11 unrefunded portion of the 1986 Bonds; and

12
13 WHEREAS, it is further necessary to provide for the application of a portion of the
14 proceeds of the Bonds to the refunding of the Refunded Bonds and to provide for other matters in
15 connection with the payment or redemption of the Refunded Bonds; and

16
17 WHEREAS, in connection with the issuance of the Bonds, it is necessary that
18 provision be made for the payment of the principal, interest and redemption premium, if any, of the
19 Refunded Bonds described in Exhibit A hereto, and to provide for the call for redemption of the
20 Refunded Bonds, pursuant to a Notice of Call for Redemption; and

21
22 WHEREAS, it is necessary that this Slidell City Council, as the governing authority
23 of the Issuer, prescribe the form and content of an Escrow Deposit Agreement providing for the
24 payment of the principal, premium and interest of the Refunded Bonds and authorize the execution
25 thereof as hereinafter provided; and

26
27 WHEREAS, the Issuer desires to sell the Bonds to the purchasers thereof and to fix
28 the details of the Bonds and the terms of the sale of the Bonds;

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

32 ARTICLE I

33 DEFINITIONS AND INTERPRETATION

34
35 SECTION 1.1. Definitions. The following terms shall have the following meanings
36 unless the context otherwise requires:

37
38 "Act" shall mean Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950,
39 as amended, and other applicable constitutional and statutory authority.

40
41 "Additional Parity Bonds" shall mean any additional *pari passu* bonds which may
42 hereafter be issued pursuant to Section 8.1 hereof on a parity with the Bonds.

43
44 "Bond" or "Bonds" shall mean any or all of the Public Improvement Sales Tax
45 Refunding Bonds, Series 1993A of the Issuer, issued pursuant to the Bond Ordinance, as the same
46 may be amended from time to time, whether initially delivered or issued in exchange for, upon
47 transfer of, or in lieu of any previously issued Bond.

48
49 "Bond Counsel" shall mean an attorney or firm of attorneys whose experience in
50 matters relating to the issuance of obligations by states and their political subdivisions is nationally
51 recognized.

52
53 "Bond Obligation" shall mean, as of the date of computation, the principal amount of
54 the Bonds then Outstanding.

55
56 "Bond Ordinance" shall mean this ordinance, as further amended and supplemented
57 as herein provided.

58
59 "Business Day" shall mean a day of the year other than a day on which banks located
60 in New York, New York and the cities in which the principal offices of the Escrow Agent and the
61 Paying Agent are located are required or authorized to remain closed and on which the New York
62 Stock Exchange is closed.

63
64 "Code" shall mean the Internal Revenue Code of 1986, as amended.
65
66
67

1 **"Costs of Issuance"** shall mean all items of expense, directly or indirectly payable or
2 reimbursable and related to the authorization, sale and issuance of the Bonds, including but not
3 limited to printing costs, costs of preparation and reproduction of documents, filing and recording
4 fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the
5 preparation and distribution of a preliminary official statement and official statement, if paid by the
6 Issuer, fees and disbursements of consultants and professionals, costs of credit ratings, fees and
7 charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses
8 of refunding, premiums for the insurance of the payment of the Bonds, if any, and any other cost,
9 charge or fee paid or payable by the Issuer in connection with the original issuance of Bonds.

10 **"Defeasance Obligations"** shall mean (a) Cash, or (b) Non-callable Government
11 Securities.

12 **"Escrow Agent"** shall mean First National Bank of Commerce, in the City of New
13 Orleans, Louisiana, and its successor or successors, and any other person which may at any time be
14 substituted in its place pursuant to the Bond Ordinance.

15 **"Escrow Agreement"** shall mean the Escrow Deposit Agreement dated as of August
16 1, 1993, between the Issuer and the Escrow Agent, substantially in the form attached hereto as
17 Exhibit B, as the same may be amended from time to time, the terms of which Escrow Agreement
18 are incorporated herein by reference.

19 **"Executive Officers"** shall mean collectively the Mayor and the Council Administrator
20 of the Issuer.

21 **"Fiscal Year"** shall mean the one-year period commencing on January 1 of each year,
22 or such other one-year period as may be designated by the Governing Authority as the fiscal year of
23 the Issuer.

24 **"Governing Authority"** shall mean the Slidell City Council, or its successor in function.

25 **"Government Securities"** shall mean direct general obligations of, or obligations the
26 principal of and interest on which are unconditionally guaranteed by, the United States of America,
27 which may be United States Treasury Obligations such as the State and Local Government Series and
28 may be in book-entry form.

29 **"Interest Payment Date"** shall mean January 1 and July 1 of each year, commencing
30 January 1, 1994.

31 **"Issuer"** shall mean the City of Slidell, State of Louisiana.

32 **"Net Revenues of the Tax"** shall mean the avails or proceeds of the Tax received by
33 the Issuer, after provision has been made by the Issuer for the payment therefrom of all of the
34 reasonable and necessary costs and expenses of collecting and administering the Tax.

35 **"Outstanding"**, when used with reference to the Bonds, shall mean, as of any date, all
36 Bonds theretofore issued under the Bond Ordinance, except:

37 (A) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying
38 Agent for cancellation;

39 (B) Bonds for the payment or redemption of which sufficient Defeasance Obligations
40 have been deposited with the Paying Agent or an escrow agent in trust for the
41 Owners of such Bonds with the effect specified in this Bond Ordinance, provided that
42 if such Bonds are to be redeemed, irrevocable notice of such redemption has been
43 duly given or provided for pursuant to the Bond Ordinance, to the satisfaction of the
44 Paying Agent, or waived;

45 (C) Bonds in exchange for or *in lieu* of which other Bonds have been registered and
46 delivered pursuant to the Bond Ordinance; and

47 (D) Bonds alleged to have been mutilated, destroyed, lost, or stolen which have been
48 paid as provided in the Bond Ordinance or by law.

49 **"Outstanding Parity Bonds"** shall mean the Issuer's outstanding (i) \$932,375 of
50 Recreational Bonds of 1980, maturing April 17, 1994 to April 17, 2005, inclusive, and (ii) \$340,000
51

1 of unrefunded Public Improvement Sales Tax Bonds, Series 1986, maturing July 1, 1994 to July 1,
2 1996, inclusive.

3
4 **"Owner"** shall mean the Person reflected as registered owner of any of the Bonds on
5 the registration books maintained by the Paying Agent.

6
7 **"Paying Agent"** shall mean First National Bank of Commerce, in the City of New
8 Orleans, Louisiana, as paying agent and registrar hereunder, until a successor Paying Agent shall have
9 become such pursuant to the applicable provisions of the Bond Ordinance, and thereafter "Paying
10 Agent" shall mean such successor Paying Agent.

11
12 **"Person"** shall mean any individual, corporation, partnership, joint venture, association,
13 joint-stock company, trust, unincorporated organization, or government or any agency or political
14 subdivision thereof.

15
16 **"Record Date"** shall mean, with respect to an Interest Payment Date, the fifteenth day
17 of the calendar month next preceding such Interest Payment Date, whether or not such day is a
18 Business Day.

19
20 **"Redemption Price"** shall mean, when used with respect to a Bond, the principal
21 amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to
22 this Bond Ordinance.

23
24 **"Refunded Bonds"** shall mean \$3,120,000 of the Issuer's outstanding Public
25 Improvement Sales Tax Bonds, Series 1986, maturing July 1, 1997 to July 1, 2011, inclusive, which
26 are being refunded by the Bonds, as more fully described in Exhibit A hereto.

27
28 **"Reserve Fund Requirement"** shall mean the highest combined principal and interest
29 requirements in any succeeding Fiscal Year on the Bonds, the Outstanding Parity Bonds and any
30 Additional Parity Bonds.

31
32 **"Sales Tax Ordinance"** means Ordinance No. 667 adopted by the Governing Authority
33 of the Issuer on November 28, 1962, as amended from time to time, which originally levied and
34 imposed the Tax.

35
36 **"State"** shall mean the State of Louisiana.

37
38 **"Tax"** means the 1% sales and use tax now being levied and collected by the Issuer
39 pursuant to elections held on November 27, 1962 and May 3, 1986, and the Sales Tax Ordinance.

40
41 **"Underwriter"** shall mean Howard, Weil, Labouisse, Friedrichs Incorporated, of New
42 Orleans, Louisiana.

43
44 **SECTION 1.2. Interpretation.** In this Bond Ordinance, unless the context otherwise
45 requires, (a) words importing the singular include the plural and vice versa, (b) words of the
46 masculine gender shall be deemed and construed to include correlative words of the feminine and
47 neuter genders and (c) the title of the offices used in this Bond Ordinance shall be deemed to include
48 any other title by which such office shall be known under any subsequently adopted charter.

49 50 **ARTICLE II**

51 52 **AUTHORIZATION AND ISSUANCE OF BONDS**

53
54 **SECTION 2.1. Authorization of Bonds and Escrow Agreement.** (a) This Bond
55 Ordinance creates a series of Bonds of the Issuer to be designated "Public Improvement Sales Tax
56 Refunding Bonds, Series 1993A, of the City of Slidell, State of Louisiana" and provides for the full
57 and final payment of the principal or redemption price of and interest on all of the Bonds.

58
59 (b) The Bonds issued under this Bond Ordinance shall be issued for the purpose of
60 refunding the Refunded Bonds through the escrow of a portion of the proceeds of the Bonds,
61 together with other available moneys of the Issuer, in Government Securities plus an initial cash
62 deposit, in accordance with the terms of the Escrow Agreement, in order to provide for the payment
63 of the principal of, premium, and interest on the Refunded Bonds as they mature or upon earlier
64 redemption as provided in Section 13.1 hereof, and for the purpose of paying the Costs of Issuance.

1 (c) Provision having been made for the orderly payment until maturity or earlier
2 redemption of all the Refunded Bonds, in accordance with their terms, it is hereby recognized and
3 acknowledged that as of the date of delivery of the Bonds under this Bond Ordinance, provision will
4 have been made for the performance of all covenants and agreements of the Issuer incidental to the
5 Refunded Bonds, and that accordingly, and in compliance with all that is herein provided, the Issuer
6 is expected to have no future obligation with reference to the Refunded Bonds, except to assure that
7 the Refunded Bonds are paid from the Government Securities and funds so escrowed in accordance
8 with the provisions of the Escrow Agreement.

9
10 (d) The Escrow Agreement is hereby approved by the Issuer, and the Executive
11 Officers are hereby authorized and directed to execute and deliver the Escrow Agreement on behalf
12 of the Issuer substantially in the form of Exhibit B hereof, with such changes, additions, deletions or
13 completions deemed appropriate by such Executive Officers and it is expressly provided and
14 covenanted that all of the provisions for the payment of the principal of, premium, if any, and interest
15 on the Refunded Bonds from the special trust fund created under the Escrow Agreement shall be
16 strictly observed and followed in all respects.

17
18 **SECTION 2.2. Bond Ordinance to Constitute Contract.** In consideration of the
19 purchase and acceptance of the Bonds by those who shall own the same from time to time, the
20 provisions of this Bond Ordinance shall be a part of the contract of the Issuer with the Owners of
21 the Bonds and shall be deemed to be and shall constitute a contract between the Issuer and the
22 Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth
23 to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security
24 of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of
25 its issue or maturity, shall be of equal rank without preference, priority or distinction over any other
26 thereof except as expressly provided in this Bond Ordinance.

27
28 **SECTION 2.3. Obligation of Bonds.** The Bonds shall be secured by and payable in
29 principal, premium, if any, and interest solely from an irrevocable pledge and dedication of the Net
30 Revenues of the Tax. The Net Revenues of the Tax are hereby irrevocably and irrevocably pledged
31 and dedicated in an amount sufficient for the payment of the Bonds in principal, premium, if any, and
32 interest as they shall respectively become due and payable, and for the other purposes hereinafter
33 set forth in this Bond Ordinance. All of the Net Revenues of the Tax shall be set aside in a separate
34 fund, as hereinafter provided, and shall be and remain pledged for the security and payment of the
35 Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds issued pursuant to Section 8.1
36 hereof, in principal, premium, if any, and interest and for all other payments provided for in this Bond
37 Ordinance until such bonds shall have been fully paid and discharged.

38
39 **SECTION 2.4. Parity with Outstanding Bonds.** The Bonds shall be issued on a parity
40 with the Outstanding Parity Bonds, and the Bonds shall rank equally with and shall enjoy complete
41 parity of lien with the Outstanding Parity Bonds on all of the avails or proceeds of the Tax or other
42 funds specially applicable to the payment of said bonds, including funds established by the ordinances
43 authorizing the issuance of the Outstanding Parity Bonds (the "Parity Bond Ordinances").

44
45 This Governing Authority does hereby find, determine and declare that the Issuer has
46 complied, or will comply prior to the delivery of the Bonds, with all of the terms and conditions set
47 forth in the Parity Bond Ordinances, with respect to authorizing the issuance of the Bonds on a parity
48 with the Outstanding Parity Bonds.

49
50 **SECTION 2.5. Authorization and Designation.** Pursuant to the provisions of the Act,
51 there is hereby authorized the issuance of Three Million Five Hundred Fifty-Five Thousand Dollars
52 (\$3,555,000) principal amount of Bonds of the Issuer to be designated "Public Improvement Sales Tax
53 Refunding Bonds, Series 1993A of the City of Slidell, State of Louisiana," for the purpose of
54 refunding the Refunded Bonds and paying the Costs of Issuance. The Bonds shall be in substantially
55 the form set forth in Exhibit C hereto, with such necessary or appropriate variations, omissions and
56 insertions as are required or permitted by the Act and this Bond Ordinance.

57
58 **SECTION 2.6. Denominations, Dates, Maturities and Interest.** The Bonds are
59 issuable as fully registered bonds without coupons in the denominations of \$5,000 principal amount
60 or any integral multiple thereof within a single maturity, and shall be numbered consecutively from
61 No. AR-1 upwards.

62
63 The Bonds shall be dated August 1, 1993, shall mature on July 1 in the years and in
64 the principal amounts and shall bear interest, payable on the Interest Payment Dates, at the rates per
65 annum, as follows:
66

	<u>DATE</u> <u>(JULY 1)</u>	<u>PRINCIPAL</u> <u>PAYMENT</u>	<u>INTEREST</u> <u>RATE</u>	<u>DATE</u> <u>(JULY 1)</u>	<u>PRINCIPAL</u> <u>PAYMENT</u>	<u>INTEREST</u> <u>RATE</u>
4	1994	\$35,000	3.10%	2003	\$210,000	5.00
5	1995	45,000	3.40	2004	220,000	5.10
6	1996	45,000	3.65	2005	230,000	5.20
7	1997	150,000	3.90	2006	245,000	5.30
8	1998	160,000	4.10	2007	260,000	5.40
9	1999	165,000	4.30	2008	280,000	5.50
10	2000	180,000	4.50	2009	295,000	5.55
11	2001	185,000	4.70	2010	315,000	5.60
12	2002	200,000	4.90	2011	335,000	5.65

SECTION 2.7. Payment of Principal and Interest. The principal and premium, if any, of the Bonds are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the principal corporate trust office of the Paying Agent, upon presentation and surrender thereof. Interest on the Bonds is payable by check mailed on or before the Interest Payment Date by the Paying Agent to each Owner (determined as of the close of business on the applicable Record Date) at the address of such Owner as it appears on the registration books of the Paying Agent maintained for such purpose.

Except as otherwise provided in this Section, Bonds shall bear interest from date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, provided, however, that if and to the extent that the Issuer shall default in the payment of the interest on any Bonds due on any Interest Payment Date, then all such Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid on the Bonds, or if no interest has been paid on the Bonds, from their dated date. The Person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the interest payable on such Interest Payment Date (unless such Bond has been called for redemption on a redemption date which is prior to such Interest Payment Date) notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 3.1. Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the registration of transfer of the Bonds as provided in this Bond Ordinance to be kept by the Paying Agent at its principal corporate trust office, and the Paying Agent is hereby constituted and appointed the registrar for the Bonds. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the Issuer, or by the Owners (or a designated representative thereof) of 15% of the outstanding principal amount of the Bonds. Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and like aggregate principal amount. At the option of the Owner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount, upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Owner making the exchange shall be entitled to receive. All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Bond Ordinance as the Bonds surrendered. Prior to due presentment for registration of transfer of any Bond, the Issuer and the Paying Agent, and any agent of the Issuer or the Paying Agent may deem and treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the Person

1 requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or
2 other governmental charge that may be imposed in relation thereto. The Issuer and the Paying
3 Agent shall not be required (a) to issue, register the transfer of or exchange any Bond during a
4 period beginning at the opening of business on the 15th calendar day of the month next preceding
5 an Interest Payment Date or any date of selection of Bonds to be redeemed and ending at the close
6 of business on the Interest Payment Date or day on which the applicable notice of redemption is
7 given or (b) to register the transfer of or exchange any Bond so selected for redemption in whole or
8 in part.
9

10 SECTION 3.2. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall
11 become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Issuer may in its
12 discretion adopt a resolution or ordinance and thereby authorize the issuance and delivery of a new
13 Bond in exchange for and substitution for such mutilated or improperly cancelled Bond, or in lieu
14 of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Issuer
15 and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper
16 cancellation, destruction, theft or loss satisfactory to the Issuer and the Paying Agent, (ii) giving to
17 the Issuer and the Paying Agent an indemnity bond in favor of the Issuer and the Paying Agent in
18 such amount as the Issuer may require, (iii) compliance with such other reasonable regulations and
19 conditions as the Issuer may prescribe and (iv) paying such expenses as the Issuer and the Paying
20 Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation
21 pursuant to Section 3.4 hereof. If any Bond shall have matured or be about to mature, instead of
22 issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if
23 such Bond be lost, stolen or destroyed, without surrender thereof. Any such duplicate Bond issued
24 pursuant to this Section shall constitute an original, additional, contractual obligation on the part of
25 the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such
26 duplicate Bond shall be in all respects identical with those replaced except that it shall have a
27 different number and shall bear on its face the following additional clause: "This bond is issued to
28 replace a lost, cancelled, or destroyed bond under the authority of R.S. 39:971 through 39:974."
29

30 Such duplicate Bond may be signed by the facsimile signatures of the same officers
31 who signed the original Bonds, provided, however, that in the event the officers who executed the
32 original Bonds are no longer in office, then the new Bonds may be signed by the officers then in
33 office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to
34 lien and source and security for payment as provided herein with respect to all other Bonds
35 hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations
36 upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those
37 conferred by the original Bonds.
38

39 SECTION 3.3. Preparation of Definitive Bonds, Temporary Bonds. Until the
40 definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section
41 3.5, and deliver, *in lieu* of definitive Bonds, but subject to the same provisions, limitations and
42 conditions as the definitive Bonds except as to the denominations, one or more temporary typewritten
43 Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or
44 Bonds are issued, in authorized denominations, and with such omissions, insertions and variations as
45 may be appropriate to temporary Bonds.
46

47 SECTION 3.4. Cancellation of Bonds. All Bonds paid or redeemed either at or
48 before maturity, together with all Bonds purchased by the Issuer, shall thereupon be promptly
49 cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Issuer an
50 appropriate certificate of cancellation.
51

52 SECTION 3.5. Execution. The Bonds shall be executed in the name and on behalf
53 of the Issuer by the manual or facsimile signatures of the Executive Officers, and the corporate seal
54 of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise
55 reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of
56 the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been
57 actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued
58 as if the person who signed or sealed such Bonds had not ceased to hold such office. Said officers
59 shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective
60 facsimile signatures appearing on the Bonds or any legal opinion certificate thereon, and the Issuer
61 may adopt and use for that purpose the facsimile signature of any person or persons who shall have
62 been such officer at any time on or after the date of such Bond, notwithstanding that at the date of
63 such Bond such person may not have held such office or that at the time when such Bond shall be
64 delivered such person may have ceased to hold such office.
65

66 SECTION 3.6. Registration by Paying Agent and Secretary of State. (a) No Bond
67 shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond

1 Ordinance unless and until a certificate of registration on such Bond substantially in the form set
2 forth in Exhibit C hereto shall have been duly manually executed on behalf of the Paying Agent by
3 a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond
4 shall be conclusive evidence that such Bond has been executed, registered and delivered under this
5 Bond Ordinance.
6

7 (b) The Bonds shall also be registered with the Secretary of State of the State of
8 Louisiana (which registration shall be by manual signature on the Bonds issued upon original issuance
9 of the Bonds and by facsimile signature on Bonds exchanged therefor) and shall have endorsed
10 thereon the following:

11 "OFFICE OF SECRETARY OF STATE
12 STATE OF LOUISIANA
13 BATON ROUGE
14

15 Incontestable. Secured by a pledge and dedication of a sales and use
16 tax in the City of Slidell, State of Louisiana. Registered this _____
17 day of September, 1993.
18

19 _____
20 Secretary of State"
21

22 SECTION 3.7. Regularity of Proceedings. The Issuer, having investigated the
23 regularity of the proceedings had in connection with the issuance of the Bonds, and having
24 determined the same to be regular, each of the Bonds shall contain the following recital, to-wit:
25

26 "It is certified that this bond is authorized by and is issued in confor-
27 mity with the requirements of the Constitution and statutes of this
28 State."
29

30 ARTICLE IV
31

32 PAYMENT OF BONDS; DISPOSITION OF FUNDS
33

34 SECTION 4.1. Deposit of Funds With Paying Agent. The Issuer covenants that it
35 will deposit or cause to be deposited with the Paying Agent from the moneys derived from the Net
36 Revenues of the Tax or other funds available for such purpose, at least three (3) days in advance of
37 each Interest Payment Date, funds fully sufficient to pay promptly the principal, premium, if any, and
38 interest so falling due on such date.
39

40 SECTION 4.2. Issuer Obligated to Collect Tax. In compliance with the laws of
41 Louisiana, the Issuer, through its governing authority, by proper ordinances and/or resolutions, is
42 obligated to cause the Tax to continue to be levied and collected until all of the Bonds have been
43 retired as to both principal and interest, and further shall not discontinue or decrease or permit to
44 be discontinued or decreased the Tax in anticipation of the collection of which the Bonds have been
45 issued, nor in any way make any change which would diminish the amount of the revenues of the Tax
46 to be received by the Issuer until all of the Bonds have been retired as to both principal and interest.
47

48 SECTION 4.3. Funds and Accounts. In order that the principal of and the interest
49 on the Bonds will be paid in accordance with their terms and for the other objects and purposes
50 hereinafter provided, the Issuer further covenants as follows:
51

52 All of the avails or proceeds of the Tax shall promptly be transferred and deposited
53 in a separate and special bank account known and designated as the "Recreational
54 Bond of 1980 Sales Tax Fund" of the Issuer (the "Sales Tax Fund"). Said
55 Recreational Bond of 1980 Sales Tax Fund shall be maintained and administered in
56 the following order or priority and for the following express purposes which purposes
57 shall be in addition to the purposes for which the said fund was established in
58 Ordinance No. 1252 of the Governing Authority providing for the issuance of the
59 Issuer's Recreation Bond of 1980:
60

61 (a) The maintenance of the Recreational Bond of 1980 Sales Tax Sinking Fund
62 (hereinafter called the "Sinking Fund"), sufficient in amount to pay promptly and fully
63 the principal of and the interest on the Bonds, including the Outstanding Parity Bonds
64 and any Additional Parity Bonds, as they severally become due and payable, by
65 transferring from the Sales Tax Fund to the regularly designated fiscal agent bank or
66 banks of the Issuer monthly in advance on or before the 20th day of each month of
67

1 each year, an amount necessary to satisfy the monthly requirements of Section 7(a)
2 of said Ordinance No. 1252 and a sum equal to one-sixth (1/6) of the interest falling
3 due on the Bonds on the next interest payment date and a sum equal to one-twelfth
4 (1/12) of the principal falling due on the Bonds on the next principal payment date,
5 together with such additional proportionate sum as may be required to pay said
6 principal and interest as the same respectively become due.
7

8 (b) The maintenance of the Recreational Bond of 1980 Sales Tax Reserve Fund
9 (hereinafter called the "Reserve Fund"), by retaining therein an amount equal to the
10 Reserve Fund Requirement. In the event that Additional Parity Bonds are issued
11 hereafter in the manner provided by this Bond Ordinance, there shall be transferred
12 from the Sales Tax Fund into said Reserve Fund monthly or annually, such amounts
13 (as may be designated in the ordinance authorizing the issuance of such Additional
14 Parity Bonds) as will increase the total amount on deposit in said Reserve Fund
15 within a period not exceeding five (5) years to a sum equal to the Reserve Fund
16 Requirement.
17

18 If at any time it shall be necessary to use moneys in the Reserve Fund above provided
19 for the purpose of paying principal or interest on Bonds payable from the aforesaid
20 Sinking Fund as to which there would otherwise be default, then the moneys so used
21 shall be replaced from the revenues first thereafter received, not hereinabove required
22 for payments into the Sinking fund, it being the intention hereof that there shall as
23 nearly as possible be at all times in the Reserve Fund the amount hereinabove
24 specified.
25

26 All or any part of the moneys in the Reserve Fund shall at the written request of the
27 Issuer be invested in the manner provided by law in obligations maturing in five (5)
28 years or less, in which event all income derived from such investments shall be added
29 to either said Reserve Fund or the Sales Tax Fund, and such investments shall, to the
30 extent at any time necessary, be liquidated and the proceeds thereof applied to the
31 purposes for which said Reserve Fund is herein created.
32

33 Any moneys remaining in the Sales Tax Fund on the 20th day of each month and
34 after making the required payments into the Sinking Fund and the Reserve Fund for
35 the current month and for any prior months during which the required payments may
36 not have been made, shall be considered as surplus. Such surplus may be used by the
37 Issuer for the purposes for which the imposition of the Tax is authorized, or for the
38 purpose of retiring the Bonds in advance of the maturities, as herein provided.
39

40 **SECTION 4.4. Investment of Funds.** All or any part of the moneys in the Sales Tax
41 Fund, Sinking Fund and Reserve Fund shall, at the written request of the Issuer, be invested in
42 qualified investments maturing in five (5) years or less, except for (a) Bond proceeds representing
43 accrued interest and (b) moneys on deposit in the Reserve Fund, which shall be invested in
44 Government Securities maturing in five (5) years or less, in which event all income derived from such
45 qualified investments maturing in five (5) years or less, be added to the Sales Tax Fund, and such
46 investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied
47 to the purposes for which the Sales Tax Fund is created. Income on investments in the Reserve
48 Fund shall be added to the Sales Tax Fund only to the extent that the amount then on deposit in the
49 Reserve Fund exceeds the Reserve Fund Requirement.
50

51 **SECTION 4.5. Funds to Constitute Trust Funds.** The Sales Tax Fund, the Sinking
52 Fund, and the Reserve Fund provided for in Section 4.3 hereof shall all be and constitute trust funds
53 for the purposes provided in this Bond Ordinance, and the Owners of Bonds issued pursuant to this
54 Bond Ordinance are hereby granted a lien on all such funds until applied in the manner provided
55 herein. The moneys in such funds shall at all times be secured to the full extent thereof by the bank
56 or trust company holding such funds in the manner required by the laws of the State.
57

58 **SECTION 4.6. Method of Valuation and Frequency of Valuation.** In computing the
59 amount in any fund provided for in Section 4.3, qualified investments shall be valued at the lower of
60 the cost or the market price, exclusive of accrued interest. With respect to all funds and accounts
61 (except the Reserve Fund), valuation shall occur annually. The Reserve Fund shall be valued
62 semiannually, except in the event of a withdrawal from the Reserve Fund, whereupon it shall be
63 valued immediately after such withdrawal.
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ARTICLE V

REDEMPTION OF BONDS

SECTION 5.1. Optional Redemption of Bonds. The Bonds maturing July 1, 2004, and thereafter, will be callable for redemption by the Issuer in full at any time on or after July 1, 2003, or in part, in the inverse order of their maturities, and if less than a full maturity then by lot within such maturity, on any Interest Payment Date on or after July 1, 2003, at the redemption prices, expressed as a percentage of the principal amount of each Bond redeemed set forth below, together with accrued interest to the date fixed for redemption:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Price</u>
July 1, 2003 to June 30, 2005	101%
July 1, 2005 and thereafter	100%

In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part shall be surrendered at the principal corporate trust office of the Paying Agent and there shall be delivered to the Owner of such Bond, a Bond or Bonds of the same maturity and of any authorized denomination or denominations as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

SECTION 5.2. Notice to Paying Agent. In the case of any redemption of Bonds, the Issuer shall give written notice to the Paying Agent of the election so to redeem and the redemption date, and of the principal amounts and numbers of the Bonds or portions of Bonds of each maturity to be redeemed. Such notice shall be given at least thirty (30) days prior to the redemption date. In the event notice of redemption shall have been given as provided in Section 5.4, the Issuer shall, on or before the redemption date, deposit moneys available therefor with the Paying Agent in an amount which, in addition to other amounts, if any, available therefor held by the Paying Agent will be sufficient to redeem on the redemption date, at the redemption price thereof together with accrued interest to the redemption date, all of the Bonds to be redeemed.

SECTION 5.3. Selection of Bonds to be Redeemed by Lot. In the event of redemption of less than all the outstanding Bonds of like maturity, such Bonds shall be redeemed by lot or in such other manner as shall be deemed fair and equitable by the Paying Agent for random selection.

SECTION 5.4. Notice of Redemption. Notice of any such redemption shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each Bond to be redeemed at his address as shown on the registration books of the Paying Agent. Failure to give such notice by mailing to any Owner, or any defect therein, shall not affect the validity of any proceedings for the redemption of other Bonds.

All notices of redemption shall state (i) the redemption date; (ii) the redemption price; (iii) if less than all the Bonds are to be redeemed, the identifying number (and in the case of partial redemption, the respective principal amounts) and CUSIP number of the Bonds to be redeemed; (iv) that on the redemption date the redemption price will become due and payable on each such Bond and interest thereon will cease to accrue thereon from and after said date; and (v) the place where such Bonds are to be surrendered for payment. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner of such Bonds receives the notice.

On or before any redemption date the Paying Agent shall segregate and hold in trust funds furnished by the Issuer for the payment of the Bonds or portions thereof called, together with accrued interest thereon and premium, if any, to the redemption date. Upon the giving of notice and the deposit of funds for redemption, interest on such Bonds or portions thereof thus called shall no longer accrue on or after the date fixed for redemption. If said moneys shall not be so available on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. No payment shall be made by the Paying Agent upon any Bond or portion thereof called for redemption until such Bond or portion thereof shall have been delivered for payment or cancellation or the Paying Agent shall have received the items required by Section 3.2 with respect to any mutilated, lost, stolen or destroyed Bond. Upon

1 surrender of any Bond for redemption in part only, the Paying Agent shall register and deliver to the
2 Owner thereof a new Bond or Bonds of authorized denominations of maturity and interest rate in
3 an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.
4

5 SECTION 5.5. Payment of Redeemed Bonds. Notice having been given in the
6 manner provided in Section 5.4, the Bonds or portions thereof so called for redemption shall become
7 due and payable on the redemption date so designated at the redemption price, plus interest accrued
8 and unpaid to the redemption date, and, upon presentation and surrender thereof at the office
9 specified in such notice, such Bonds or portions thereof shall be paid at the redemption price plus
10 interest accrued and unpaid to the redemption date. Interest on such Bonds or portions thereof so
11 called for redemption shall cease to accrue on or after the date fixed for redemption.
12

13 SECTION 5.6. Purchase of Bonds. The Paying Agent shall endeavor to apply any
14 moneys furnished by the Issuer for the redemption of Bonds (but not committed to the redemption
15 of Bonds as to which notice of redemption has been given) to the purchase of appropriate
16 outstanding Bonds. In accordance with Section 3.4, any Bonds so purchased shall be cancelled.
17 Subject to the above limitations, the Paying Agent, at the direction of the Issuer, shall purchase
18 Bonds at such times, for such prices, in such amounts and in such manner (whether after
19 advertisement for tenders or otherwise) with monies made available by the Issuer for such purpose,
20 provided, however, that the Paying Agent shall not expend amounts for the purchase of Bonds of a
21 particular maturity (excluding accrued interest, but including any brokerage or other charges) in
22 excess of the amount that would otherwise be expended for the redemption of Bonds of such
23 maturity, plus accrued interest, and, provided further, that the Issuer may, in its discretion, direct the
24 Paying Agent to advertise for tenders for the purchase of Bonds not less than sixty (60) days prior
25 to any date for redemption of Bonds.
26

27 ARTICLE VI

28 PARTICULAR COVENANTS

29 SECTION 6.1. Obligation of the Issuer in Connection with the Issuance of the
30 Bonds. As a condition of the issuance of the Bonds, the Issuer hereby binds and obligates itself to:
31 (a) deposit irrevocably in trust with the Escrow Agent under the terms and conditions of the Escrow
32 Agreement, as hereinafter provided, an amount of the proceeds derived from the issuance and sale
33 of the Bonds (exclusive of accrued interest), together with additional moneys of the Issuer, as will
34 enable the Escrow Agent to immediately make an initial cash deposit and purchase the Defeasance
35 Obligations described in the Escrow Agreement, which, together with the initial cash deposit
36 deposited therein, shall mature in principal and interest in such a manner as to provide at least the
37 required cash amount on or before each payment date for the Refunded Bonds (said amounts being
38 necessary on each of the designated dates to pay and retire or redeem the Refunded Bonds, including
39 premiums, if any, payable upon redemption), and (b) retain in a Costs of Issuance fund such amount
40 of the proceeds of the Bonds as will enable the Issuer to pay the Costs of Issuance and the costs
41 properly attributable to the establishment and administration of the Escrow Fund.
42
43
44

45 Prior to or concurrently with the delivery of the Bonds, the Issuer shall obtain an
46 independent mathematical verification that the moneys and obligations required to be irrevocably
47 deposited in trust in the Escrow Fund with the Escrow Agent, together with the earnings to accrue
48 thereon, will always be sufficient for the payment of the principal of, premium, if any, and interest
49 on the Refunded Bonds through their redemption.
50

51 SECTION 6.2. Payment of Bonds. The Issuer shall duly and punctually pay or cause
52 to be paid as herein provided, the principal or redemption price, if any, of every Bond and the
53 interest thereon, at the dates and places and in the manner stated in the Bonds according to the true
54 intent and meaning thereof.
55

56 SECTION 6.3. Tax Covenants. (a) To the extent permitted by the laws of the State,
57 the Issuer will comply with the requirements of the Code to establish, maintain and preserve the
58 exclusion from "gross income" of interest on the bonds under the Code. The Issuer shall not take
59 any action or fail to take any action, nor shall it permit at any time or times any of the proceeds of
60 the Bonds or any other funds of the Issuer to be used directly or indirectly to acquire any securities
61 or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined
62 in the Code or would result in the inclusion of the interest on any Bond in "gross income" under the
63 Code, including, without limitation, (i) the failure to comply with the limitation on investment of the
64 proceeds of the Bonds, (ii) the failure to pay any required rebate of arbitrage earnings to the United
65 States of America, or (iii) the use of the proceeds of the Bonds in a manner which would cause the
66 Bonds to be "private activity bonds" under the Code.
67

1 (b) The Issuer shall not permit at any time or times any proceeds of the Bonds or
2 any other funds of the Issuer to be used, directly or indirectly, in a manner which would result in the
3 exclusion of the interest on any Bond from the treatment afforded by Section 103(a) of the Code,
4 as from time to time amended, or any successor provision thereto.
5

6 SECTION 6.4. Obligation to Collect Tax. The Issuer recognizes that the governing
7 authority of the Issuer is bound under the terms and provisions of law, to levy, impose, enforce and
8 collect the Tax and to provide for all reasonable and necessary rules, regulations, procedures and
9 penalties in connection therewith, including the proper application of the proceeds of the Tax, until
10 all of the Bonds have been retired as to both principal and interest. Nothing herein contained shall
11 be construed to prevent the governing authority of the Issuer from altering, amending or repealing
12 from time to time as may be necessary the ordinances adopted providing for the levying, imposition,
13 enforcement and collection of the Tax or any subsequent ordinance providing therefor, said
14 alterations, amendments or repeals to be conditioned upon the continued preservation of the rights
15 of the Owners with respect to the revenues from the Tax. The Tax Ordinance imposing the Tax and
16 pursuant to which the Tax is being levied, collected and allocated, and the obligation to continue to
17 levy and collect the Tax and to apply the revenues therefrom in accordance with the provisions of
18 this Bond Ordinance, shall be irrevocable until the Bonds have been paid in full as to both principal
19 and interest, and shall not be subject to amendment in any manner which would impair the rights of
20 the Owners from time to time of the Bonds or which would in any way jeopardize the prompt
21 payment of principal thereof and interest thereon. More specifically, neither the Legislature of
22 Louisiana, nor the Issuer may discontinue or decrease the Tax or permit to be discontinued or
23 decreased the Tax in anticipation of the collection of which the Bonds have been issued, or in any
24 way make any change in such Tax which would diminish the amount of the sales tax revenues to be
25 received by the Issuer, until all of such Bonds shall have been retired as to both principal and
26 interest.
27

28 SECTION 6.5. Indemnity Bonds. So long as any of the Bonds are outstanding and
29 unpaid, the Issuer shall require all of its officers and employees who may be in a position of authority
30 or in possession of money derived from the collection of the Tax, to obtain or be covered by a
31 blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible
32 indemnity company in amounts adequate to protect the Issuer from loss.
33

34 SECTION 6.6. Issuer to Maintain Books and Records. So long as any of the Bonds
35 are outstanding and unpaid in principal or interest, the Issuer shall maintain and keep proper books
36 of records and accounts separate and apart from all other records and accounts in which shall be
37 made full and correct entries of all transactions relating to the collection and expenditure of the
38 revenues of the Tax, including specifically but without limitation, all reasonable and necessary costs
39 and expenses of collection. Not later than six (6) months after the close of each Fiscal Year, the
40 Issuer shall cause an audit of such books and accounts to be made by the Legislative Auditor of the
41 State of Louisiana (or his successor) or by a recognized independent firm of certified public
42 accountants showing the receipts of and disbursements made for the account of the Sales Tax Fund.
43 Such audit shall be available for inspection upon request by the Owners of any of the Bonds. The
44 Issuer further agrees that the Paying Agent, and the Owners of any of the Bonds shall have at all
45 reasonable times the right to inspect the records, accounts and data of the Issuer relating to the Tax.
46
47

48 ARTICLE VII

49 SUPPLEMENTAL BOND ORDINANCES

50 SECTION 7.1. Supplemental Ordinances Effective Without Consent of Owners. For
51 any one or more of the following purposes and at any time from time to time, an ordinance
52 supplemental hereto may be adopted, which, upon the filing with the Paying Agent of a certified copy
53 thereof, but without any consent of Owners, shall be fully effective in accordance with its terms:
54
55

56 (a) to add to the covenants and agreements of the Issuer in the Bond Ordinance
57 other covenants and agreements to be observed by the Issuer which are not contrary to or
58 inconsistent with the Bond Ordinance as theretofore in effect;
59

60 (b) to add to the limitations and restrictions in the Bond Ordinance other limitations
61 and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Bond
62 Ordinance as theretofore in effect;
63

64 (c) to surrender any right, power or privilege reserved to or conferred upon the Issuer
65 by the terms of the Bond Ordinance, but only if the surrender of such right, power or privilege is not
66

1 contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Bond
2 Ordinance;

3
4 (d) to cure any ambiguity, supply any omission, or cure or correct any defect or
5 inconsistent provision of the Bond Ordinance; or

6
7 (e) to insert such provisions clarifying matters or questions arising under the Bond
8 Ordinance as are necessary or desirable and are not contrary to or inconsistent with the Bond
9 Ordinance as theretofore in effect.

10
11 SECTION 7.2. Supplemental Ordinances Effective With Consent of Owners. Except
12 as provided in Section 7.1, any modification or amendment of the Bond Ordinance or of the rights
13 and obligations of the Issuer and of the Owners of the Bonds hereunder, in any particular, may be
14 made by a supplemental ordinance, with the written consent of the Owners of a majority of the Bond
15 Obligation at the time such consent is given. No such modification or amendment shall permit a
16 change in the terms of redemption or maturity of the principal of any outstanding Bond or of any
17 installment of interest thereon or a reduction in the principal amount or the redemption price thereof
18 or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce
19 the percentages of Bonds the consent of the Owner of which is required to effect any such
20 modification or amendment, or change the obligation of the Issuer to levy and collect the Tax for the
21 payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then
22 outstanding, or shall change or modify any of the rights or obligations of either the Paying Agent or
23 the Escrow Agent without its written assent thereto. For the purposes of this Section, Bonds shall
24 be deemed to be affected by a modification or amendment of the Bond Ordinance if the same
25 adversely affects or diminishes the rights of the Owners of said Bonds.

26 27 ARTICLE VIII

28 29 ADDITIONAL PARITY BONDS

30
31 SECTION 8.1. Issuance of Additional Parity Bonds. All of the Bonds shall enjoy
32 complete parity of lien on the avails or proceeds of the Tax despite the fact that any of the Bonds
33 may be delivered at an earlier date than any other of the Bonds. The Issuer shall issue no other
34 bonds or obligations of any kind or nature payable from or enjoying a lien on the avails or proceeds
35 of the Tax having priority over or parity with the Bonds, except that bonds may hereafter be issued
36 on a parity with the Bonds under the following conditions:

37
38 (A) The Bonds or any part thereof, including interest and redemption premiums
39 thereon, may be refunded with the consent of the owners thereof (except that as to Bonds which
40 have been properly called for redemption and provisions made for the payment thereof, such consent
41 shall not be necessary) and the bonds so issued shall enjoy complete equality of lien with the portion
42 of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy
43 whatever priority of lien over subsequent issues that may have been enjoyed by the Bonds refunded,
44 provided, however, that if only a portion of Bonds outstanding is so refunded and the refunding
45 bonds require total principal and interest payments during any bond year in excess of the principal
46 and interest which would have been required in such bond year to pay the Bonds refunded thereby,
47 then such Bonds may not be refunded without the consent of the Owners of the unrefunded portion
48 of the Bonds issued hereunder.

49
50 (B) Additional Parity Bonds, including any other *pari passu* additional bonds as may
51 at any later date be authorized at an election held by the Issuer or otherwise, may also be issued, and
52 such Additional Parity Bonds shall be on a parity with the Bonds herein authorized if all of the
53 following conditions are met:

54
55 (a) The average annual revenues derived by the Issuer from the Tax when
56 computed for the two (2) completed Fiscal Years immediately preceding the issuance
57 of the Additional Parity Bonds must have been not less than one and four-tenths
58 (1.40) times the highest combined principal and interest requirements for any
59 succeeding Fiscal Year period on all bonds then outstanding, including any *pari passu*
60 additional bonds theretofore issued and then outstanding, and any other bonds or
61 other obligations whatsoever then outstanding which are payable from the Tax (but
62 not including bonds which have been refunded or provision otherwise made for their
63 full payment and redemption) and the Additional Parity Bonds so proposed to be
64 issued;

65
66 (b) The Net Revenues of the Tax, together with the interest earnings on the
67 Reserve Fund, for each of the two (2) completed Fiscal Years prior to the issuance

1 of the Additional Parity Bonds must have been not less than two (2) times the highest
2 combined principal and interest requirements in any succeeding Fiscal Year period
3 on all bonds then outstanding, including any *pari passu* additional bonds theretofore
4 issued and then outstanding, and any other bonds or other obligations whatsoever
5 then outstanding which are payable from the Tax (but not including bonds which have
6 been refunded or provision otherwise made for their full payment and redemption)
7 and the Additional Parity Bonds so proposed to be issued;

8
9 (c) The payments to be made into the various funds provided for in Section 4.3
10 hereof must be current;

11
12 (d) The existence of the facts required by paragraphs (a) and (b) above must be
13 determined and certified to by an independent firm of certified or registered public
14 accountants who have previously audited the books of the Issuer or by such successors
15 thereof as may have been employed for that purpose;

16
17 (e) The Additional Parity Bonds must be payable as to principal on July 1st of
18 each year in which principal falls due, beginning not later than three (3) years from
19 the date of issuance of said Additional Parity Bonds and payable as to interest on
20 January 1st and July 1st of each year; and

21 ARTICLE IX

22 REMEDIES ON DEFAULT

23
24 SECTION 9.1. Events of Default. If one or more of the following events (in this
25 Bond Ordinance called "Events of Default") shall happen, that is to say, (a) if default shall be made
26 in the due and punctual payment of the principal of any Bond when and as the same shall become
27 due and payable, whether at maturity or otherwise; or (b) if default shall be made in the due and
28 punctual payment of any installment of interest on any Bond when and as such interest installment
29 shall become due and payable; or (c) if default shall be made by the Issuer in the performance or
30 observance of any other of the covenants, agreements or conditions on its part in the Bond
31 Ordinance, any supplemental ordinance or in the Bonds contained and such default shall continue
32 for a period of forty-five (45) days after written notice thereof to the Issuer by the Owners of not
33 less than 25% of the Bond Obligation; or (d) if the Issuer shall file a petition or otherwise seek relief
34 under any Federal or State bankruptcy law or similar law; then, upon the happening and continuance
35 of any Event of Default, the Owners of the Bonds shall be entitled to exercise all rights and powers
36 for which provision is made under Louisiana law.
37
38

39 ARTICLE X

40 CONCERNING FIDUCIARIES

41
42 SECTION 10.1. Escrow Agent; Appointment and Acceptance of Duties. First
43 National Bank of Commerce, in the City of New Orleans, Louisiana, is hereby appointed Escrow
44 Agent. The Escrow Agent shall signify its acceptance of the duties and obligations imposed upon it
45 by this Bond Ordinance by executing and delivering the Escrow Agreement. The Escrow Agent is
46 authorized to file, on behalf of the Issuer, subscription forms for any Government Securities required
47 by the Escrow Agreement. A successor to the Escrow Agent may be designated in the manner set
48 forth in the Escrow Agreement.
49
50

51
52 SECTION 10.2. Paying Agent; Appointment and Acceptance of Duties. The Issuer
53 will at all times maintain a Paying Agent having the necessary qualifications for the performance of
54 the duties described in this Bond Ordinance. The designation of First National Bank of Commerce,
55 in the City of New Orleans, Louisiana, as the initial Paying Agent is hereby confirmed and approved.
56 The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by the Bond
57 Ordinance by executing and delivering an acceptance of its rights, duties and obligations as Paying
58 Agent set forth herein in form and substance satisfactory to the Issuer.
59

60 SECTION 10.3. Successor Paying Agent. Any successor Paying Agent shall (i) be
61 a trust company or bank in good standing, located in or incorporated under the laws of the State, duly
62 authorized to exercise trust powers and subject to examination by federal or state authority, and (ii)
63 have a reported capital and surplus of not less than \$10,000,000.
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ARTICLE XI

MISCELLANEOUS

SECTION 11.1. Defeasance. (a) If the Issuer shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest and redemption premium, if any, to become due thereon, at the times and in the manner stipulated therein and in the Bond Ordinance, then the covenants, agreements and other obligations of the Issuer to the Owners shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Issuer all moneys, securities and funds held by them pursuant to the Bond Ordinance which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(b) Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION 11.2. Evidence of Signatures of Owners and Ownership of Bonds. (a) Any request, consent, revocation of consent or other instrument which the Bond Ordinance may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any person of the Bonds shall be sufficient for any purpose of the Bond Ordinance (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(A) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;

(B) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books of the Paying Agent.

(b) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or the Paying Agent in accordance therewith.

SECTION 11.3. Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

SECTION 11.4. Parties Interested Herein. Nothing in the Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of the Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Bond Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners of the Bonds.

SECTION 11.5. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Bond Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the Bonds.

1 SECTION 11.6. Successors and Assigns. Whenever in this Bond Ordinance the
2 Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the
3 covenants and agreements in this Bond Ordinance contained by or on behalf of the Issuer shall bind
4 and enure to the benefit of its successors and assigns whether so expressed or not.

5
6 SECTION 11.7. Subrogation. In the event the Bonds herein authorized to be issued,
7 or any of them, should ever be held invalid by any court of competent jurisdiction, the Owner or
8 Owners thereof shall be subrogated to all the rights and remedies against the Issuer had and
9 possessed by the Owner or Owners of the Refunded Bonds.

10
11 SECTION 11.8. Severability. In case any one or more of the provisions of the Bond
12 Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such
13 illegality or invalidity shall not affect any other provision of the Bond Ordinance or of the Bonds, but
14 the Bond Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid
15 provisions had not been contained therein. Any constitutional or statutory provision enacted after
16 the date of the Bond Ordinance which validates or makes legal any provision of the Bond Ordinance
17 or the Bonds which would not otherwise be valid or legal shall be deemed to apply to the Bond
18 Ordinance and to the Bonds.

19
20 SECTION 11.9. Publication of Bond Ordinance; Peremption. This Bond Ordinance
21 shall be published one time in the official journal of the Issuer; however, it shall not be necessary to
22 publish any exhibits hereto if the same are available for public inspection and such fact is stated in
23 the publication. For thirty (30) days after the date of publication, any person in interest may contest
24 the legality of this Bond Ordinance, any provision of the Bonds, the provisions therein made for the
25 security and payment of the Bonds and the validity of all other provisions and proceedings relating
26 to the authorization and issuance of the Bonds. After the said thirty days, no person may contest the
27 regularity, formality, legality or effectiveness of the Bond Ordinance, any provisions of the Bonds to
28 be issued pursuant hereto, the provisions for the security and payment of the Bonds and the validity
29 of all other provisions and proceedings relating to their authorization and issuance, for any cause
30 whatever. Thereafter, it shall be conclusively presumed that the Bonds are legal and that every legal
31 requirement for the issuance of the Bonds has been complied with. No court shall have authority
32 to inquire into any of these matters after the said thirty days.

33
34 SECTION 11.10. Execution of Documents. In connection with the issuance and sale
35 of the Bonds, the Executive Officers are each authorized, empowered and directed to execute on
36 behalf of the Issuer such documents, certificates and instruments as they may deem necessary, upon
37 the advice of Bond Counsel, to effect the transactions contemplated by this Bond Ordinance, the
38 signatures of the Executive Officers on such documents, certificates and instruments to be conclusive
39 evidence of the due exercise of the authority granted hereunder.

40
41 SECTION 11.11. Recordation. A certified copy of this Bond Ordinance shall be filed
42 and recorded as soon as possible in the Mortgage Records of the Parish of St. Tammany, State of
43 Louisiana.

44
45 SECTION 11.12. Employment of Bond Counsel. The Governing Authority hereby
46 finds and determines that a real need exists for the employment of Bond Counsel in the issuance of
47 the Bonds, and accordingly the employment of Foley & Judell, as Bond Counsel to handle all matters
48 of a legal nature in connection with the negotiation, sale, issuance and delivery of the Bonds is hereby
49 ratified and confirmed. As required by the Issuer's Home Rule Charter, the Mayor and the Council
50 Administrator of the Issuer are authorized to enter into a contract with said counsel in substantially
51 the form attached hereto as Exhibit "F" providing for their employment.

52
53 SECTION 11.13. Designation of Bonds as "Qualified Tax-Exempt Obligations". The
54 Bonds are designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)
55 of the Code. In making this designation, the Issuer finds and determines that:

- 56
57 (a) the Bonds are not "private activity bonds" within the meaning of the Code; and
58
59 (b) the reasonably anticipated amount of qualified tax-exempt obligations which will
60 be issued by the Issuer and all subordinate entities in calendar year 1993 does not
61 exceed \$10,000,000.
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ARTICLE XII

SALE OF BONDS

SECTION 12.1. Sale of Bonds. The Bonds are hereby awarded to and sold to the Underwriter at a price of \$3,489,502.10 [representing the par amount of the Bonds (\$3,555,000), minus original issue discount of \$29,236.90, minus Underwriters' Discount (1.02%) of \$36,261.00], plus accrued interest, and under the terms and conditions set forth in the Bond Purchase Agreement (hereinafter defined), and after their execution, registration by the Secretary of State and authentication by the Paying Agent, the Bonds shall be delivered to the Underwriter or their agents or assigns, upon receipt by the Issuer of the agreed purchase price. The Bond Purchase Agreement dated August 10, 1993, in substantially the form attached hereto as Exhibit D, is hereby approved and the Executive Officers are hereby authorized, empowered and directed to execute the Bond Purchase Agreement on behalf of the Issuer and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Issuer or deemed by them necessary or advisable to implement the Bond Ordinance or to facilitate the sale of the Bonds.

SECTION 12.2. Official Statement. The Issuer hereby approves the form and content of the Preliminary Official Statement dated August 3, 1993, pertaining to the Bonds, as submitted to the Issuer, and hereby ratifies its prior use in connection with the sale of the Bonds. The Issuer further approves the form and content of the final Official Statement and hereby authorizes and directs the execution by the Mayor and Council Administrator and delivery of such final Official Statement to the Underwriter for use in connection with the public offering of the Bonds.

ARTICLE XIII

REDEMPTION OF REFUNDED BONDS

SECTION 13.1. Call for Redemption. Subject only to the delivery of the Bonds, \$3,120,000 principal amount of the Issuer's Public Improvement Sales Tax Bonds, Series 1986, consisting of all of said bonds due July 1, 1997 to July 1, 2011, inclusive, are hereby called for redemption on July 1, 1996 at the principal amount thereof, plus a premium equal to two percent (2%) of the principal amount of each such bond so redeemed, and accrued interest to the date of redemption, in compliance with Ordinance No. 1981 authorizing their issuance.

SECTION 13.2. Notice of Redemption. In accordance with Ordinance No. 1981 authorizing the issuance of the 1986 Bonds, a notice of redemption in substantially the form attached hereto as Exhibit E, shall be given by means of registered or certified mail by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each Bond to be redeemed at his address as shown on the Bond Register of the Paying Agent/Registrar.

ARTICLE XIV

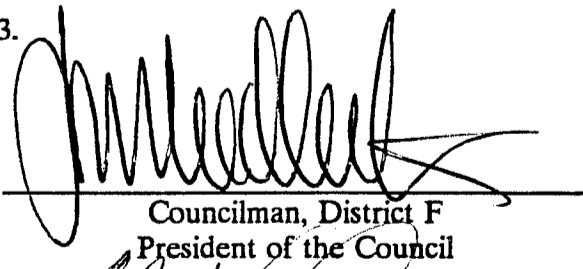
INTRODUCTION OF ORDINANCE

SECTION 16.1 Introduction of Ordinance. This ordinance having been introduced at a duly convened meeting on July 13, 1993, in compliance with a duly published agenda item and notice of introduction hereof having been published once in the official journal of the Issuer at least seven (7) days prior to the date of adoption hereof and having been duly adopted by the Slidell City Council on August 10, 1993, pursuant to a duly published agenda item, in compliance with the provisions of the City Charter, this ordinance shall take effect immediately upon approval by the Mayor of the City.

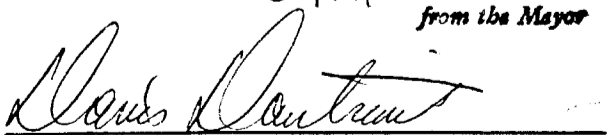
Adopted this 10th day of August, 1993.

DELIVERED
08/12/93 9:00 a.m.
to the Mayor

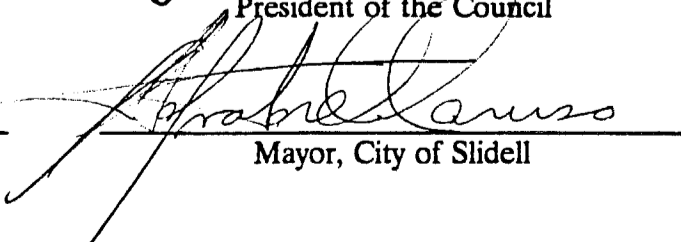
RECEIVED
08/17/93 9:10 a.m.
from the Mayor



Councilman, District F
President of the Council



Council Administrator/
Clerk of the Council



Mayor, City of Slidell