

Minutes of a regular public meeting of the Board of Park Commissioners of the Frankfort Square Park District, Will County, Illinois, held in the Square Links Golf Course Clubhouse, 7861 W. St. Francis Road, Frankfort, Illinois 60423, in said Park District at 7:30 P.M., on the 21st day of August, 2014.

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The meeting was called to order by the President, and upon the roll being called, Ken Blackburn, the President, and the following Park Commissioners were physically present at said location: 7861 W. St. Francis Road, Frankfort, Illinois 60423.

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

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No Park Commissioner requested to attend the meeting by video or audio conference.

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

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The President publicly declared himself to have an interest in the ordinance and contract under consideration by the Board by reason of being an officer and employee of Old Plank Trail Community Bank, but not the owner of any ownership interest therein, and did not participate in the deliberation of the agenda items herein described in any manner or to any extent whatsoever;

The President announced that a proposal had been received from Old Plank Trail Community Bank, Illinois, for the purchase of the District's Debt Certificate, Series 2014, and that the Board of Park Commissioners would consider the adoption of an ordinance providing for an Installment Purchase Agreement in order to acquire certain personal property, including a

Toro Grandmaster 4000-D mower, authorizing the issuance of said Certificate, evidencing the rights to payment under said Agreement and providing for the sale of said certificate.

Whereupon Park Commissioner \_\_\_\_\_ presented and the Secretary read by title an ordinance as follows, a copy of which was provided to each Park Commissioner prior to said meeting and to everyone in attendance at said meeting who requested a copy:

**ORDINANCE NO. 14-08-280**

AN ORDINANCE authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing personal property in and for the Frankfort Square Park District, Will County, Illinois, and authorizing and providing for the issue of \$55,000 Debt Certificate, Series 2014, of said Park District evidencing the rights to payment under such Agreement, prescribing the details of the Agreement and Certificate, and providing for the security for and means of payment under the Agreement of the Certificate.

\* \* \*

WHEREAS, the Frankfort Square Park District, Will County, Illinois (the "*District*"), is a park district of the State of Illinois operating under and pursuant to the Park District Code of the State of Illinois, as amended (the "*Park Code*"), the Local Government Debt Reform Act of the State of Illinois, as amended (the "*Debt Reform Act*"), and in particular, the provisions of Section 8-15 of the Park Code and Section 17(b) of the Debt Reform Act (collectively, the "*Installment Purchase Provisions*"); and

WHEREAS, the Board of Park Commissioners of the District (the "*Board*") has considered the needs of the District and, in so doing, the Board has deemed and does now deem it advisable, necessary, and for the best interests of the District to acquire certain personal property, including a Toro Grandmaster 4000-D mower (the "*Property*"), all as shown on file with and approved by the Board; and

WHEREAS, the Board has determined the total cost of the Property and expenses incidental thereto, including financial and legal services related to such property and to the Agreement hereinafter provided for in this Ordinance to be not less than \$55,000, plus estimated investment earnings which may be received on said sum prior to disbursement; and

WHEREAS, sufficient funds of the District are not available to pay the costs of the Property, and it will, therefore, be necessary to borrow money in the amount of \$55,000 for the purpose of paying such costs; and

WHEREAS, pursuant to the Installment Purchase Provisions, the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue a Certificate evidencing indebtedness incurred under such agreements; and

WHEREAS, Section 8-15 of the Park Code provides that a park district may in such agreement irrevocably contract to issue general obligation bonds or notes from time to time as permitted by law and to apply the proceeds thereof to the payment of principal and interest on the installment purchase agreement; and

WHEREAS, the Board finds that it is desirable and in the best interests of the District to avail itself of the provisions of the Installment Purchase Provisions to authorize an Installment Purchase Agreement (the "*Agreement*"); name as counter-party to the Agreement the Treasurer of the Board (the "*Treasurer*"), as nominee-seller; authorize the President and Secretary of the Board to execute and attest, respectively, the Agreement on behalf of the District and to file same with said Secretary in his or her capacity as keeper of the records and files of the District; and issue a Certificate evidencing the indebtedness incurred under the Agreement in the amount of \$55,000:

NOW, THEREFORE, Be It Ordained by the Board of Park Commissioners of the Frankfort Square Park District, Will County, Illinois, as follows:

*Section 1. Incorporation of Preambles.* The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

*Section 2. Authorization.* It is necessary and advisable for the residents of the District, and the officers of the District hereinafter identified are authorized to pay the costs of the Property and to borrow money and, in evidence thereof and for the purpose of financing same, enter into the Agreement and, further, to provide for the issuance and delivery of a Certificate evidencing the indebtedness incurred under the Agreement.

*Section 3. Agreement is a General Obligation; Annual Appropriation; Contract to Issue Bonds.* The District hereby represents, warrants, and agrees that the obligation to make the payments due under the Agreement shall be a general obligation of the District payable from any funds of the District lawfully available and annually appropriated for such purpose. The District represents and warrants that the total amount due under the Agreement, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees (i) to appropriate funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of the Agreement and (ii) to issue general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however,* that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds in an amount sufficient to pay when due such principal and interest.

*Section 4. Execution and Filing of the Agreement.* From and after the effective date of this Ordinance, the President and Secretary of the Board be and they are hereby authorized and directed to execute and attest, respectively, the Agreement, in substantially the form set forth in Section 5 of this Ordinance, and to do all things necessary and essential to effectuate the provisions of the Agreement, including the execution of any documents and a Certificate

incidental thereto or necessary to carry out the provisions thereof. Further, as nominee-seller, the Treasurer is hereby authorized and directed to execute the Agreement. Upon full execution, the original of the Agreement shall be filed with the Secretary of the Board and retained in the District records and shall constitute authority for the issuance of the Certificate hereinafter authorized.

*Section 5. Form of the Agreement.* The Agreement shall be in substantially the form as follows:

INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for the Frankfort Square Park District, Will County, Illinois.

\* \* \*

THIS INSTALLMENT PURCHASE AGREEMENT (this "*Agreement*") dated as of August 21, 2014, by and between the Treasurer of the Board (as hereinafter defined), as Nominee-Seller (the "*Seller*"), and the Frankfort Square Park District, Will County, Illinois, a park district of the State of Illinois (the "*District*");

WITNESSETH

A. The Board of Park Commissioners of the District (the "*Board*") has determined to acquire certain personal property, including a Toro Grandmaster 4000-D mower (the "*Property*"), all as previously approved by the Board and on file with the Secretary of the Board (the "*Secretary*").

B. Pursuant to the provisions of the Park District Code of the State of Illinois (the "*Park Code*"), the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and, in particular, the provisions of Section 8-15 of the Park Code and Section 17(b) of the Debt Reform Act (collectively, the "*Installment Purchase Provisions*"), in each case, as supplemented and amended (collectively, "*Applicable Law*"), the District has the power to purchase real or personal property through agreements that provide that the consideration for the purchase may be paid through installments made at stated intervals for a period of no more than 20 years, to sell, convey and reacquire either real or personal property upon any terms and conditions and in any manner as the Board shall determine, if the District will lease, acquire by purchase agreement, or otherwise reacquire the property as authorized by applicable law and to issue a Certificate evidencing indebtedness incurred under such agreements.

C. On August 21, 2014, the Board, pursuant to Applicable Law and the need to provide for the Property, adopted an ordinance (the "*Ordinance*") authorizing the borrowing of money for the Property, the execution and delivery of this Agreement to finance same, and the issuance of a Certificate evidencing the indebtedness so incurred.

D. The Ordinance is

- (a) incorporated herein by reference; and
- (b) made a part hereof as if set out at this place in full;

and each of the terms as defined in the Ordinance is also incorporated by reference for use in this Agreement.

E. The Seller, as nominee as expressly permitted by the Installment Purchase Provisions, has agreed to make, construct, and acquire the Property on the terms as hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and other valuable consideration, it is mutually agreed between the Seller and the District as follows:

1. MAKE AND ACQUIRE PROPERTY

The Seller agrees to acquire clean and merchantable title to the Property.

2. CONVEYANCE

The District conveys to the Seller any portion of the Property heretofore acquired by the District and to be paid from proceeds of the Certificate (as defined in the Ordinance). The Seller agrees to convey each part of the Property to the District and to perform all necessary work and convey all necessary equipment; and the District agrees to purchase the Property from the Seller and pay for the Property the purchase price of not to exceed \$55,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer of the Board



from the sale of the Certificate and in no event shall the total aggregate principal purchase price to be paid pursuant to this Agreement exceed the sum of \$55,000, plus the amount of investment earnings which are earned on the amount deposited with the Treasurer of the Board from the sale of the Certificate.

### 3. PAYMENTS

The payment of the entire sum of \$55,000 of said purchase price shall:

- (a) be payable in installments due on the dates and in the amounts;
- (b) bear interest at the rate percent per annum which interest shall also be payable on the dates and in the amounts;
- (c) be payable at the place or places of payment, in the medium of payment, and upon such other terms, including prepayment (redemption);

all as provided for payment of the Certificate in the Ordinance.

### 4. ASSIGNMENT

Rights to payment of the Seller as provided in this Agreement are assigned as a matter of law under the Installment Purchase Provisions to the owners of the Certificate. This Agreement and any right, title, or interest herein, shall not be further assignable. The Certificate, evidencing the indebtedness incurred hereby, is assignable (registrable) as provided in the Ordinance.

### 5. TAX COVENANTS

The covenants relating to the tax-exempt status of the Certificate, as set forth in the Ordinance, insofar as may be applicable, apply to the Property to be acquired and the payments made under this Agreement.

6. TITLE

(a) *Vesting of Title.* Title in and to any part of the Property, upon delivery or as made, during all stages of the making or acquisition thereof, shall and does vest immediately in the District.

(b) *Damage, Destruction, and Condemnation.* If, during the term of this Agreement, (i) all or any part of the Property comprised of real estate shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to or the use of all or any part of the Property shall be lost by reason of a defect in title; then the District shall continue to make payments as promised herein and in the Certificate and to take such action as it shall deem necessary or appropriate to repair and replace the Property.

7. LAWFUL CORPORATE OBLIGATION

The District hereby represents, warrants, and agrees that the obligation to make the payments due hereunder shall be a lawful direct general obligation of the District payable from the general funds of the District and such other sources of payment as are otherwise lawfully available. The District represents and warrants that the total amount due the Seller hereunder, together with all other indebtedness of the District, is within all statutory and constitutional debt limitations. The District agrees (i) to appropriate funds of the District annually and in a timely manner so as to provide for the making of all payments when due under the terms of this Agreement and (ii) to issue general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however,* that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds from any lawful sources whatsoever in an amount sufficient to pay when due such principal and interest.

8. GENERAL COVENANT AND RECITAL

It is hereby certified and recited by the Seller and the District, respectively, that as to each, respectively, for itself, all conditions, acts, and things required by law to exist or to be done precedent to and in the execution of this Agreement did exist, have happened, been done and performed in regular and due form and time as required by law.

9. NO SEPARATE TAX

**THE SELLER AND THE DISTRICT RECOGNIZE THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.**

10. DEFAULT

In the event of a default in payment hereunder by the District, the Seller or any Certificateholder may pursue any available remedy by suit at law or equity to enforce the payment of all amounts due or to become due under this Agreement, including, without limitation, an action for specific performance.

IN WITNESS WHEREOF, the Seller has caused this Installment Purchase Agreement to be executed, and his or her signature to be attested by the Secretary of the Board, and the District has caused this Installment Purchase Agreement to be executed by the President of its Board, and also attested by the Secretary of its Board and the seal of the District to be hereunto affixed, all as of the day and year first above written.

SELLER: Signature: \_\_\_\_\_

as Nominee-Seller and the Treasurer,  
Board of Park Commissioners

ATTEST:

\_\_\_\_\_  
Secretary, Board of Park Commissioners

FRANKFORT SQUARE PARK DISTRICT, WILL  
COUNTY, ILLINOIS

\_\_\_\_\_  
President, Board of Park Commissioners

[SEAL]

ATTEST:

\_\_\_\_\_  
Secretary, Board of Park Commissioners

STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

**CERTIFICATE OF INSTALLMENT PURCHASE AGREEMENT FILING**

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the Board of Park Commissioners (the "*Board*") of the Frankfort Square Park District, Will County, Illinois (the "*District*"), and as such officer I do hereby certify that on the August 21, 2014, there was filed in my office a properly certified copy of that certain document, executed by the President of the Board, attested by me in my capacity as Secretary of the Board, and further executed, as Nominee-Seller, by the Treasurer of the Board, also attested by me, dated as of August 21, 2014, and entitled "INSTALLMENT PURCHASE AGREEMENT for purchase of real or personal property, or both, in and for the Frankfort Square Park District, Will County, Illinois"; and supporting the issuance of certain Debt Certificate, Series 2014, of the District; that attached hereto is a true and complete copy of said Agreement as so filed; and that the same has been deposited in the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the District, this August 21, 2014.

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Secretary, Board of Park Commissioners

(SEAL)

*Section 6. Certificate Details.* For the purpose of providing for the financing of the Property, there shall be issued and sold a certificate of the District in the principal amount of \$55,000, which shall be designated "Debt Certificate, Series 2014" (the "*Certificates*"). The Certificate shall be dated August 22, 2014, and shall also bear the date of authentication, shall be in fully registered form, shall be numbered 1 and upward, and the Certificate shall become due upon maturity with interest payable serially (subject to prior redemption as hereinafter set forth) in equal semi-annual installments.

The Certificates shall bear interest at a rate equal to 3.65% from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Certificate is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually each year, commencing on January 16, 2015, and principal being paid in equal installments annually commencing July 16, 2015. Interest payment dates each year shall be January 16 and July 16. Interest on the Certificate shall be paid by check or draft of the Frankfort Square Park District (the "*Certificate Registrar*"), payable upon presentation in lawful money of the United States of America, to the person in whose name such Certificate is registered at the close of business on the 1st day of the month preceding the interest payment date. The principal of the Certificate shall be payable upon maturity in lawful money of the United States of America at the principal corporate trust office of the Certificate Registrar.

The Certificate shall be signed by the President and Secretary of the Board, and shall be countersigned by the Treasurer, and the seal of the District shall be affixed thereto or printed thereon, and in case any officer whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Certificate shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Certificate Registrar as authenticating agent of the District and showing the date of authentication. No Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Certificate Registrar by manual signature, and such certificate of authentication upon any such Certificate shall be conclusive evidence that such Certificate has been authenticated and delivered under this Ordinance. The certificate of authentication on any Certificate shall be deemed to have been executed by the Certificate Registrar if signed by an authorized officer of the Certificate Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Certificates issued hereunder.

*Section 7. Registration of Certificate; Persons Treated as Owners.* The District shall cause books (the "*Certificate Register*") for the registration and for the transfer of the Certificate as provided in this Ordinance to be kept at the principal corporate office of the Certificate Registrar, which is hereby constituted and appointed the registrar of the District. The District is authorized to prepare, and the Certificate Registrar shall keep custody of, multiple Certificate blanks executed by the District for use in the transfer and exchange of the Certificate.

Upon surrender for transfer of any Certificate at the principal corporate office of the Certificate Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Certificate Registrar and duly executed by, the registered owner or his attorney duly authorized in writing, the District shall execute and the Certificate Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Certificate of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Certificate may be exchanged at said office of the

Certificate Registrar for a like aggregate principal amount of Certificate or Certificates of the same maturity of other authorized denominations. The execution by the District of any fully registered Certificate shall constitute full and due authorization of such Certificate and the Certificate Registrar shall thereby be authorized to authenticate, date and deliver such Certificate, *provided, however*, the principal amount of the outstanding Certificates authenticated by the Certificate Registrar shall not exceed the authorized principal amount of the Certificate less previous retirements.

The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period beginning at the close of business on the 1st day of the month preceding any interest payment date on such Certificate and ending at the opening of business on such interest payment date, nor to transfer or exchange any Certificate after notice calling such Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Certificates.

The person in whose name any Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Certificate shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of a Certificate, but the District or the Certificate Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of a Certificate except in the case of the issuance of a Certificate for the unredeemed portion of a Certificate surrendered for redemption.



*Section 8. Redemption.* The Certificate shall be subject to redemption prior to maturity at the option of the District as a whole or in part in integral multiples of \$5,000 as determined by the District on any date at the redemption price of par plus accrued interest to the redemption date.

The Certificate shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The District shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Certificate Registrar) notify the Certificate Registrar of such redemption date and of the principal amount and maturity or maturities of Certificates to be redeemed.

The Certificate Registrar shall promptly notify the District in writing of the Certificate or portions of the Certificate selected for redemption.

*Section 9. Redemption Procedure.* Unless waived by the holder of the Certificate to be redeemed, notice of the call for any such redemption shall be given by the Certificate Registrar on behalf of the District by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate Register or at such other address as is furnished in writing by such registered owner to the Certificate Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Certificates are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Certificates to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Certificate or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(5) the place where such Certificates are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Certificate Registrar, and

(6) such other information then required by custom, practice or industry standard.

Prior to any redemption date, the District shall deposit with the Certificate Registrar an amount of money sufficient to pay the redemption price of all the Certificates or portions of Certificates which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Certificate or portion of the Certificate so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Certificates or portions of the Certificate shall cease to bear interest. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificate shall be paid by the Certificate Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Certificate, there shall be prepared for the registered holder a new Certificate or Certificates of the same maturity in the amount of the unpaid principal.

If any Certificate or portion of Certificate called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Certificate or portion of Certificate so called for redemption. All Certificates which have been redeemed shall be cancelled and destroyed by the Certificate Registrar and shall not be reissued.

*Section 10. Form of Certificate.* The Certificate shall be in substantially the following form; *provided, however,* that if the text of the Certificate is to be printed in its entirety on the front side of the Certificate, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [11] shall be inserted immediately after paragraph [1]:

(Form of Certificate - Front Side)

REGISTERED  
NO. 1

REGISTERED  
\$55,000

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF WILL

FRANKFORT SQUARE PARK DISTRICT

DEBT CERTIFICATE, SERIES 2014

See Reverse Side for  
Additional Provisions

Interest  
Rate: 3.65%

Maturity  
Date: July 16, 2020

Dated  
Date: August 22, 2014

Registered Owner: Old Plank Trail Community Bank

Principal Amount: Fifty Five Thousand and No/100 Dollars

[1] KNOW ALL MEN BY THESE PRESENTS, that the Frankfort Square Park District, Will County, Illinois (the "*District*"), hereby acknowledges itself to owe and for value received promises to pay from lawfully available sources and as hereinafter provided to the Registered Owner identified above, or registered assigns as hereinafter provided, the Principal Amount identified above upon the Date of Maturity and, in equal semi-annual installments, interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this Certificate or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above, commencing on January 16, 2015, until said Principal Amount is paid. Principal of this Certificate is payable in lawful money of the United States of America upon presentation and surrender hereof at the principal corporate office of the Frankfort Square Park District, certificate registrar and paying agent (the "*Certificate Registrar*"). Payment of the principal and interest shall be made to the Registered Owner hereof as shown on the registration books of the District maintained by the Certificate

Registrar at the close of business on the 1st day of the month preceding each payment date and shall be paid by check or draft of the Certificate Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Certificate Registrar.

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

[3] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Certificate did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the District, including the issue of certificates of which this is one, does not exceed any limitation imposed by law; that the obligation to make payments due hereon is a general obligation of the District payable from any funds of the District legally available and annually appropriated for such purpose, that the District shall appropriate funds annually and in a timely manner so as to provide for the making of all payments hereon when due, and that the District shall issue general obligation bonds or notes from time to time to the fullest extent permitted by law, including Section 6-4 of the Park Code and Section 15.01 of the Debt Reform Act, and to apply the proceeds thereof to the payment of principal and interest on the Agreement; *provided, however,* that no such bonds or notes need be issued by the District if, in its discretion, it has set aside and has available other corporate funds in an amount sufficient to pay when due such principal and interest. THE OWNER OF THIS CERTIFICATE ACKNOWLEDGES THAT THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE DISTRICT OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

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

[5] IN WITNESS WHEREOF, said Frankfort Square Park District, Will County, Illinois, by its Board of Park Commissioners, has caused this Certificate to be signed by the President and Secretary of said Board of Park Commissioners, and to be countersigned by the Treasurer thereof, and has caused the seal of the District to be affixed hereto or printed hereon, all as of the Dated Date identified above.

(SEAL)

\_\_\_\_\_  
President, Board of Park Commissioners

Countersigned:

\_\_\_\_\_  
Secretary, Board of Park Commissioners

\_\_\_\_\_  
Treasurer, Board of Park Commissioners

Date of Authentication: \_\_\_\_\_, 2014

CERTIFICATE  
OF  
AUTHENTICATION

Certificate Registrar and Paying Agent:  
Treasurer, Board of Park Commissioners  
FRANKFORT SQUARE PARK DISTRICT

This Certificate is the Certificate described in the within mentioned ordinance and is the Debt Certificate, Series 2014, of the Frankfort Square Park District, Will County, Illinois.

TREASURER, BOARD OF PARK  
COMMISSIONERS, FRANKFORT SQUARE  
PARK DISTRICT, as Certificate Registrar

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

[Form of Certificate - Reverse Side]

**FRANKFORT SQUARE PARK DISTRICT**

**WILL COUNTY, ILLINOIS**

**DEBT CERTIFICATE, SERIES 2014**

[6] This Certificate is issued by the District to acquire certain personal property, including a Toro Grandmaster 4000-D mower (the "Property"), in full compliance with the provisions of the Park District Code of the State of Illinois (the "*Park Code*"), and the Local Government Debt Reform Act of the State of Illinois (the "*Debt Reform Act*"), and all laws amendatory thereof and supplementary thereto, and is authorized by the Board of Park Commissioners of the District by an ordinance duly and properly adopted for that purpose, in all respects as provided by law. This Certificate issued by the District in connection with the Property has been issued in evidence of the indebtedness incurred pursuant to a certain Installment Purchase Agreement (the "*Agreement*"), dated as of August 21, 2014, entered into by and between the District and the Treasurer thereof, as Seller-Nominee, to which reference is hereby expressly made for further definitions and terms and to all the provisions of which the holder by the acceptance of this certificate assents.

[7] This Certificate is subject to redemption prior to maturity at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District at the redemption price of par plus accrued interest to the redemption date.

[8] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate at the address shown on the registration books of the District maintained by the Certificate Registrar or at such other address as is furnished in writing by such registered

owner to the Certificate Registrar. When so called for redemption, this Certificate will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[9] This Certificate is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal corporate office of the Certificate Registrar in Frankfort Square Park District, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing ordinance, and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[10] The Certificates are issued in fully registered form. This Certificate may be exchanged at the principal corporate trust office of the Certificate Registrar for a like aggregate principal amount of Certificates of the same maturity of other authorized denominations, upon the terms set forth in the authorizing ordinance. The Certificate Registrar shall not be required to transfer or exchange any Certificate during the period beginning at the close of business on the 1st day of the month preceding any interest payment date on such Certificate and ending at the opening of business on such interest payment date, nor to transfer or exchange any Certificate after notice calling such Certificate for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Certificates.

[11] The District and the Certificate Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the District nor the Certificate Registrar shall be affected by any notice to the contrary.



(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

the within Certificate and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_  
attorney to transfer the said Certificate on the books kept for registration thereof with full power of substitution in the premises.

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

Signature guaranteed: \_\_\_\_\_

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

*Section 11. Sale of Certificates.* The Certificate hereby authorized shall be executed as in this Ordinance provided as soon after the passage hereof as may be, and thereupon be deposited with the Treasurer, and be by the Treasurer delivered to Old Plank Trail Community Bank, Cook, Illinois (the "Purchaser"), upon receipt of the purchase price therefor, the same being \$55,000, plus accrued interest to date of delivery; the contract for the sale of the Certificate heretofore entered into (the "Purchase Contract") is in all respects ratified, approved and confirmed, it being hereby found and determined that the Certificate have been sold at such price and bear interest at such rates that neither the true interest cost (yield) nor the net interest rate received upon such sale exceed the maximum rate otherwise authorized by Illinois law and that the Purchase Contract is in the best interests of the District and that no person holding any office of the District, either by election or appointment, in any manner holds a prohibited financial interest directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The officers of the Board are hereby authorized to take any action as may be required on the part of the District to consummate the transactions contemplated by the Purchase Contract, this Ordinance and the Certificate.

*Section 12. Use of Certificate Proceeds.* Accrued interest received on the delivery of the Certificate is hereby appropriated for the purpose of paying first interest due on the Certificate and is hereby ordered deposited into the "Debt Certificate, Series 2014 Certificate Fund" (the "*Certificate Fund*"), which shall be the fund for the payment of the principal of and interest on the Certificate. Funds lawfully available for the purpose of paying the principal of and interest on the Certificate shall be deposited into the Certificate Fund and used solely and only for such purpose.

The principal proceeds of the Certificate and any premium received on the delivery of the Certificate are hereby appropriated to pay the costs of issuance of the Certificate and for the purpose of paying the cost of the Property, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the "Capital Improvement Account of the District" (the "*Property Fund*"), hereby created. It is hereby found and determined and hereby declared and set forth that the Board (i) has not entered into an agreement of any kind with any entity, party or person (including, but not limited to, the Purchaser) to not expend the proceeds of the Certificates deposited into the Property Fund for any period of time and (ii) is not required by any contract, decree, instrument, order, regulation or ruling, to not expend the proceeds of the Certificate deposited into the Property Fund for any period of time. Moneys in the Property Fund shall be used to pay costs of the Property in accordance with the following procedures:

1. Contracts ("*Contracts*") have been or shall be awarded, from time to time, by the Board for the acquisition of the Property; and the Board represents and covenants

that each Contract has been or will be let in strict accordance with the applicable laws of the State of Illinois, and the rules and procedures of the District for same.

2. By paragraph 3 of this Section of this Ordinance, as follows, or subsequent ordinance or ordinances to be duly adopted, the Board shall identify all or a designated portion of each Contract to the Agreement. The Contracts attached hereto as *Exhibit A* are hereby identified to the Agreement. This Ordinance, any such further ordinance and said Contracts shall be filed of record with the Secretary of the Board and the Treasurer. The adoption and filing of any such ordinance or ordinances and the Contracts with such officers shall constitute authority for the Treasurer to make disbursements from the Property Fund to pay amounts due under such Contracts from time to time, upon such further ordinances, resolutions, orders, vouchers, warrants, or other proceedings as are required under the applicable laws of the State of Illinois, and the rules and procedures of the District for same. No action need be taken by or with respect to the contractors under the Contracts as, pursuant to the Installment Purchase Provisions, the Treasurer acts as Nominee-Seller of the Property for all purposes, enabling the issuance of the Certificates.

3. The following Contracts are hereby identified to the Agreement:

BRIEF DESCRIPTION OF CONTRACT	NAME OF CONTRACTOR	CONTRACT AMOUNT (\$)	IDENTIFIED AMOUNT (\$)
Purchase Order for Toro Grandmaster 4000-D mower	Reinders, Inc., Franklin Park, IL	\$55,374.94	\$55,000

The Contracts so identified are attached to this Ordinance as *Exhibit A*.

Alternatively to the creation of the funds described above, the appropriate officers may allocate the funds to be deposited into the Certificate Fund or proceeds of the Certificates to one or more related funds of the District already in existence and in accordance with good accounting practice; *provided, however*, that this shall not relieve such officers of the duty to account and

invest such funds and the proceeds of the Certificates, as herein provided, as if the funds described above had in fact been created.

*Section 13. Non-Arbitrage and Tax-Exemption.* The District hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Certificate) if taking, permitting or omitting to take such action would cause any of the Certificate to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the "Code"), or would otherwise cause the interest on the Certificates to be included in the gross income of the recipients thereof for federal income tax purposes. The District acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from federal income taxation for interest paid on the Certificate, under present rules, the District may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the Internal Revenue Service in connection with such an examination. The Board and the District further certify, covenant and represent as follows:

*A. Small Issuer Exception.* The District is a governmental unit that has the power to impose a tax or to cause another entity to impose a tax of general applicability that, when collected, may be used for the governmental purposes of the District. The power to impose such tax is not contingent on approval by another governmental unit; a tax of general applicability is one that is not limited to a small number of persons. The District is not subject to Control by any other governmental unit or political subdivision. The Certificate is not nor will be a "private activity bond" (as defined in Section 141 of the Code). Ninety-five percent or more of the Sale Proceeds will be used for local governmental activities of the District. None of the District, any entity that issues tax-exempt bonds on behalf of the District or any entity subject to Control by the District will issue, during the calendar year 2014, any tax-exempt bonds (other than current refunding bonds to the extent of the aggregate face amount of the tax-exempt bonds being currently refunded thereby) in an aggregate face amount in excess of the *maximum aggregate face amount* (as hereinafter defined). As used herein, (a) "tax-exempt bonds" means obligations of any kind, the interest on which is excludable from gross income of the holders or owners thereof for federal income tax purposes pursuant to Section 103 of the Code but not including (i) "private activity bonds" (as defined in Section 141 of the

Code) or (ii) obligations issued to refund another obligation if it is issued not more than 90 days before the redemption of the refunded obligation to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation, (b) “*aggregate face amount*” means, if an issue has more than a De minimis Amount of Original Issue Discount or Premium, the issue price of the issue and otherwise means the face amount of the issue and (c) “*maximum aggregate face amount*” means, the sum of (i) \$5,000,000 and (ii) the aggregate face amount of bonds issued during the calendar year that are allocable to financing construction expenditures for public school facilities, but in no event can the *maximum aggregate face amount* exceed \$10,000,000. As of the date hereof, no tax-exempt bonds or other obligations (other than the Certificates) have been issued by the District, any entity that issues tax-exempt bonds on behalf of the District or any entity subject to Control by the District during the calendar year 2014. The District does not reasonably expect that it, any entity that issues tax-exempt bonds on behalf of the District or any entity subject to Control by the District (including but not limited to the District) will issue any such tax-exempt bonds or other obligations within calendar year 2014. Therefore, subject to compliance with all the terms and provisions hereof, the District is excepted from the required rebate of arbitrage profits on the Certificate under Section 148(f)(4)(D) of the Code and from the terms and provisions of this Ordinance that need only be complied with if the District is subject to the arbitrage rebate requirement.

*B. Bank Qualification.* (a) The District hereby designates the Certificate as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code. In support of such designation, the District hereby certifies that (i) the Certificate will not be at anytime a “private activity bond” (as defined in Section 141 of the Code) other than a “qualified 501(c)(3) bond” (as defined in Section 145 of the Code), (ii) as of the date hereof in calendar year 2014, the District has not issued any tax-exempt obligations of any kind other than the Certificate nor have any tax-exempt obligations of any kind been issued on behalf of the District and (iii) not more than \$10,000,000 of obligations of any kind (including the Certificate) issued by or on behalf of the District during calendar year 2014 will be designated for purposes of Section 265(b)(3) of the Code.

(b) The District is not subject to Control by any entity, and there are no entities subject to Control by the District.

(c) On the date hereof, the District does not reasonably anticipate that for calendar year 2014 it will issue any Section 265 Tax-Exempt Obligations (other than the Certificate), or that any Section 265 Tax-Exempt Obligations will be issued on behalf of it. “*Section 265 Tax-Exempt Obligations*” are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, *except for* private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code. The District will not issue or permit the issuance on behalf of it or by any entity subject to Control by the District (which may hereafter come into existence) of Section 265 Tax-Exempt Obligations (including the Certificates) that exceed the aggregate amount of \$10,000,000 during calendar year 2014 unless it first

obtains an opinion of Bond Counsel to the effect that such issuance will not adversely affect the treatment of the Certificate as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code.

C. *Records Retention.* The District agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Certificates from federal income taxation, to demonstrate compliance with the covenants in this Ordinance and to show that all tax returns related to the Certificate submitted or required to be submitted to the Internal Revenue Service are correct and timely filed. Such records shall include, but are not limited to, basic records relating to the Certificate transaction (including this Ordinance and the Bond Counsel opinion); documentation evidencing the expenditure of Certificate proceeds; documentation evidencing the use of Certificate-financed property by public and private entities (*i.e.*, copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Certificate; and documentation pertaining to any investment of Certificate proceeds. Such records shall be kept for as long as the Certificate is outstanding, plus the period ending three (3) years after the later of the final payment date of the Certificate or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Certificate.

The District also agrees and covenants with the purchasers and holders of the Certificate from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Certificate and affects the tax-exempt status of the Certificate.

The Board hereby authorizes the officials of the District responsible for issuing the Certificate, the same being the President and Secretary of the Board and the Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Certificate to be an arbitrage bond and to assure that the interest on the Certificate will be exempt from federal income taxation. In connection therewith, the District and the Board further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Certificate and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Certificate; (d) to file such forms, statements, and supporting documents as

may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the District in such compliance.

*Section 14. List of Certificateholders.* The Certificate Registrar shall maintain a list of the names and addresses of the holders of the Certificate and upon any transfer shall add the name and address of the new Certificateholder and eliminate the name and address of the transferor Certificateholder.

*Section 15. Duties of Certificate Registrar.* The obligations and duties of the Certificate Registrar hereunder may include the following:

(a) to act as certificate registrar, authenticating agent, paying agent and transfer agent as provided herein;

(b) to maintain a list of Certificate holders as set forth herein and to furnish such list to the District upon request, but otherwise to keep such list confidential;

(c) to give notice of redemption of the Certificate as provided herein;

(d) to cancel and/or destroy Certificates which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(e) to furnish the District at least annually a certificate with respect to Certificates cancelled and/or destroyed; and

(f) to furnish the District at least annually an audit confirmation of Certificates paid, Certificates outstanding and payments made with respect to interest on the Certificates.

*Section 16. Severability.* If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

*Section 17. Repeal.* All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed, and this Ordinance shall be in full force and effect forthwith upon its adoption.

Adopted August 21, 2014.

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President, Board of Park Commissioners

Attest:



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Secretary, Board of Park Commissioners



**EXHIBIT A**

**CONTRACTS**

Park Commissioner \_\_\_\_\_ moved and Park Commissioner \_\_\_\_\_  
seconded the motion that said ordinance as presented and read by title be adopted.

After a full discussion thereof, the President directed that the roll be called for a vote  
upon the motion to adopt said ordinance.

Upon the roll being called, the following Park Commissioners voted AYE: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

The following Park Commissioners voted NAY: \_\_\_\_\_

The President of the Board of Park Commissioners did not participate in the vote on this  
motion.

Whereupon the President declared the motion carried and said ordinance adopted,  
approved and signed the same in open meeting and directed the Secretary to record the same in  
the records of the Board of Park Commissioners of the Frankfort Square Park District, Will  
County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at the  
meeting.

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



\_\_\_\_\_  
Secretary, Board of Park Commissioners