

CERTIFICATE OF THE CITY CLERK
(RESOLUTION NO. R12-06-25)

CITY OF EL MIRAGE, ARIZONA

\$14,900,000
GENERAL OBLIGATION BONDS,
SERIES 2012

\$3,305,000
GENERAL OBLIGATION REFUNDING
BONDS, SERIES 2012

The undersigned, duly chosen, qualified and acting City Clerk of the City of El Mirage, Arizona, DOES HEREBY CERTIFY that attached hereto is a true, accurate and complete copy of Resolution No. R12-06-25 of the Mayor and Council of the City of El Mirage, Arizona, adopted at a duly called and noticed meeting thereof, held on June 19, 2012, and that Resolution No. R12-06-25 has not been amended, superseded or repealed.

Dated this 25th day of July, 2012.


.....
City Clerk, City of El Mirage, Arizona

RESOLUTION NO. R-12-06-25

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF EL MIRAGE, ARIZONA, APPROVING AND AUTHORIZING THE SALE AND ISSUANCE OF CITY OF EL MIRAGE, ARIZONA GENERAL OBLIGATION AND GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$18,600,000 AND ALL MATTERS RELATED THERETO; PRESCRIBING CERTAIN TERMS AND CONDITIONS OF SUCH BONDS INCLUDING THE DELEGATION TO THE FINANCE DIRECTOR OF THE CITY TO DESIGNATE THE FINAL PRINCIPAL AMOUNT, MATURITIES, INTEREST RATES AND YIELDS AND OTHER MATTERS WITH RESPECT TO SUCH BONDS AS WELL AS CERTAIN MATTERS WITH RESPECT TO CERTAIN BONDS BEING REFUNDED WITH THE PROCEEDS OF THE SALE THEREOF; AWARDED A CONTRACT FOR THE PURCHASE OF SUCH BONDS; RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND APPROVING A FINAL OFFICIAL STATEMENT AND DECLARING AN EMERGENCY

WHEREAS, at a special bond election held in and for the City of El Mirage, Arizona (the "City"), on November 4, 2008 (the "2008 Election"), there was submitted to the qualified electors thereof, among others, the following question:

ISSUANCE OF BONDS PAYABLE FROM SECONDARY
(AD VALOREM) PROPERTY TAX

Shall the City of El Mirage, Arizona (the "City"), be authorized to incur indebtedness by the issuance of bonds of the City in the principal amount of \$16,000,000 for the purpose of providing funds to pay (1) the costs to improve, construct, re-construct, maintain and provide appurtenances for streets, highways and bridges within the City, to acquire, construct and install street lights, traffic signals, traffic safety improvement devices, drainage improvements, retention basins, landscaping and necessary equipment and appurtenances therefor, to acquire land and interests in land for rights-of-way therefor by purchase, exercise of the power of eminent domain or any other method of acquisition, (2) the costs to improve parks within the City, including necessary related interests in real estate, appurtenances, vehicles and equipment and (3) the costs to construct, equip and furnish fire fighting facilities,

including safety equipment, emergency response vehicles and necessary appurtenances and to pay all costs incidental to any of the foregoing and to the sale and issuance of such bonds; such bonds, or any series thereof, to be issued as general obligation bonds of the City, payable from secondary (ad valorem) property taxes levied upon all of the taxable property in the City, to mature not more than 40 years from their date and to bear interest at a rate of not to exceed 10% per annum?

The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds.

; and WHEREAS, the returns of the 2008 Election were duly canvassed by the Mayor and Council of the City and a certificate disclosing the purpose of the 2008 Election, the total number of votes cast thereat, the total number of votes for and against the issuance of such bonds, and stating that the creation of the indebtedness by the issuance of the bonds in accordance with the question was ordered and has been filed and recorded in the office of the County Recorder of Maricopa County, Arizona; and

WHEREAS, a majority of the qualified electors of the City, voting at the 2008 Election voted "For the Bonds," in answer to such Question submitted; and

WHEREAS, at a special bond election held in and for the City on November 8, 2011 (the "2011 Election" and, with the 2008 Election, the "Elections"), there was submitted to the qualified electors thereof, among others, the following questions:

ISSUANCE OF BONDS PAYABLE FROM SECONDARY
(AD VALOREM) PROPERTY TAX

Shall the City of El Mirage, Arizona (the "City"), be authorized to incur indebtedness by the issuance of bonds of the City in the principal amount of \$8,500,000 for the purpose of providing funds to pay the costs to (1) design, develop, construct, improve, equip and furnish recreational and swimming facilities within the City, including necessary related interests in real estate, appurtenances, vehicles, and equipment (2) design, develop, construct, equip, and furnish police facilities within the City, including necessary related interests in real estate, appurtenances, vehicles and equipment and to pay all costs incidental to any of the foregoing and to the sale and issuance of such bonds; such bonds, or any series thereof, to be

issued as general obligation bonds of the City, payable from secondary (ad valorem) property taxes levied upon all of the taxable property in the City, to mature not more than 40 years from their date and to bear interest at a rate of not to exceed 10% per annum?

The issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

; and WHEREAS, the returns of the 2011 Election were duly canvassed by the Mayor and Council of the City and a certificate disclosing the purpose of the 2011 Election, the total number of votes cast thereat, the total number of votes for and against the issuance of such bonds, and stating that the creation of the indebtedness by the issuance of the bonds in accordance with the question was ordered and has been filed and recorded in the office of the County Recorder of Maricopa County, Arizona; and

WHEREAS, a majority of the qualified electors of the City, voting at the 2011 Election voted "For the Bonds," in answer to each of such Questions submitted; and

WHEREAS, the Mayor and Council of the City have determined to sell and issue a portion of the remaining amounts of such bonds (the "New Money Bonds") for the purposes granted at the Elections; and

WHEREAS, the Mayor and Council of the City have also determined that it is expedient to refund certain other bonds of the City (the "Bonds Being Refunded") and that the issuance of certain refunding bonds by the City (the "Refunding Bonds" and, with the New Money Bonds, the "Bonds") and the application of the net proceeds thereof to pay at maturity or earlier redemption the Bonds Being Refunded are necessary and advisable and in the best interests of the City and shall result in a present value debt service savings, net of costs associated with the Refunding Bonds, of not less than three percent (3%); and

WHEREAS, the total aggregate of taxes levied to pay principal of and interest on the Refunding Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Refunding Bonds to the final date of maturity of the Bonds Being Refunded; and

WHEREAS, the Mayor and Council of the City will receive a proposal from RBC Capital Markets, LLC (the "Underwriter") for the purchase of the Bonds and have determined that the Bonds be sold through negotiation to the Underwriter; and

WHEREAS, all things required to be done preliminary to the authorization, sale and issuance of the Bonds have been duly done and performed in the manner required by law, and the Mayor and Council of

the City are now empowered to proceed with the sale and issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF EL MIRAGE, ARIZONA, AS FOLLOWS:

Section 1. (a) The New Money Bonds, to provide funds for purposes set forth in the above-mentioned forms of ballot questions submitted to the qualified electors of the City at the Elections, are hereby authorized to be sold and issued.

(b) The New Money Bonds constitute the second and final series of bonds of a total authorized amount of not to exceed \$16,000,000 principal amount of bonds of the City approved by the qualified electors of the City at the 2008 Election, and the first and only series of bonds of a total authorized amount of not to exceed \$8,500,000 principal amount of bonds of the City approved by the qualified electors of the City at the 2011 Election and are authorized by the provisions of Title 35, Chapter 3, Article 3, Arizona Revised Statutes.

(c) The proceeds from the sale of the New Money Bonds shall be credited against the total principal amount of bonds and the specific amount of bonds so authorized by the qualified electors of the City at the Elections and for each respective purpose and project as set forth in the applicable question on the official form of ballot and the proceeds of the Bonds shall be applied to each respective purpose and project as determined by the Finance Director of the City on behalf of the City. The indebtedness represented by the New Money Bonds shall be applied against the City's constitutional debt limits for indebtedness which, with the assent of the qualified electors of the City, exceeds six percent (6%) of the value of taxable property in the City.

(d) Proceeds of the sale of the New Money Bonds, net of amounts necessary to pay costs of issuance of the Bonds, shall be deposited in the treasury of the City to the credit of the "Series 2012 Construction Fund" of the City in two separate accounts as follows in the amounts determined as provided in subsection (c):

Name of Subfund

"2008 Election Account - Series 2012"

"2011 Election Account - Series 2012"

to be used solely for the purposes specified in the aforementioned ballot questions submitted to the qualified electors of the City at the Elections; provided, however, that (a) such proceeds may be invested in the manner and under the circumstances allowed by law and (b) any moneys remaining in any subfund after such purposes shall have been accomplished shall be transferred to the applicable, hereinafter

defined "Redemption Fund" and "Interest Fund" in the same fashion as taxes.

Section 2. (a) The Refunding bonds, to provide funds for the purposes set forth hereinabove, are hereby authorized to be sold and issued.

(b) The Refunding Bonds are authorized by the provisions of Title 35, Chapter 3, Article 4, Arizona Revised Statutes.

(c) Proceeds of the sale of the Refunding Bonds, net of amounts necessary to pay costs of issuance of the Bonds, shall be deposited (i) into a trust fund to be created, and to be used and invested, as more fully described in a standard form of irrevocable depository trust agreement (the "Depository Trust Agreement") with a depository trustee to be appointed by the Finance Director of the City, to whom such authority is hereby delegated, with respect thereto, for the payment of the principal of and interest on the Bonds Being Refunded, as the same mature or are called for redemption, and for no other purpose whatsoever, until the Bonds Being Refunded have been paid in full and discharged, and all accrued interest thereon has also been paid in full, all in accordance with the Depository Trust Agreement or (ii) into the interest and redemption funds for the Bonds Being Refunded, over and above amounts needed to make payments on such bonds on or before the first day of the fiscal year next preceding, to pay the principal of and interest on the Bonds Being Refunded as the same become due and shall be held in cash and not invested. (Any proceeds of the sale of the Refunding Bonds not used for such purposes shall be deposited in the applicable hereinafter defined "Interest Fund" in the same fashion as taxes.) In the case of the first sentence, the Finance Director is authorized to determine the amounts to be deposited pursuant to the Depository Trust Agreement and such other matters as are necessary to accomplish the refunding of the Bonds Being Refunded in the manner most beneficial to the City. The owners of the Refunding Bonds shall rely upon the sufficiency of such funds for the payment of the Bonds Being Refunded. The issuance of the Refunding Bonds shall in no way infringe upon the rights of the owners of the Bonds Being Refunded to rely upon a tax levy for the payment of principal and interest on the Bonds Being Refunded if such redemption funds prove insufficient.

(d) The Mayor and Council of the City hereby order that the Bonds Being Refunded be redeemed on the respective redemption dates determined as provided in Section 4 hereof. All actions to refund the Bonds Being Refunded, whether taken before or after adoption of this Resolution, are ratified and confirmed and approved, respectively.

Section 3. The New Money Bonds shall be designated "General Obligation Bonds, Series 2012," and the Refunding Bonds shall be designated "General Obligation Refunding Bonds, Series 2012."

Section 4. The Finance Director of the City is hereby authorized and directed to determine on behalf of the City: (1) the sales date of the Bonds and the dated date and total principal amount of each series of the Bonds (but not to exceed in total \$18,125,000 principal amount) and, with respect to the New Money Bonds, the amounts to be allocated to each of the purposes authorized by the Elections; (2) the final principal and maturity schedule of each series of the Bonds (but none of the Bonds to mature more than thirty (30) years from their date of issuance) and the series designation and principal and maturity schedules for the Bonds Being Refunded; (3) the interest rate on each maturity of each series of the Bonds (but not to exceed ten percent (10%) per annum) and the dates for payment of such interest (the "interest payment dates"); (4) the provisions for redemption in advance of maturity of each series of the Bonds and the determinations of exercise of redemption provisions for the Bonds Being Refunded; (5) the sales price and terms of each series of the Bonds (including for underwriting compensation, original issue discount and premium) and (6) the provision for credit enhancement, if any, for the Bonds upon the advice of the Underwriter; provided, however, that such determinations must result in a yield for federal income tax purposes of not to exceed ten percent (10%) with respect to the Bonds and, with respect to the Refunding Bonds, the savings indicated in the recitals hereto.

Section 5. (a) Each series of the Bonds shall separately be numbered, by maturity, from 1 consecutively upwards; shall be fully registered Bonds without coupons; shall be in the denomination of \$5,000 of principal or any integral multiple thereof and shall bear interest from the most recent July 1 or January 1 to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date. The principal of and premium, if any, on the Bonds shall be payable upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent. Interest on the Bonds shall be payable by check mailed to the registered owner thereof, as shown on the registration books for each series of the Bonds maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Bonds) as of the regular record date and shall be payable to the registered owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. Such special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of the Bonds not less than ten (10) days prior thereto. The principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

(b) (i) The initial bond registrar and paying agent with respect to each series of the Bonds (the "Bond Registrar and

Paying Agent") shall be appointed by the Finance Director of the City, to whom such authority is hereby delegated, as described in a standard form of contract therewith covering such services. The Bond Registrar and Paying Agent shall maintain the books of the City for the registration of ownership of each Bond. A Bond may be transferred on the applicable registration books upon delivery of the Bond to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the Bond to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bond. No transfer of any Bond shall be effective until entered on the registration books.

(ii) In all cases upon the transfer of a Bond, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the applicable registration books and will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same series and the denominations of \$5,000 of principal amount or any integral multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Section. All costs and expenses of initial registration and payment shall be borne by the City, but the City or the Bond Registrar and Paying Agent shall charge the registered owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer and may require that such transfer fee, tax or other governmental charge be paid before any such new Bond shall be delivered.

(iii) The City and the Bond Registrar and Paying Agent shall not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the fifteenth (15th) business day next preceding either any interest payment date or any date of selection of Bonds to be redeemed and ending with the close of business on the interest payment date or day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption.

(iv) At the time of issuance thereof, each series of the Bonds shall separately be subject to a Book-Entry System (as that term is hereinafter defined) of ownership and transfer, except as provided in subsection (3) of this subsection. The general provisions for affecting the Book-Entry System are as follows:

(1) The City hereby designates The Depository Trust Company, New York, New York, as the initial Depository (as that term is hereinafter defined) hereunder.

(2) Notwithstanding the provisions of this Section or of the Bonds to the contrary and so long as the Bonds are subject to a Book-Entry System, the Bonds shall initially be evidenced by one typewritten certificate for each maturity of such series in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of the City maintained by the Bond Registrar and Paying Agent except:

(A) to any successor Depository designated pursuant to subsection (3) of this subsection;

(B) to any successor nominee designated by a Depository or

(C) if the City shall elect to discontinue the Book-Entry System pursuant to subsection (3) of this subsection, the City shall cause the Bond Registrar and Paying Agent to authenticate and deliver replacement Bonds in fully registered form in authorized denominations in the names of the Beneficial Owners (as such term is hereinafter defined) or their nominees, as certified by the Depository, at the expense of the City; thereafter the other applicable provisions of this Resolution regarding registration, transfer and exchange of the Bonds shall apply.

(3) The Bond Registrar and Paying Agent, pursuant to a request from the City for the removal or replacement of the Depository, and upon thirty (30) days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent shall remove or replace the Depository at any time pursuant to the request of the City. The Depository may determine not to continue to act as Depository for the Bonds upon thirty (30) days written notice to the District and the Bond Registrar and Paying Agent. If the use of the Book-Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of Beneficial Owners of their book entry interests in the Bonds by appropriate notice to the then Depository, the City and the Bond Registrar and Paying Agent shall permit withdrawal of the Bonds from the Depository and authenticate and deliver the Bond certificates in fully registered form for the applicable series and in denominations authorized by this Section to

the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bond certificates) of the City.

(4) So long as the Book-Entry System is used for the Bonds, the City and the Bond Registrar and Paying Agent shall give any notice of redemption or any other notices required to be given to registered owners of Bonds only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect shall not affect the validity of the redemption of the Bonds to be redeemed or of any other action premised on such notice. Neither the District nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

(5) Notwithstanding any other provision of this Section or of the Bonds to the contrary, so long as the Bonds are subject to a Book-Entry System, it shall not be necessary for the registered owner to present the applicable Bond for payment of mandatory redemption installments, if any. The mandatory redemption installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose, and the Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(6) For purposes of this Section, "Beneficial Owners" shall mean actual purchasers of the Bonds and whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository; "Book-Entry System" shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having custodial relationships with such participants) through electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Bonds by Beneficial Owners and transfers of ownership interests in the Bonds and "Depository" shall mean The Depository Trust Company, New York, New York or any successor depository designated pursuant to this Section.

(c) Not more than forty-five (45) nor less than thirty (30) days before any redemption date, the Bond Registrar and Paying Agent shall cause a notice of any such redemption to be mailed by first class mail, postage prepaid, to the registered owner of each

Bond to be redeemed at the address shown on the registration books maintained by the Bond Registrar and Paying Agent. Failure to mail notice to any registered owner of Bonds shall not affect the validity of the proceeding for the redemption of Bonds with respect to the registered owners of other Bonds.

Section 6. In case any Bond becomes mutilated or destroyed or lost, the City shall cause to be executed and delivered a new Bond of like series, type, date, maturity and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the City in connection therewith and, in the case of a Bond destroyed or lost, filing with the Bond Registrar and Paying Agent by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent that such Bond was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes.

Section 7. (a) The Bonds shall be executed on behalf of the City by the Mayor and attested by the Clerk of the City and, in the case of the Refunding Bonds, countersigned by the Finance Director of the City with their manual or facsimile signatures, and such officials are hereby authorized and directed to execute, attest and countersign the Bonds as aforesaid.

(b) The Mayor or Vice Mayor of the City is hereby authorized to execute, and the Clerk of the City to attest and deliver, the hereinabove described Depository Trust Agreement and contract with the Bond Registrar and Paying Agent and the hereinafter described Undertaking and Bond Purchase Agreement and, if necessary, a standard form of letter of representations with The Depository Trust Company with respect to the matters provided in Section 5(b)(iv) hereof, with such additions, deletions and modifications as shall be approved by the officer executing and delivering the same, and such execution and delivery shall constitute conclusive evidence of the approval of such officer thereto.

Section 8. The Bonds shall be in substantially the following form, allowing those executing the Bonds to make the insertions and deletions necessary to conform the Bonds hereto:

[Form of Bond]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE CITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

REGISTERED
NO.

REGISTERED
\$.....

UNITED STATES OF AMERICA

STATE OF ARIZONA

COUNTY OF MARICOPA

CITY OF EL MIRAGE, ARIZONA
GENERAL OBLIGATION [REFUNDING]** BOND,
SERIES 2012

Interest Rate: Maturity Date: Dated as of: CUSIP:
.....% per annum , 2012

REGISTERED OWNER: CEDE & CO.*

PRINCIPAL AMOUNT: DOLLARS

THE CITY OF EL MIRAGE, ARIZONA, a body politic and corporate, duly created and existing under the laws of the State of Arizona (the "City"), for value received, hereby promises to pay to the Registered Owner indicated above, or registered assigns, the Principal Amount indicated above on the aforesaid Maturity Date, and to pay interest on the Principal Amount at the aforesaid Interest Rate on 1, 20..., and on 1 and 1 of each year thereafter (each an "interest payment date") from the date of this Bond to its maturity or its redemption prior to maturity. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office of (the "Bond Registrar and Paying Agent"). Interest on this Bond is payable by check mailed to the registered owner hereof, as shown on the registration books for this series maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the "regular record date"). Any interest which

* Insert so long as The Depository Trust Company, New York, New York, is the Depository.

** Insert in the Refunding Bonds only.

is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date, and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of the Bonds not less than 10 days prior thereto. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America, on the respective dates when principal and interest become due.

[The bonds of this series (the "Bonds") represent the second installment of an aggregate voted amount of \$16,000,000 principal amount approved at a special bond election duly called and held in for the City of El Mirage, Arizona (the "City"), on November 4, 2008, and the first installment of an aggregate voted amount of \$_____,000 principal amount approved at a special bond election duly called and held in for the City on November 8, 2011, for the purposes provided in Questions considered at such elections.]* [The bonds of this series (the "Bonds") are issued to refund certain outstanding bonds of the City (the "Bonds Being Refunded").]** This Bond is one of a series of such bonds, issued in the aggregate principal amount of \$.....,000, of like tenor except as to maturity date, rate of interest and number by virtue of a resolution (the "Resolution"), duly adopted prior to the issuance hereof, and pursuant to and in conformity with the Constitution and the laws of the State of Arizona, including particularly, Article [3]* [4]** of Chapter 3 of Title 35 of the Arizona Revised Statutes, the Charter of the City and all other laws of the State of Arizona relating thereto.

For the punctual payment of this Bond, and the interest hereon, there shall be levied on all the taxable property in the City a continuing, direct, annual, *ad valorem* tax sufficient to pay all such principal and interest of and on this Bond as the same become due, such taxes to be levied, assessed and collected at the same time and in the same manner as other taxes are levied, assessed and collected[; provided, however, that the issuance of the Bonds shall in no way infringe upon the rights of the owners of the Bonds Being Refunded to rely upon a tax levy for payment of the principal and interest on the Bonds Being Refunded if the obligations of the United States government in which net proceeds of the Bonds are held to provide funds to pay when due, or called for redemption, the Bonds Being Refunded together with interest thereon, and with other funds legally available for such purposes and held for the payment of the Bonds Being Refunded with interest on maturity or upon an available redemption date prove insufficient and further that the total aggregate of taxes levied to pay principal and interest on the Bonds

* Insert in the New Money Bonds only.

** Insert in the Refunding Bonds only.

in the aggregate shall not exceed the total aggregate principal and interest to become due on such refunded bonds from the date of issuance of the Bonds to the final date of maturity of such refunded bonds. The owners of the Bonds must rely on the sufficiency of the funds and securities held irrevocably in trust for payment of the Bonds Being Refunded.]*

The Bonds maturing on July 1,, and July 1,, are not subject to redemption prior to maturity. The Bonds maturing on or after July 1,, are subject to optional redemption prior to maturity on July 1,, and on any date thereafter, in whole or in part, by the payment of a redemption price equal to the principal amount of each such Bond redeemed plus interest accrued to the date fixed for redemption plus a premium, the premium (calculated as a percentage of the principal amount of such Bonds to be redeemed) to be computed as follows:

<u>Redemption Dates</u>	<u>Premium</u>
July 1,, and January 1,%
July 1,, and thereafter	0.0

The Bonds maturing on July 1,, shall be redeemed prior to maturity on July 1, in the years and amounts set forth below, by payment of the principal amount of each Bond to be redeemed plus interest accrued to the date fixed for redemption, but without a premium:

<u>Year</u>	<u>Amount</u>
	\$

A remaining principal amount of \$.....,000 of Bonds maturing on July 1,, shall mature on July 1,

Not more than seventy-five (75) nor less than sixty (60) days prior to the mandatory redemption date for the Bonds maturing on July 1,, the Bond Registrar and Paying Agent shall proceed to select for redemption (by lot in such manner as the Bond Registrar and Paying Agent may determine) from all the Bonds maturing on July 1,, outstanding a principal amount of the Bonds maturing on July 1,, equal to the aggregate principal amount of the Bonds maturing on July 1,, to be redeemed and shall redeem such Bonds maturing on July 1,, on the next July 1 and give notice of such redemption.

* Insert in the Refunding Bonds only.

Not more than 45 nor less than 30 days before any redemption date, the Bond Registrar and Paying Agent shall cause a notice of any such redemption to be mailed by first class mail, postage prepaid, to the registered owner of each Bond to be redeemed at the address shown on the registration books maintained by the Bond Registrar and Paying Agent. Failure to mail notice to any registered owner of Bonds shall not affect the validity of the proceeding for the redemption of Bonds with respect to the registered owners of other Bonds.

The Bond Registrar and Paying Agent will maintain the books of the City for the registration of ownership of each Bond as provided in the Resolution.

This Bond may be transferred on the registration books upon delivery hereof to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of a Bond, the Bond Registrar and Paying Agent will enter the transfer of ownership in the registration books and will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the denominations of \$5,000 of principal amount or any integral multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. All costs and expenses of initial registration and payment will be borne by the City, but the City or the Bond Registrar and Paying Agent will charge the registered owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or other charge be paid before any such new Bond shall be delivered.

The City and the Bond Registrar and Paying Agent will not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any interest payment date or any date of selection of Bonds to be redeemed and ending with the close of business on the interest payment date or day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified, recited and declared (i) that all conditions, acts and things required by the Constitution and laws of the State of Arizona to happen, to be done, to exist and to be performed precedent to and in the issuance of this Bond and of the series of which it is one, have happened, have been done, do exist and have been performed in regular and due form and time as required by law; (ii) that the obligation evidenced by the series of Bonds of which this is one, together with all other existing indebtedness of the City, does not exceed any applicable constitutional or statutory limitation; and (iii) that due provision has been made for the levy and collection of a direct, annual, *ad valorem* tax upon taxable property within the City over and above all other taxes authorized as limited by law, sufficient to pay the principal hereof and the interest hereon as each becomes due.

IN WITNESS WHEREOF, THE CITY OF EL MIRAGE, ARIZONA, has caused this Bond to be executed in the name of the City by the facsimile signature of its Mayor and attested by the facsimile signature of its Clerk [and countersigned by the facsimile signature of the Finance Director]*.

CITY OF EL MIRAGE, ARIZONA

By (Facsimile)
Mayor

ATTEST:

..... (Facsimile)
Clerk

[COUNTERSIGN:

..... (Facsimile)
Finance Director]*

* Insert in the Refunding Bonds only.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the City of El Mirage, Arizona General Obligation [Refunding]* Bonds, Series 2012.

Date of Authentication:

.....,
as Bond Registrar and Paying Agent

By.....
Authorized Officer

* Insert in the Refunding Bonds only.

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto the within Bond and irrevocably constitutes and appoints attorney to transfer this Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

..... ..

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

ALL FEES AND COSTS OF TRANSFER SHALL BE PAID BY THE TRANSFEROR

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulation.

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entirety
- JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT - Custodian
(Cust) (Minor)

under Uniform Transfers to Minors Act
(State)

Additional abbreviations may also be used though not included in the above list.

Section 9. In each year while any of the Bonds shall be outstanding, there shall be and hereby is levied upon all taxable property within the City a continuing, direct, annual, *ad valorem* tax over and above all other taxes authorized or limited by law, which tax, together with other funds then on hand and available for such purposes, shall be sufficient to pay the principal of and interest on the Bonds as the same become due, provided, however, that the total aggregate of taxes levied to pay principal and interest on the Refunding Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Refunding Bonds to the final date of maturity on the Bonds Being Refunded. The tax shall be extended and collected for the City, and the officials of the City and Maricopa County, Arizona, charged with the annual extension and collection of taxes, without further instructions from the Mayor and Council of the City, shall extend and collect the tax upon issuance of the Bonds. All moneys collected through such tax shall be paid into the treasury of the City, to the credit of an applicable, separate "Bond Fund" of the City for each series of the Bonds, from which funds the Bonds shall be payable, which tax moneys shall be held in subfunds in each such fund to be known as the "Interest Fund" and the "Redemption Fund", which funds shall be kept separate and apart from and not commingled with any other funds or moneys and which shall be used solely for, respectively, payment of interest on and principal of the applicable series of the Bonds.

Section 10. The Finance Director of the City is hereby authorized to accept a proposal of the Underwriter for the purchase of the Bonds, and the Bonds are hereby ordered sold to the Underwriter in accordance with the terms of the Bond Purchase Agreement presented to the Mayor and Council of the City at the meeting at which this Resolution was adopted (the "Bond Purchase Agreement") and which is hereby approved. (The Bond Purchase Agreement shall be in substantially the form submitted to the Mayor and Council of the City at the meeting at which this Resolution was adopted.) Upon the sale of the Bonds in accordance with the accepted proposal of the Underwriter and the provisions of this Resolution and payment therefor, the Mayor, the Clerk or the Finance Director of the City, or any of them, are hereby authorized and directed to deliver the Bonds to the Underwriter upon receipt of payment therefor.

Section 11. (a) The City shall not make or direct the making of any investment or other use of the proceeds of any Bonds which would cause such Bonds to be "arbitrage bonds" as that term is defined in section 148 (or any successor provision thereto) of the Internal Revenue Code of 1986, as amended, or "private activity bonds" as that term is defined in section 141 (or any successor provision thereto) of such Code, and the City shall comply with the requirements of such Code sections and related regulations throughout the term of the Bonds. (Particularly, the City shall be the owner of the facilities financed or refinanced with the proceeds of the sale of the Bonds (the "Facilities") for federal income tax purposes. Except as otherwise advised in a Bond Counsel's Opinion (as such term is defined in

the next Section), the City shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time, or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal and interest with respect to the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds, or amounts treated as proceeds of the Bonds, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds are being issued, (ii) may be so used in making investments of a bona fide debt service fund or (iii) may be invested in obligations issued by the United States Treasury. The Mayor and Council of the City hereby further covenant and agree to comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Bonds (originally as provided in Section 12 hereof) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds. In consideration of the purchase and acceptance of the Bonds by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, as amended, the Mayor and Council of the City covenants, and the appropriate officials of the City are hereby directed, to take all action required or to refrain from taking any action prohibited by such Code which would adversely affect in any respect such exclusion.

(b) (i) The City shall take all necessary and desirable steps, as determined by the Mayor and Council, to comply with the requirements hereunder in order to ensure that interest on the Bonds is excluded from gross income for federal income tax purposes under such Code; provided, however, compliance with any such requirement shall not be required in the event the City receives a Bond Counsel's Opinion (as such term is hereinafter defined) that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds, or (ii) compliance with some other requirement will meet the requirements of such Code. In the event the City receives such a Bond Counsel's Opinion, the parties agree to amend this Resolution to conform to the requirements set forth in such opinion.

(ii) If for any reason any requirement hereunder is not complied with, the City shall take all necessary and desirable steps, as determined by the Mayor and Council, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the City shall pay any required interest or penalty under Regulations section 1.148-3(h) with respect to such Code.

Section 12. (a) Terms not otherwise defined in Subsection (b) hereof shall have the meanings given to them in the arbitrage certificate of the City delivered in connection with the issuance of the Bonds.

(b) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Bonds and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in such arbitrage certificate. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the City from the sale of the Bonds but excluding amounts used to pay accrued interest on the Bonds within one year of the date of issuance of the Bonds;

(ii) transferred proceeds of the Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal

or interest on the Bonds in the event the District encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

Issue Price is as indicated in such arbitrage certificate, which is the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters of wholesalers) at which price a substantial amount of the Bonds was sold, less any bond insurance premium and reserve surety bond premium. Issue price shall be determined as provided in Regulations section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(c) Within 60 days after the end of each Bond Year, the City shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

- (1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds

(determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(d) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(e) For purposes of Subsection (d), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (f) or (g), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(f) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(g) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements in the Regulations that the District receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the District uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The City retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the City and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(h) The employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of the Code, is hereby authorized.

Section 13. (a) (1) The preparation, distribution and use of the Preliminary Official Statement relating to the Bonds in substantially the form presented to the Mayor and Council of the City before the meeting at which this Resolution was adopted is in all respects hereby ratified, approved and confirmed, and the Finance Director of the City is hereby authorized to deem the same "final" for purposes of applicable securities laws when finalized.

(2) The Underwriter is authorized to cause to be prepared, and the Finance Director of the City is authorized and directed to approve, on behalf of the Mayor and Council of the City, and the Mayor or Vice Mayor of the City to execute, a final Official Statement in substantially the form of the Preliminary Official Statement, modified to reflect matters related to the sale of the Bonds, for distribution and use in connection with the offering and sale of the Bonds. The execution of such final Official Statement by the Mayor of the City shall be conclusively deemed to evidence the approval of the status, form and contents thereof by the Mayor and Council of the City.

(b) Subject to annual appropriation to cover the costs of preparing and mailing as necessary therefor, the City shall comply with and carry out all the provisions of a Continuing Disclosure Undertaking, to be dated the date of issuance of the Bonds (hereinafter referred to as the "Undertaking"), with respect to the Bonds, in substantially the form included in such final Official Statement. Notwithstanding any other provision of this Resolution, failure of the City (if obligated pursuant to the Undertaking) to comply with the Undertaking shall not be considered an event of default; however, any Beneficial Owner (as such term is hereinafter defined) may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of any Bonds for federal income tax purposes.

Section 14. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall be the registered owners of the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the City and the registered owners of the Bonds.

Section 15. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Mayor and Council of the City hereby declare that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 16. All actions of the officers and agents of the City including the Mayor and Council of the City which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 17. All acts and conditions necessary to be performed by the City or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the City will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of

indebtedness or taxation will have been exceeded in the issuance of the Bonds.

Section 18. All formal actions of this Council concerning and relating to the passage of this Resolution were taken in an open meeting of this Council, and all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 19. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety of the City and for the further reason that the sale and issuance at the earliest possible date of the Bond, is urgently needed to attempt to secure the lowest possible interest cost for the City; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Mayor and Council of the City, as required by law and is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of
the City of El Mirage, Arizona, on this 19th day of June, 2012.

Lana Mook
.....
LANA MOOK, MAYOR

ATTEST:

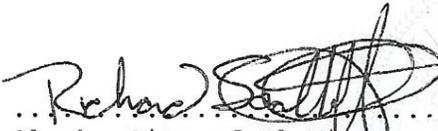
Richard Saathoff
.....
RICHARD SAATHOFF, CITY CLERK

APPROVED AS TO FORM:

Robert M. Hall
.....
ROBERT HALL, INTERIM CITY ATTORNEY

CERTIFICATION

I hereby certify that the foregoing Resolution No. R-12-06-25__ was duly passed and adopted by the Mayor and the Council of the City of El Mirage, Arizona, at a regular meeting held on the 19th day of June, 2012, and the vote was seven (7) ayes and zero (0) nays and that the Mayor and six (6) Councilmembers were present thereat.


.....
Clerk, City of El Mirage, Arizona