

AN ORDINANCE APPROVING THE DELIVERY OF \$2,325,000 PRINCIPAL AMOUNT OF CERTIFICATES OF PARTICIPATION (CITY OF CHESTERFIELD, MISSOURI, LESSEE), SERIES 2002, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF REFUNDING THE SERIES 1995 CERTIFICATES OF PARTICIPATION; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the City Council finds and determines that it is advantageous and in the best interests of the City of Chesterfield, Missouri (the "City") that the City enter into certain transactions with BNY Trust Company of Missouri, as trustee (the "Trustee"), relating to the delivery of \$2,325,000 principal amount of Certificates of Participation (City of Chesterfield, Missouri, Lessee), Series 2002 (the "Certificates"), for the purpose of (1) providing funds to pay the costs of refunding the Certificates of Participation (City of Chesterfield, Missouri, Lessee) Series 1995 (the "Series 1995 Certificates") and (2) paying the costs of delivering the Certificates; and

WHEREAS, in connection with the delivery of the Certificates, the City Council finds it necessary to authorize the execution of (1) a Base Lease dated as of November 1, 2002 (the "Base Lease"), between the City and the Trustee, pursuant to which the City will lease certain real property (the "Leased Property") to the Trustee for rent including the deposit of the funds specified therein to pay the costs of the refunding; and (2) a Lease/Purchase Agreement dated as of November 1, 2002 (the "Lease"), pursuant to which the Trustee will lease the Leased Property back to the City on an annually renewable basis and the City will make payments of Base Rentals to the Trustee that will be sufficient, during any term of the Lease, to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHESTERFIELD, MISSOURI, AS FOLLOWS:

Section 1. Approval of Delivery of the Certificates. The City hereby approves the delivery of \$2,325,000 principal amount of Certificates of Participation (City of Chesterfield, Missouri, Lessee), Series 2002 (the "Certificates"), for the purpose of (a) providing funds to refund the Series 1995 Certificates and (b) paying the costs of delivering the Certificates. The Certificates shall be delivered and secured pursuant to the herein approved Indenture. The Certificates shall be dated as of the date of original delivery and payment therefor, shall become due on August 15 in the years and in the respective amounts and shall bear interest from the date thereof payable semiannually on February 15 and August 15, beginning February 15, 2003, at rates per annum, as follows:

SERIAL CERTIFICATES

<u>Payment Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2003	\$170,000	2.00%
2004	155,000	2.00
2005	155,000	2.20
2006	165,000	2.55
2007	165,000	2.85
2008	170,000	3.10
2009	175,000	3.35
2010	180,000	3.55
2011	185,000	3.65
2012	195,000	3.80
2013	200,000	4.00
2014	210,000	4.10
2015	200,000	4.20

The sale of the Certificates to A.G. Edwards & Sons, Inc., St. Louis, Missouri (the "Purchaser") at a purchase price of \$2,307,694.30 (representing the principal amount of the Certificates, less a net original issue discount of \$5,042.75 and less an underwriter's discount of \$12,262.95) is hereby ratified and confirmed. Delivery of the Certificates shall be made to the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefore in accordance with the terms of the sale. The Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements as are set forth in the Indenture.

Section 2. Limited Obligations. The Certificates and the interest thereon shall be limited obligations, payable solely out of the rents, revenues and receipts received by the Trustee from the City pursuant to the Lease. Neither the Lease nor the Certificates shall constitute a debt or liability of the City or of the State of Missouri or of any political subdivision thereof, and neither the Lease nor the Certificates shall constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Section 3. Authorization of Documents. The City is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the City Council at this meeting and attached to this Ordinance (copies of which documents shall be filed in the records of the City), with such changes therein as shall be approved by the officer or officers of the City executing such documents, such officer's or officers' signatures thereon being conclusive evidence of his, her or their approval thereof:

(a) Base Lease dated as of November 1, 2002 (the "Base Lease"), between the City and the Trustee (attached hereto as **Exhibit A**).

(b) Lease/Purchase Agreement dated as of November 1, 2002 (the "Lease"), between the Trustee and the City (attached hereto as **Exhibit B**).

(c) Escrow Trust Agreement dated as of November 1, 2002 (the "Escrow Agreement"), between the City and BNY Trust Company of Missouri, as escrow agent (attached hereto as **Exhibit C**).

(d) Continuing Disclosure Agreement dated as of November 1, 2002 (the "Continuing Disclosure Agreement"), between the City and BNY Trust Company of Missouri, as dissemination agent (attached hereto as **Exhibit D**).

Section 4. Approval of Documents. The City hereby approves the following document in substantially the form presented to and reviewed by the City Council at this meeting and attached to this Ordinance (a copy of which document shall be filed in the records of the City):

(a) Trust Indenture dated as of November 1, 2002 (the "Indenture"), executed by the Trustee (attached hereto as **Exhibit E**).

Section 5. Execution of Documents. The City is hereby authorized to enter into and the Mayor and City Clerk are hereby authorized and directed to execute and deliver, on behalf of the City, the Base Lease, the Lease, the Escrow Agreement and the Continuing Disclosure Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 6. Prepayment of Series 1995 Certificates. The Series 1995 Certificates are hereby called for prepayment prior to maturity on February 15, 2003. The Series 1995 Certificates shall be prepaid at the principal corporate trust office of BNY Trust Company of Missouri, 911 Washington Avenue, 3rd Floor, in St. Louis, Missouri, by the payment on the prepayment date of the principal thereof, together with any prepayment premium and accrued interest thereon to the prepayment date. The officers of the City are hereby authorized and directed to take such other action as may be necessary in order to effect the prepayment of such Series 1995 Certificates as herein provided.

Section 7. Preliminary Official Statement and Official Statement. The City Council hereby ratifies and approves the Preliminary Official Statement in the form attached hereto as **Exhibit F**, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor is hereby authorized to execute the Official Statement as so supplemented, amended and completed. The City Council consents to the use and public distribution by the Purchaser of the final Official Statement in connection with the offering for sale of the Certificates.

Section 8. Further Authority. The officers, agents and employees of the City, including the Mayor and the City Clerk, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Base Lease, the Lease, the Escrow Agreement and the Continuing Disclosure Agreement, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

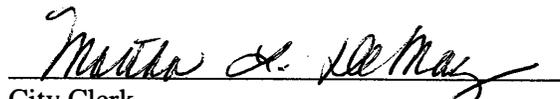
Section 9. Effective Date. This Ordinance shall take effect and be in full force immediately after its passage by the City Council and approval by the Mayor.

PASSED by the City Council and **APPROVED** by the Mayor of the City of Chesterfield, Missouri,
this 29th day of October, 2002.


Mayor

(SEAL)

ATTEST:


City Clerk