BILL NO. 2615 **ORDINANCE NO. 2433**

AN ORDINANCE AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF $5,255,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008, OF THE CITY OF CHESTERFIELD, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF SAID BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Chesterfield, Missouri (the "City"), is a city of the third class and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, the City has heretofore issued and has outstanding, among others, the following series of general obligation bonds issued pursuant to Ordinance No. 1398 passed by the City on May 5, 1998 (the "Refunded Bond Ordinance"):

Series of Bonds	Date of Bonds	Original Principal Amount	Principal Amount Outstanding
General Obligation Refunding Bonds, Series 1998 (the "Series 1998 Bonds")	May 19, 1998	$10,215,000	$5,245,000

WHEREAS, the City desires to refund all of the outstanding Series 1998 Bonds, being those bonds maturing on February 15, 2009 and thereafter (the "Refunded Bonds"), and the City is authorized under the provisions of Article VI, Section 28 of the Constitution of Missouri, 1945, as amended, and Section 108.140 of the Revised Statutes of Missouri, as amended (the "Refunding Bond Law"), to refund, extend and unify the whole or part of its valid general obligation indebtedness; and

WHEREAS, the Refunding Bond Law authorizes the issuance of general obligation refunding bonds in an amount not to exceed $5,258,538.16, being the sum of (a) the principal amount of the Refunded Bonds ($5,245,000) plus (b) the accrued interest on the Refunded Bonds to the date of the refunding bonds ($13,538.16); and

WHEREAS, it is hereby found and determined that it is necessary and advisable and in the best interest of the City and of its inhabitants at this time to authorize the issuance and delivery of said bonds pursuant to the Refunding Bond Law for the purposes aforesaid as herein provided;

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

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Ordinance shall have the following meanings:

"Arbitrage Instructions" means the Arbitrage Instructions contained in the City's Federal Tax Certificate relating to the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

"Bond Counsel" means Gilmore & Bell, P.C., St. Louis, Missouri, or other attorneys or firm of attorneys with a nationally recognized standing in the field of municipal bond financing selected by the City.

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Paying Agent.

"Bondowner," "Owner" or **"Registered Owner"** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

"Bonds" means the General Obligation Refunding Bonds, Series 2008, authorized and issued by the City pursuant to this Ordinance.

"Business Day" means a day other than a Saturday, Sunday or holiday on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

"City" means the City of Chesterfield, Missouri, and any successors or assigns.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the Treasury Department proposed or promulgated thereunder.

"Costs of Issuance Fund" means the fund by that name referred to in **Section 501** hereof.

"Debt Service Fund" means the fund by that name referred to in **Section 501** hereof.

"Defaulted Interest" means interest on any Bond which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations, if and to the extent the same are at the time legal for investment of the City's funds:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations serving as security for the obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations serving as security for the obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) the obligations are rated in the highest rating category by Moody's Investors Service, Inc. (presently "Aaa") or Standard & Poor's (presently "AAA").

"Escrow Agent" means UMB Bank , N.A., St. Louis, Missouri, and any successors or assigns.

"Escrow Fund" means the fund by that name referred to in **Section 501** hereof.

"Escrow Instructions" means the Letter of Escrow Instructions dated as of March 1, 2008, from the City to the Escrow Agent, in substantially the form attached hereto as **Exhibit D**.

"Escrowed Securities" means the direct, noncallable obligations of the United States of America, as described in the Escrow Instructions.

"FAST Agent" means the Paying Agent when acting as agent for DTC in accordance with rules established by DTC for Fast Automated Securities Transfers.

"Interest Payment Date" means the Stated Maturity of an installment of interest on any Bond.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or otherwise.

"Ordinance" means this Ordinance adopted by the governing body of the City, authorizing the issuance of the Bonds, as amended from time to time.

"Outstanding" means, when used with reference to Bonds, as of any particular date of determination, all Bonds theretofore authenticated and delivered hereunder, except the following Bonds:

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of **Section 701** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

"Paying Agent" means UMB Bank, N.A., St. Louis, Missouri, and any successors or assigns.

"Permitted Investments" means any of the following securities, if and to the extent the same are at the time legal for investment of the City's funds:

(a) United States Government Obligations;

(b) bonds, notes or other obligations of the State of Missouri, or any political subdivision of the State of Missouri, that at the time of their purchase are rated in either of the two highest rating categories by a nationally recognized rating service;

(c) repurchase agreements with any bank, bank holding company, savings and loan association, trust company, or other financial institution organized under the laws of the United States or any state, that are continuously and fully secured by any one or more of the securities described in clause (a) or (b) above and that have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such repurchase agreement and are held in a custodial or trust account for the City's benefit;

(d) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation;

(e) certificates of deposit or time deposits, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of the United States or any state, provided that such certificates of deposit or time deposits shall be either (i) continuously and fully insured by the Federal Deposit Insurance Corporation, or (ii) continuously and fully secured by such securities as are described above in clauses (a) through (c), inclusive, which shall have a market value, exclusive of accrued interest, at all times at least equal to the principal amount of such certificates of deposit or time deposits; and

(f) money market funds rated in the highest rating category by Moody's Investors Service, Inc. (presently "Aaa") or Standard & Poor's (presently "AAA").

"Person" means any natural person, corporation, limited liability company, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Purchaser" means Commerce Bank, N.A., Kansas City, Missouri, the original purchaser of the Bonds.

"Rebate Fund" means the fund by that name referred to in **Section 501** hereof.

"Record Date" for the interest payable on any Interest Payment Date means the 1st day (whether or not a Business Day) of the calendar month including such Interest Payment Date.

"Refunded Bond Ordinance" means Ordinance No. 1398 of the City passed on May 5, 1998, authorizing the issuance of the Series 1998 Bonds.

"Refunded Bonds" means the $5,245,000 outstanding principal amount of the Series 1998 Bonds maturing on February 15, 2009 and thereafter, all as more fully described in the recitals to this Ordinance.

"Refunding Bond Law" means Article VI, Section 28 of the Constitution of Missouri, 1945, as amended, and Section 108.140 of the Revised Statutes of Missouri, as amended.

"Series 1998 Bonds" means the $10,215,000 original principal amount of the City's General Obligation Refunding Bonds, Series 1998, being refunded pursuant to this Ordinance.

"Special Record Date" means the date prior to the payment date of Defaulted Interest fixed by the Paying Agent pursuant to **Section 204** hereof.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Ordinance as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payments on obligations issued or guaranteed by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the City.

ARTICLE II

AUTHORIZATION OF BONDS

Section 201. Authorization of Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Refunding Bonds, Series 2008, of the City in the principal amount of $5,255,000 (the "Bonds"), for the purpose of providing funds to (1) current refund the Refunded Bonds and (2) pay the costs of issuance of the Bonds.

Section 202. Description of Bonds.

(a) The Bonds shall consist of fully registered bonds, without coupons, numbered from 1 upward in order of issuance, in denominations of $5,000 or any integral multiple thereof. The Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be substantially in the form set forth in **Exhibit A** attached hereto, and shall be subject to registration, transfer and exchange as provided in **Section 205** hereof.

(b) All of the Bonds shall be dated the date of original issuance and delivery thereof, shall become due in the amounts on the Stated Maturities and shall bear interest at rates per annum as follows:

SERIAL BONDS

Stated Maturity February 15	Principal Amount	Annual Rate of Interest
2009	$325,000	3.50%
2010	760,000	3.00
2011	790,000	2.30
2012	810,000	2.50
2013	830,000	2.70
2014	855,000	2.80
2015	885,000	2.95

(c) The Bonds shall bear interest at the above-specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on February 15 and August 15 in each year, beginning on August 15, 2008.

Section 203. Designation of Paying Agent.

(a) UMB Bank, N.A., a national banking association with its principal corporate trust office located in Kansas City, Missouri, is hereby designated as the City's paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds (the "Paying Agent").

(b) The City will at all times maintain a Paying Agent meeting the qualifications herein described for the performance of the duties hereunder. The City reserves the right to appoint a successor Paying Agent by (1) filing with the Paying Agent then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent and appointing a successor, and (2) causing notice of the appointment of the successor Paying Agent to be given by first class mail to each Registered Owner. The Paying Agent may at any time resign and be discharged from its duties and responsibilities hereunder by giving written notice by registered or certified mail to the City not less than 60 days prior to the date when the resignation is to take effect. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

(c) Every Paying Agent appointed hereunder shall at all times be a commercial banking association or corporation or trust company located in the State of Missouri organized and doing business under the laws of the United States of America or of the State of Missouri, authorized under such laws to exercise trust powers and subject to supervision or examination by federal or state regulatory authority.

(d) The Paying Agent shall be paid its fees and expenses for its services in connection with the Bonds.

Section 204. Method and Place of Payment of Bonds.

(a) The principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

(b) The principal on each Bond shall be paid at Maturity by check or draft to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at such payment office as designated by the Paying Agent.

(c) The interest payable on each Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (i) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or such other address furnished to the Paying Agent in writing by such Registered Owner, or (ii) in the case of an interest payment to any Registered Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed.

(d) Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Registered Owner of such Bond on the relevant Record Date and shall be payable to the Registered Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent unless the City and the Paying Agent agree to a shorter time period) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment, unless the City and the Paying Agent agree to a shorter time period. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Registered Owner of a Bond entitled to such notice at the address of such Registered Owner as it appears on the Bond Register on such Special Record Date.

(e) The Paying Agent shall keep a record of payment of the principal and interest paid on all Bonds and, upon the City's written request, shall forward a copy or summary of such records to the City.

Section 205. Registration, Transfer and Exchange of Bonds.

(a) The City covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the principal payment office of the Paying Agent for the registration, transfer and exchange of Bonds as herein provided. Each Bond when issued shall be registered in the name of the Registered Owner thereof on the Bond Register.

(b) Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal payment office of the Paying Agent, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

(c) In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. The City shall pay the reasonable fees and expenses of the Paying Agent for the registration, transfer and exchange of Bonds provided for by this Ordinance and the reasonable cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

(d) The City and the Paying Agent shall not be required to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to **Section 204** hereof.

(e) The City and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on said Bond and for all other purposes. All payments so made to any such Registered Owner or upon the Registered Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

(f) At reasonable times and under reasonable regulations established by the Paying Agent, the Bond Register may be inspected and copied by the Registered Owners of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Registered Owners whose authority must be evidenced to the satisfaction of the Paying Agent.

Section 206. Execution, Registration, Authentication and Delivery of Bonds.

(a) Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk and shall have the official seal of the City affixed or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

(b) The Mayor and City Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the State Auditor of Missouri as provided by law, and, when duly executed and registered, to deliver the Bonds to the Paying Agent for authentication.

(c) The Bonds shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Exhibit A** attached hereto, which shall be manually executed by an authorized signatory of the Paying Agent, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Paying Agent. Such executed certificate of authentication upon

any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Ordinance. Upon authentication, the Paying Agent shall deliver the Bonds to or upon the order of the Purchaser, or shall hold the Bonds as "FAST Agent" for the benefit of the Beneficial Owners (as hereinafter defmed), upon payment to the City of the purchase price of the Bonds plus accrued interest thereon to the date of their delivery.

Section 207. Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If (i) any mutilated Bond is surrendered to the Paying Agent or the Paying Agent receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (ii) there is delivered to the Paying Agent such security or indemnity as may be required by the Paying Agent to save each of the City and the Paying Agent harmless, then, in the absence of notice to the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and, the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Paying Agent, in its discretion, may pay such Bond instead of delivering a new Bond.

(c) Upon the issuance of any new Bond under this Section, the City or the Paying Agent may require the payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

(d) Every new Bond issued pursuant to this Section shall constitute a replacement of the City's prior obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds.

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be canceled by the Paying Agent immediately upon the payment and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so canceled and shall file an executed counterpart of such certificate with the City.

Section 209. Preliminary and Final Official Statement.

(a) The Preliminary Official Statement, in the form attached hereto as **Exhibit B**, is hereby ratified and approved, 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 final Official Statement as so supplemented, amended and completed, and the use and public distribution of the final Official Statement by the Purchaser in connection with the reoffering of the Bonds is hereby authorized. The proper officials of the City are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

(b) For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take

such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of such Rule.

(c) The City agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 210. Sale of Bonds. The sale of the Bonds to the Purchaser at a purchase price of $5,254,647.80 is hereby ratified and confirmed. Delivery of the Bonds shall be made to the Purchaser as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of sale.

Section 211. Securities Depository.

(a) For purposes of this **Section 211**, the following terms shall have the following meanings:

"Beneficial Owner" means, whenever used with respect to a Bond, the Person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such Person's subrogee.

"Cede & Co." means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"DTC" means The Depository Trust Company of New York, New York.

"Participant" means any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

"Representation Letter" means, collectively, the Representation Letter from the City to DTC and the Representation Letter from the Paying Agent to DTC.

(b) The Bonds shall be initially issued as one single authenticated fully registered bond for each Stated Maturity. Upon initial issuance, the ownership of such Bonds shall be registered in the City's Bond Register kept by the Paying Agent in the name of Cede & Co., as nominee of DTC. The Paying Agent and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of and interest on the Bonds, giving any notice permitted or required to be given to Registered Owners of Bonds under this Ordinance, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Paying Agent nor the City shall be affected by any notice to the contrary. Neither the Paying Agent nor the City shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond Register kept by the Paying Agent as being a Registered Owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of and interest on the Bonds, with respect to any notice which is permitted or required to be given to the Registered Owners of Bonds under this Ordinance, or with respect to any consent given or other action taken by DTC as Registered Owner of the Bonds. The Paying Agent shall pay all principal of and interest on the Bonds only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No Person other than DTC (or the Paying Agent as FAST Agent) shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Paying

Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) If the Participants holding a majority position in the Bonds determine that it is in the best interest of the Beneficial Owners that they be able to obtain certificated Bonds, the Participants may notify DTC and the Paying Agent, whereupon DTC shall notify the Participants of the availability through DTC of Bond certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) If any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Paying Agent from the Registered Owners thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Ordinance. If Bonds are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Bonds, or other securities depository as holder of all the Bonds, the provisions of this Ordinance shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds and the method of payment of the principal of and interest on such Bonds. In the event that Bonds are issued to holders other than DTC, the Paying Agent may rely on information provided by DTC or any Participant as to the names, addresses of and principal amounts held by the Beneficial Owners of the Bonds.

Section 212. Authorization of Escrow Instructions.

(a) The City is hereby authorized to enter into the Escrow Instructions in substantially the form attached to this Ordinance and marked **Exhibit D** and the Mayor is hereby authorized and directed to execute the Escrow Instructions with such changes therein as such official may deem appropriate, for and on behalf of and as the act and deed of the City. The Escrow Agent is hereby authorized to carry out, on behalf of the City, the duties, terms and provisions of the Escrow Instructions, and the Escrow Agent, the Purchaser and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein, including the subscription for United States Treasury Securities - State and Local Government Series ("SLGS").

(b) The City certifies that any SLGS will be purchased solely from moneys transferred to the Escrow Agent either from the debt service fund maintained by the City for the Refunded Bonds, or from the proceeds of the Bonds and not from any amounts received from either (i) the sale or redemption before maturity of any marketable security, or (ii) the redemption before maturity of any time deposit SLGS (other than a zero interest SLGS). The City understands that, if it fails to settle on the subscription for SLGS or makes an untimely or unauthorized change to subscription, the Bureau of Public Debt may bar the City from subscribing for SLGS for six months beginning on the earlier of (i) the date the subscription is withdrawn, or (ii) the proposed issue date for the SLGS.

ARTICLE III

REDEMPTION OF BONDS

Section 301. No Optional Redemption. The Bonds are not subject to optional redemption prior to their Stated Maturity.

ARTICLE IV

SECURITY FOR AND PAYMENT OF BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the City's territorial limits. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax.

(a) For the purpose of providing for the payment of the principal of and interest on the Bonds as the same become due, there is hereby levied upon all of the taxable tangible property within the City a direct annual tax sufficient to produce the amounts necessary for the payment of such principal of and interest as the same becomes due and payable in each year.

(b) The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the City's other ad valorem taxes are levied and collected. The proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the City and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent.

(c) If at any time said taxes are not collected in time to pay the principal of and interest on the Bonds when due, the City's Director of Finance and Administration is hereby authorized and directed to pay said principal of and interest on the Bonds out of the City's general funds and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS; DEPOSIT AND APPLICATION OF MONEY

Section 501. Establishment of Funds. There have been or shall be established in the City's treasury and shall be held and administered by the City's Director of Finance and Administration the following separate funds:

(a) Costs of Issuance Fund.

(b) Debt Service Fund.

(c) Rebate Fund.

In addition to the funds described above, the Escrow Instructions establishes the Escrow Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Instructions.

Section 502. Deposit of Bond Proceeds and Other Moneys. The net proceeds received from the sale of the Bonds, together with $88,646.05 from other legally available moneys of the City, shall be deposited simultaneously with the delivery of the Bonds as follows:

(a) The sum of $5,272,788.85 (consisting of $5,254,647.80 from the proceeds of the Bonds and $18,141.05 from other legally available moneys of the City), which is sufficient for the payment of the principal of and interest on the Refunded Bonds on the redemption date thereof, shall be transferred to the Escrow Agent for deposit in the Escrow Fund, to be applied in accordance with the Escrow Instructions.

(b) The sum of $70,505.00 from legally available moneys of the City shall be deposited in the Costs of Issuance Fund and shall be disbursed by the City's Director of Finance and Administration on orders of the City Council to pay costs of issuing the Bonds, including the fees of attorneys, financial consultants, accountants, rating agencies, printers and others employed to render professional services and other costs, fees and expenses incurred in connection with the issuance of the Bonds and the creation of the trust described in and created in the Escrow Instructions. Any of such money not used for such purpose and remaining on deposit on September 1, 2008 shall be transferred to and deposited in the Debt Service Fund.

Section 503. Application of Money in Debt Service Fund.

(a) All amounts paid and credited to the Debt Service Fund shall be expended and used by the City for the sole purpose of paying the principal of and interest on the Bonds on any Bond Payment Date and the usual and customary fees and expenses of the Paying Agent. The City's Director of Finance and Administration is authorized and directed to withdraw from the Debt Service Fund sums sufficient to pay the principal of and interest on the Bonds and the fees and expenses of the Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and the fees and expenses of the Paying Agent will become due. If, through the lapse of time or otherwise, the Registered Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the City. All money deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Ordinance and shall be held in trust by the Paying Agent for the benefit of the Registered Owners of the Bonds entitled to payment from such money.

(b) Any money or investments remaining in the Debt Service Fund after the retirement of the indebtedness for which the Bonds were issued and all other indebtedness of the City shall be transferred and paid into the City's general fund.

Section 504. Application of Money in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Arbitrage Instructions. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Arbitrage Instructions), for payment to the United States of America, and neither the City nor the Registered Owner of any Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Arbitrage Instructions.

(b) The City shall periodically determine the amount of arbitrage rebate under Section 148(f) of the Code in accordance with the Arbitrage Instructions, and the City shall make payments to the United States of America at the times and in the amounts determined under the Arbitrage Instructions. Any money remaining in the Rebate Fund after payment of all of the Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be released to the City.

(c) Notwithstanding any other provision of this Ordinance, including in particular **Article VII** hereof, the obligation to pay arbitrage rebate to the United States and to comply with all other requirements of this Section and the Arbitrage Instructions shall survive the defeasance or payment in full of the Bonds.

Section 505. Deposits and Investment of Money.

(a) Except with respect to the Escrow Fund, money in each of the funds created by and referred to in this Ordinance shall be deposited in a bank or banks or other legally permitted financial institutions located in the State of Missouri that are members of the Federal Deposit Insurance Corporation. All such deposits shall be continuously and adequately secured by the financial institutions holding such deposits as provided by the laws of the State of Missouri. All money held in the funds created by this Ordinance shall be kept separate and apart from all other funds of the City so that there shall be no commingling of such funds with any other funds of the City.

(b) Except with respect to the Escrow Fund, money held in any fund referred to in this Ordinance may be invested by the City's Director of Finance and Administration at the direction of the City Council, in accordance with this Ordinance and the Arbitrage Instructions, in Permitted Investments; provided, however, that no such investment may be made for a period extending longer than to the date when the money invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund.

Section 506. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his or her part under this Ordinance or on, or with respect to, said Bond. If any Bond is not presented for payment within one year following the date when such Bond becomes due at Maturity, the Paying Agent shall, without liability for interest thereon, repay to the City the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 507. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of the principal of and interest on the Bonds need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 508. Redemption of Refunded Bonds. The Refunded Bonds are hereby called for redemption and payment prior to maturity on March 24, 2008. The Refunded Bonds shall be redeemed at such payment office as designated by UMB Bank, N.A., the paying agent for the Refunded Bonds, by the payment on the redemption date of the principal thereof together with any accrued interest thereon to the redemption date. In accordance with the requirements of the Refunded Bond Ordinance, the City Council

hereby ratifies and confirms the authorization of the City Clerk to cause notice of the call for redemption and payment of the Refunded Bonds described above to be given in the manner provided in said Refunded Bond Ordinance. The officers of the City and the paying agent for the Refunded Bonds are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption and payment of such Refunded Bonds as herein provided.

Section 509. Application of Money in the Escrow Fund. Under the Escrow Instructions, the Escrow Agent will apply money in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Instructions. Except as otherwise provided in the Escrow Instructions, the cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely to the payment of the principal and interest on the Refunded Bonds. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bond Ordinance and the Escrow Instructions.

ARTICLE VI

REMEDIES

Section 601. Remedies. The provisions of this Ordinance, including the covenants and agreements herein contained, shall constitute a contract between the City and the Registered Owners of the Bonds, and the Registered Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Registered Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Registered Owner or Owners against the City and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of this Ordinance or by the constitution and laws of the State of Missouri;

(b) by suit, action or other proceedings in equity or at law to require the City, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners of the Bonds.

Section 602. Limitation on Rights of Registered Owners. The covenants and agreements of the City contained herein and in the Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Bonds. All of the Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, or date of Maturity as provided in this Ordinance. No one or more Registered Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Registered Owners of such Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Registered Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Registered Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights

or remedies consequent thereon. No delay or omission of any Registered Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Registered Owners of the Bonds by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by any Registered Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to such Registered Owner, then, and in every such case, the City and the Registered Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Registered Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 604. Exception for Continuing Disclosure. This **Article VI** shall not apply to **Section 805** hereof regarding the City's continuing disclosure obligations, and Registered Owners or Beneficial Owners of the Bonds shall have no remedies for enforcement of said obligations other than the remedies provided for in **Section 805** hereof and the City's Continuing Disclosure Certificate, attached as **Exhibit C** hereto.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance.

(a) When any or all of the Bonds or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Ordinance and the pledge of the City's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State of Missouri and having full trust powers, at or prior to the Stated Maturity of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, money and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and interest accrued to the Stated Maturity, or if default in such payment has occurred on such date, then to the date of the tender of such payments.

(b) Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the City, for the purpose of paying and discharging any of the Bonds, or scheduled interest payments thereon, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Registered Owners of the Bonds, and such money shall be and is hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or other bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Ordinance.

(c) To accomplish defeasance of the Bonds, the City shall cause to be delivered to the Paying Agent (i) a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay the Bonds in full at Maturity, (ii) an escrow deposit agreement and (iii) an opinion of Bond Counsel to the effect that the Bonds are no longer "Outstanding" under this Ordinance. Bonds shall be deemed "Outstanding" under this Ordinance unless and until they are in fact paid and retired or the criteria of this Section are met.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 801. Tax Covenants.

(a) The City covenants and agrees that (i) it will comply with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from federal gross income of the interest on the Bonds, and (ii) it will not use or permit the use of any proceeds of Bonds or any other funds of the City, nor take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The City will also adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future laws, regulations, published rulings and judicial decisions in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the City.

(b) The City covenants and agrees that (i) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (ii) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the City in any manner, or take or omit to take any action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(c) The City covenants and agrees that it will pay or provide for the payment from time to time of all rebatable arbitrage to the United States pursuant to Section 148(f) of the Code and the Arbitrage Instructions. This covenant shall survive payment in full or defeasance of the Bonds. The Arbitrage Instructions may be amended or replaced if, in the opinion of Bond Counsel, such amendment or replacement will not adversely affect the exclusion from federal gross income of the interest on the Bonds.

(d) The City covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, (i) in a manner that would cause any Bond to be a "private activity bond" within the meaning of Section 141(a) of the Code, or (ii) to make or finance a loan to any Person.

(e) The City hereby designates the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. In addition, the City hereby represents that:

(1) the aggregate face amount of all tax-exempt obligations (other than private activity bonds which are not "qualified 501(c)(3) bonds") which will be issued by the City (and all subordinate entities thereof) during the calendar year in which the Bonds are issued is not reasonably expected to exceed $10,000,000; and

(2) the City (including all subordinate entities thereof) will not issue an aggregate principal amount of obligations designated by the City to be "qualified tax-exempt obligations" during the calendar year in which the Bonds are issued, including the Bonds, in excess of $10,000,000, without first obtaining an opinion of Bond Counsel that the designation of the Bonds as "qualified tax-exempt obligations" will not be adversely affected.

The Mayor is hereby authorized to take such other action as may be necessary to make effective the designation in this subsection (e).

(f) The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Article VII** hereof or any other provisions of this Ordinance, until the final maturity date of all Bonds Outstanding.

Section 802. Annual Audit.

(a) Annually, promptly after the end of the fiscal year, the City will cause an audit to be made of its funds and accounts for the preceding fiscal year by a certified public accountant or firm of certified public accountants.

(b) Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the City Clerk, and a duplicate copy of the audit shall be mailed to the Purchaser. Such audits shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Registered Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Registered Owner.

(c) As soon as possible after the completion of the annual audit, the governing body of the City shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Ordinance, the City shall promptly cure such deficiency.

Section 803. Amendments.

(a) The rights and duties of the City and the Registered Owners, and the terms and provisions of the Bonds or of this Ordinance, may be amended or modified at any time in any respect by Ordinance of the City with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding. Such consent shall be evidenced by an instrument or instruments executed by such Registered Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the City Clerk. No such modification or alteration may:

(i) extend the maturity of any payment of principal or interest due upon any Bond;

(ii) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond;

(iii) permit preference or priority of any Bond over any other Bond; or

(iv) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Ordinance.

(b) Any provision of the Bonds or of this Ordinance may, however, be amended or modified by Ordinance duly adopted by the governing body of the City at any time in any legal respect with the written consent of the Registered Owners of all of the Bonds at the time Outstanding.

(c) Without notice to or the consent of any Registered Owners, the City may amend or supplement this Ordinance for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein which is not materially adverse to the interests of the Registered Owners.

(d) Every amendment or modification of the provisions of the Bonds or of this Ordinance, to which the written consent of the Registered Owners is given, as above provided, shall be expressed in an ordinance adopted by the governing body of the City amending or supplementing the provisions of this Ordinance and shall be deemed to be a part of this Ordinance. A certified copy of every such amendatory or

supplemental ordinance if any, and a certified copy of this Ordinance shall always be kept on file in the office of the City Clerk and shall be made available for inspection by the Registered Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Ordinance, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or of this Ordinance will be sent by the City Clerk to any such Registered Owner or prospective Registered Owner.

(e) Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the City Clerk a copy of the Ordinance of the City hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Registered Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

(f) The City shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Ordinance which affects the duties or obligations of the Paying Agent under this Ordinance.

Section 804. Notices, Consents and Other Instruments by Registered Owners.

(a) Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Registered Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Registered Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds (except for the assignment of ownership of a Bond as provided for in the form of the Bond set forth in **Exhibit A** attached hereto), if made in the following manner, shall be sufficient for any of the purposes of this Ordinance, and shall be conclusive in favor of the City and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(i) The fact and date of the execution by any Person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(ii) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

(b) In determining whether the Registered Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Ordinance, Bonds owned by the City shall be disregarded and deemed not to be Outstanding under this Ordinance, except that, in determining whether the Registered Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Registered Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Registered Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the City.

Section 805. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate (in substantially the same form attached hereto as **Exhibit C**), as originally executed and as it may be amended from time to time in accordance with the terms thereof. Upon the City's failure to comply with the Continuing Disclosure Certificate, any Registered Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section.

Section 806. Further Authority. The officers of the City, including the Mayor, City Clerk, City Administrator and Director of Finance and Administration, are hereby 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 make ministerial 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 807. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any Person or entity, other than the City, the Paying Agent and the Registered Owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation thereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent and the Registered Owners of the Bonds.

Section 808. Severability. If any section or other part of this Ordinance is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

Section 809. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 810. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the City Council and approval by the Mayor.

PASSED and **APPROVED** this 20th day of February, 2008.

Mayor

(SEAL)

ATTEST:

By: Judith A. Raggio
City Clerk

EXHIBIT A
TO ORDINANCE

(FORM OF BONDS)

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE (DESCRIBED HEREIN), THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY (DESCRIBED HEREIN) OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered
No. _____

Registered
$_____

CITY OF CHESTERFIELD, MISSOURI

GENERAL OBLIGATION REFUNDING BOND
SERIES 2008

Interest Rate	Maturity Date	Dated Date	CUSIP Number

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: **DOLLARS**

THE CITY OF CHESTERFIELD, MISSOURI, a city of the third class and political subdivision of the State of Missouri (the "City"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, the principal amount shown above on the maturity date shown above, and to pay interest thereon at the interest rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months) from the Dated Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable semiannually on February 15 and August 15 in each year, beginning on August 15, 2008 until said principal amount has been paid.

The principal of this Bond shall be paid at maturity by check or draft to the Person in whose name this Bond is registered on the Bond Register at the Maturity Date thereof, upon presentation and surrender of this Bond at such payment office as designated by UMB Bank, N.A. (the "Paying Agent"). The interest payable on this Bond on any Interest Payment Date shall be paid to the Person in whose name this Bond is registered on the Bond Register at the close of business on the Record Date for such interest,

which shall be the 1st day (whether or not a Business Day) of the calendar month including such Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or such other address as is furnished to the Paying Agent in writing by such Registered Owner, or (b) in the case of an interest payment to any Registered Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name and address of the bank (which shall be in the continental United States), its ABA routing number and the account number to which such Registered Owner wishes to have such transfer directed. The principal of and interest on the Bonds shall be payable by check or draft in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

This Bond is one of an authorized series of bonds of the City designated "General Obligation Refunding Bonds, Series 2008," aggregating the principal amount of $5,255,000 (the "Bonds"), issued by the City for the purpose of refunding the City's outstanding General Obligation Refunding Bonds, Series 1998, under the authority of and in full compliance with the constitution and laws of the State of Missouri, and pursuant to an ordinance duly passed (the "Ordinance") and proceedings duly and legally had by the governing body of the City. *Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Ordinance.*

The Bonds constitute general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

The Bonds are issuable in the form of fully registered Bonds without coupons in the denominations of $5,000 or any integral multiple thereof.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One Bond certificate with respect to each date on which the Bonds are stated to mature, registered in the nominee name of the Securities Depository, is being issued and required to be delivered to and immobilized with the Securities Depository or with the Paying Agent as the Securities Depository's FAST Agent. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants. The Paying Agent and the City will recognize the Securities Depository nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of the principal of and interest on this Bond, (ii) notices and (iii) voting. Transfers of principal and interest payments to participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Paying Agent and the City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Bond shall be made in accordance with existing arrangements between the Securities Depository, the Paying Agent and the City.

EXCEPT AS OTHERWISE PROVIDED IN THE ORDINANCE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

This Bond may be transferred or exchanged, as provided in the Ordinance, only on the Bond Register kept for that purpose at the principal payment office of the Paying Agent, upon surrender of this Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Paying Agent duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon payment of the charges therein prescribed. The City and the Paying Agent may deem and treat the Person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal of and interest due hereon and for all other purposes.

The proceedings relating to the issuance of the Bonds have been presented to and filed with the State Auditor of Missouri, who has examined the same and has issued a certificate that such proceedings comply with the laws of the State of Missouri and that the conditions of the contract under which the Bonds were ordered to be issued have been complied with.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon has been executed by the Paying Agent.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions and things required to be done and to exist precedent to and in the issuance of the Bonds have been done and performed and do exist in due and regular form and manner as required by the constitution and laws of the State of Missouri; that a direct annual tax upon all taxable tangible property situated in the City has been levied for the purpose of paying the principal of and interest on the Bonds when due; and that the total indebtedness of the City, including this Bond and the series of which it is one, does not exceed any constitutional or statutory limitation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the **CITY OF CHESTERFIELD, MISSOURI**, has caused this Bond to be executed by the manual signature of its Mayor and attested by the manual signature of its City Clerk and its official seal to be affixed hereon.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Ordinance.

Registration Date: _____

UMB BANK, N.A.,
Paying Agent

By _____
Authorized Signatory

CITY OF CHESTERFIELD, MISSOURI

By: _____
Mayor

(Seal)

ATTEST:

_____
City Clerk

ASSIGNMENT

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

_____

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bond on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

_____

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: _____

Title: _____

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of the Bonds:

GILMORE & BELL
A Professional Corporation
One Metropolitan Square, Suite 2350
211 North Broadway
St. Louis, Missouri 63102

(LEGAL OPINION OF BOND COUNSEL)

EXHIBIT B
TO ORDINANCE

PRELIMINARY OFFICIAL STATEMENT

[On file in the Office of the City Clerk]

EXHIBIT C
TO ORDINANCE

CONTINUING DISCLOSURE CERTIFICATE

[On file in the Office of the City Clerk]

EXHIBIT D
TO ORDINANCE

LETTER OF ESCROW INSTRUCTIONS

[On file in the Office of the City Clerk]

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of Ordinance No. 2433 of the City of Chesterfield, Missouri, adopted by the City Council on February 20, 2008, authorizing the issuance of $5,255,000 principal amount of General Obligation Refunding Bonds, Series 2008, as the same appears of record in my office, and that said Ordinance has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: March 4, 2008.

(Seal)

Judith A. Nagaian
City Clerk of the City of Chesterfield, Missouri