

**PROCEEDINGS OF THE CITY COUNCIL OF BOSSIER CITY
STATE OF LOUISIANA TAKEN AT THE REGULAR MEETING
MARCH 3, 2009**

The City Council of the City of Bossier City, State of Louisiana, met in regular session in Council Chambers, 620 Benton Road, Bossier City, Louisiana, March 3, 2009 at 3:00 PM.

Invocation was given by Council Member Jeffery Darby

Pledge of Allegiance led by Council Member Timothy Larkin

Roll Call as Follows:

Present: Honorable Scott Irwin, President; Honorable Councilors, Timothy Larkin, David Montgomery, Jr., Jeffery Darby, Don Williams, David Jones, Dr. James Rogers.

Absent: none

Present: Mayor Lorenz Walker, James Hall, City Attorney, Phyllis McGraw, Deputy City Clerk and Helen Thornton, City Clerk.

By: Mr. Jones

Motion made to approve minutes of the February 17 meeting and dispense with the reading.

Seconded by Mr. Williams

Vote in favor of motion is unanimous.

Approve Agenda:

By: Dr. Rogers

Motion to add to agenda under Committee Reports remarks from Larry Lott and Mary Ann Tice organizers of the Bass Master Classic; and approve agenda

Seconded by Mr. Jones

Vote in favor of motion is unanimous.

Larry Lott and Mary Ann Tice thanked to City Council and Mayor for their support in helping to host the BassMaster Classic held recently in this area.

Mayor Walker introduces Thomas McManis to the City Council. He was approve to the Personnel Board February 17, 2009.

On Motion of Dr. James Rogers, seconded by Mr. David Jones, the following ordinance was offered:

Ordinance No. 13 of 2009

**AN ORDINANCE GRANTING APPROVAL TO THE ISSUANCE AND SALE OF
NOT TO EXCEED FIVE MILLION ONE HUNDRED TWENTY THOUSAND
DOLLARS (\$5,120,000) OF PUBLIC IMPROVEMENT SALES TAX
REFUNDING BONDS, SERIES ST-2009 OF THE CITY OF BOSSIER CITY,**

**STATE OF LOUISIANA; AND OTHER MATTERS IN CONNECTION
THEREWITH.**

WHEREAS, pursuant to the provisions of Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “Act”) and other constitutional and statutory authority, the City Council of the City of Bossier City, State of Louisiana (the “Issuer”), as governing authority thereof, has heretofore issued Eight Million Seven Hundred Sixty-Five Thousand Dollars (\$8,765,000) Public Improvement Bonds, Series ST-1997, dated June 15, 1997 (the “Series 1997 Bonds”), pursuant to resolution of the Issuer adopted on June 17, 1997, and of which approximately \$4,465,000.00 in principal is currently outstanding; and

WHEREAS, the Issuer issued the Series 1997 Bonds for the purpose of advance refunding the Issuer’s outstanding Public Improvement Bonds, Series ST-1989, maturing November 1, 2000 through November 1, 2014, inclusive, and paying the cost of issuance of the Bonds, under the authority conferred by Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “Act”), and other constitutional and statutory authority; and

WHEREAS, the Issuer has determined that to provide debt service savings and cash flow benefits, it should refund the outstanding amount of the Series 1997 Bonds, consisting of those Series 1997 Bonds maturing November 1, 2009 through November 1, 2014, inclusive, through the issuance of refunding bonds; and

WHEREAS, pursuant to the Act, the Issuer desires to issue not to exceed Five Million One Hundred Twenty Thousand Dollars (\$5,120,000.00) of its Refunding Bonds, Series ST-2009 (the “Refunding Bonds”) to be payable solely from and secured by a pledge and dedication of the net revenues of a one-half percent (1/2%) sales and use tax authorized at an election held on May 2, 1987; and

WHEREAS, the City Council of the City of Bossier City has granted preliminary approval to the issuance of the Refunding Bonds by Ordinance No. 31 of 2008 enacted on April 15, 2008; and

WHEREAS, the Louisiana State Bond Commission has approved the issuance of the Refunding Bonds in accordance with the Act; and

WHEREAS, it is desirable that the City Council adopt an ordinance approving the issuance of the Bonds; and

WHEREAS, the Issuer desires to make other provisions in connection therewith;

NOW, THEREFORE, BE IT RESOLVED by the City Council, acting as the governing authority of the Issuer, that:

SECTION 1. Approval is given for the issuance of not to exceed Five Million One Hundred Twenty Thousand Dollars (\$5,120,000.00) Refunding Bonds, Series ST-2009, pursuant to Chapter 14A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, for the purpose of refunding the outstanding amount of the Series 1997 Bonds, consisting of those Series 1997 Bonds maturing November 1, 2009 through November 1, 2014, inclusive, and paying the costs of issuance, through the issuance of refunding bonds. The Refunding Bonds will be payable in principal and interest solely from and secured by a pledge and dedication of the net revenues of a one-half percent (1/2%) sales and use tax authorized at an election held on May 2, 1987. The Refunding Bonds shall mature not later than November 1, 2014, to bear interest at fixed rates not to exceed four and one-half percent (4 ½ %) per annum, to be determined by subsequent proceedings of the Issuer at the time of the sale of the Refunding Bonds. The Refunding Bonds shall be sold at and have such additional terms and provisions as may be determined by the Issuer.

SECTION 2. The Mayor, President of the City Council, Secretary of the Council, Clerk of Council and such other officials of the City as are desirable are hereby

authorized, directed and empowered to take any and all actions and to sign any and all documents, instruments and writings as may be necessary to carry out the purposes of this Ordinance, including but not limited to the Bond Purchase Agreement, and such other documents, instruments and certificates as may be necessary to evidence issuance of the Refunding Bonds.

SECTION 3. This Ordinance shall be published in one issue of the official journal of the Issuer as soon as possible. The Refunding Bonds herein authorized shall be incontestable in the hands of bona fide purchasers thereof for value and no court shall have authority or jurisdiction to inquire into the legality thereof if the validity of the Refunding Bonds and the security therefore is not raised within thirty (30) days from the date of publication of this Ordinance.

This Ordinance having been submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Larkin, Mr. Montgomery, Jr., Mr. Irwin, Mr. Darby, Mr. Williams,
Mr. Jones and Dr. Rogers

NAYS: none

ABSENT: none

And the Ordinance was declared adopted on this, the 3rd day of March, 2009.

Scott Irwin, President

Helen Thornton, Clerk of Council

/s/ _____

STATE OF LOUISIANA

PARISH OF BOSSIER

I, **HELEN THORNTON**, certify that I am the duly qualified Clerk of the City Council of the City of Bossier City, Bossier Parish, Louisiana.

I further certify that the foregoing is a true and correct copy of an excerpt from the minutes of a public meeting of the City Council of the City of Bossier City, held on March 3, 2009, and of a Ordinance adopted at said meeting, as said minutes and Ordinance appear officially of record in my possession.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the City of Bossier City, Bossier Parish, Louisiana, on this 3rd day of March, 2009.

Helen Thornton, Clerk of Council

[S E A L]

Public Hearing was held for the 2009 Sales Tax Capital Improvement Budget and the 2009 Riverboat Gaming Capital Projects Budget.

No Public Comment

ORDINANCE NO. 14 of 2009

AN ORDINANCE ADOPTING DETAILED ESTIMATE AND EXHIBITION OF THE VARIOUS ITEMS OF RECEIPTS AND EXPENDITURES OF SALES TAX CAPITAL IMPROVEMENT FUNDS FOR THE CITY OF BOSSIER CITY, LOUISIANA FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009, AND ENDING DECEMBER 31, 2009, TO SERVE AS A BUDGET OF EXPENDITURES DURING FISCAL YEAR, AND APPROPRIATING THE AMOUNTS THEREIN SET FORTH AS A BUDGET OF EXPENDITURES:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOSSIER CITY, LOUISIANA IN SESSION CONVENED

THAT:

SECTION 1: The following detailed estimate of Receipts and Expenditures of Sales Tax Capital Improvement Funds for the City of Bossier City, Louisiana for the fiscal year beginning January 1, 2009 and ending December 31, 2009, be and the same is hereby adopted to serve as a budget of expenditures for said City for said fiscal year to wit:

CITY OF BOSSIER CITY
2009 SALES TAX CAPITAL IMPROVEMENT BUDGET

	2009
<u>SOURCE OF FUNDS</u>	
<u>BUDGET</u>	
1978 Sales Tax ½ % estimated fund balance 12-31-08	3,200,000
Estimated Receipts 2009	2,731,819
Reimbursement received form BPPJ	390,000
Reimbursement received from BPSB	140,000
Interest Earned	55,000
Transfer from Riverboat Capital Projects Fund	<u>0</u>
Total	<u>6,516,819</u>
1987 Sales Tax ½ % estimated fund balance 12-31-08	3,000,000
Estimated Receipts 2009	2,607,127
Interest Earned	55,000
Transfer from Riverboat Capital Projects Fund	<u>0</u>
Total	<u>5,662,127</u>
Total Both	<u>12,178,946</u>

PROJECTS FUNDED FROM SALES TAX CAPITAL IMPROVEMENT FUNDS AND INTEREST EARNED FROM THE 1978 SALES TAX ½%

Balance 2 nd Ozone Generator for the Water Plant	74,446
Aerial Photographs of City	40,000
Mitchell Park Improvements	100,000
North Bossier Park Improvements	1,500,000
North Bossier Park Tennis Center Equipment	20,000
Mike Wood park Improvements	50,000

Hooter Park Improvements	60,000
Tinsley Park Improvements	80,000
Walbrook park Improvements	600,000
Swan Lake Park Improvements	105,000
Meadowview park Improvements	40,000
Heavy Equipment Shop Addition – Fleet Services	750,000
Fire Training Center Expansion	900,000
City Hall Parking Lot Repairs	80,000
Shade Structures – Fleet Services	<u>60,000</u>
Total	<u>4,459,446</u>

EQUIPMENT FUNDED FROM SALES TAX CAPITAL IMPROVEMENT FUNDS & INTEREST EARNED FROM THE 1978 SALES TAX ½ %

Equipment

20 Police

Autos & Trucks	510,000
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21 Fire

Other Equipment	255,000
Autos & Trucks	<u>820,000</u>
Total	<u>1,585,000</u>

EQUIPMENT FUNDED FROM 1987 SALES TAX CAPITAL IMPROVEMENT FUNDS AND INTEREST EARNED

01 Council

Office Furniture & Equipment	112,500
Computer Equipment	4,500

02 Mayor's Office

Office Furniture & Equipment	13,500
Computer Equipment	4,500

03 Finance

Computer Equipment	9,000
Office Furniture & Equipment	2,250

04 Purchasing

Office Furniture & Equipment	2,250
Computer Equipment	2,250

05 Personnel

Office Furniture & Equipment	4,500
Autos	2,250

06 City Attorney

Office Furniture & Equipment	2,250
Computer Equipment	2,250

07 City Court

New Computer System	9,000
Computer Equipment	27,000

08 Marshall

Office Furniture & Equipment	33,750
Building Renovation and Improvements	187,000
Software Upgrades of Civil Suit System	105,000
Computer Equipment	256,500

09 Community Development

Office Furniture & Equipment	1,350
Computer Equipment	2,250

10 Central Garage

Autos & Trucks	30,000
Office Furniture & Equipment	1,800
Other Equipment	25,000
Computer Equipment	1,800

11 Municipal Building

Other Equipment	55,000
Autos & Trucks	22,000
Building Improvements	1,500,000

12 Information Services

Computer Equipment	268,830
Office Furniture & Equipment	11,700
Upgrades to software	137,000
Communication Equipment	115,626
Building Improvements	115,000
Autos & Trucks	18,500

15 Engineering

Autos & Trucks	25,000
Computer Equipment	2,250
Office Furniture & Equipment	3,150
Other Equipment (GIS upgrades)	40,000

16 Traffic Engineering

Other Equipment	180,000
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17 Permits

Office Furniture & Equipment	10,800
Computer Equipment	15,300
Other Equipment	2,500

20 Police

Communications Equipment	6,000
Other Equipment for Autos	55,000
Computer Equipment (Software/Hardware)	37,350 9,000
Office Furniture & Equipment	166,000
Other Equipment	

21 Fire

Office Furniture & Equipment	112,500
Building Improvements	110,000
Computer Equipment (Software/Hardware)	67,500 67,500
Communications Equipment	265,000
Bunker Clothes	25,000

26 Streets

Autos & Trucks	25,000
Other Equipment	176,000

27 Solid Waste

Equipment (new/replace roll out containers)	70,000
Other Equipment	26,000

28 Herb/Mosq Control

Other Equipment	5,000
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29 Street Sweeping & Grass Cutting

Equipment 105,400
Other Equipment 10,000

30 Animal Control

Computer Equipment 27,000
Other Equipment 25,000

32 Recreation

Autos & Trucks 20,000
Other Equipment 60,000
Computer Equipment 22,500
Office Furniture & Equipment 4,500

10,839,302

Summary

Total Equipment 6,379,856
Total Projects 4,459,446
Contingency 1,339,644
Total 12,178,946

SECTION 2: The adoption of this budget be, and the same is hereby declared to operate as an appropriation of the amounts hereinset of the purpose therein stated.

SECTION 3: This Ordinance shall become effective after its promulgation all in the manner and form prescribed by law.

SECTION 4: This Ordinance was duly read to the City Council of the City of Bossier City and considered section by section, then as a whole, and was on motion of Dr. James Rogers and seconded by Mr. David Jones adopted this 3rd day of March, 2009 by the following ayes and naves votes:

AYES: Mr. Larkin, Mr. Montgomery, Jr., Mr. Irwin, Mr. Darby, Mr. Williams, Mr. Jones and Dr. Rogers

NAYES: none

ABSENT: none

ABSTAIN: none

SCOTT IRWIN
PRESIDENT

HELEN THORNTON
CITY CLERK

The following Ordinance offered and adopted:

ORDINANCE NO. 15 of 2009

AN ORDINANCE ADOPTING DETAILED ESTIMATES AND EXHIBITIONS OF THE VARIOUS ITEMS OF RECEIPTS AND EXPENDITURES OF THE RIVERBOAT GAMING CAPITAL PROJECTS BUDGET FOR THE CITY OF BOSSIER CITY, LOUISIANA FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2009, AND ENDING DECEMBER 31, 2009 TO SERVE AS A BUDGET OF EXPENDITURES DURING

FISCAL YEAR, AND APPROPRIATING THE AMOUNTS THEREIN SET FORTH AS A BUDGET OF EXPENDITURES:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOSSIER CITY, LOUISIANA IN SESSION CONVENED

THAT:

SECTION 1: The following detailed estimate of Receipts and Expenditures of the Riverboat Gaming Capital Projects Budget for the City of Bossier City, Louisiana for the fiscal year beginning January 1, 2009 and ending December 31, 2009, be and the same is hereby adopted to serve as a budget of expenditures for said City for said fiscal year to wit:

<u>2009 Riverboat Gaming Capital Projects Budget</u>	
	<u>2009 Budget</u>
Revenues	
Estimated Fund balance 01/01/09	13,000,000
Estimated Revenues	12,000,000
Rental Income	125,000
Transfer In – Water/Sewer Bond Issue	12,220,048
Interest Earned	<u>250,000</u>
Total Revenue	<u>37,595,048</u>
<u>Expenditures</u>	
Transfer to Sales Tax Capital Imp to Fund #400	0
Transfer to Sales Tax Capital Imp to Fund #410	0
Transfer to 2007 Debt Service Fund #335	6,400,000
ART Hamilton to I20 – Riverside Drive Construction	350,000
Construction of Fire Station #5	3,500,000
Cyber Innovation Center – Building Construction	24,000,000
Cyber Innovation Center – Operating Contribution	1,000,000
Mobile In Car Video Systems	1,100,000
Contingency	<u>1,245,048</u>
Total Expenses	<u>37,595,0480</u>

SECTION 2: The adoption of this budget be, and the same is hereby declared to operate as an appropriation of the amounts herein set of the purpose therein stated.

SECTION 3: This Ordinance shall become effective after its promulgation all in the manner and form prescribed by law.

SECTION 4: This Ordinance was duly read to the City Council of the City of Bossier City and considered section by section, then as a whole, and was on motion of Mr. David Jones and seconded by Mr. Timothy Larkin adopted this 3rd day of March, 2009 by the following ayes and naves votes:

AYES: Mr. Larkin, Mr. Montgomery, Jr., Mr. Irwin, Mr. Darby, Mr. Williams, Mr. Jones and Dr. Rogers

NAYES: none

ABSENT: none

ABSTAIN: none

SCOTT IRWIN
PRESIDENT

HELEN THORNTON
CITY CLERK

The following Ordinance offered and adopted:

ORDINANCE NO. 16 OF 2009

AN ORDINANCE TO APPROPRIATE \$375,000 FROM THE 2007 BOND ISSUE TO SUPPLEMENT THE \$202,100 PREVIOUSLY APPROPRIATED BY ORDINANCE NO. 53 OF 2008 TO BE USED TO CONTRACT WITH BBC ENGINEERING, INC. FOR THE ENGINEERING DESIGN OF IMPROVEMENTS TO U.S. HIGHWAY 80 FROM TRAFFIC STREET TO OLD BENTON ROAD.

WHEREAS, Ordinance 53 of 2008 provided \$202,100 for the survey and preliminary design of Texas Street running from Traffic Street to Old Benton Road; and

WHEREAS, BBC Engineering, Inc. has accomplished the preliminary design and plan of the proposed street improvements, which have been reviewed and approved by the City Council Traffic Improvement Committee in a Mayor's Office Workshop on January 27, 2009; and

WHEREAS, BBC Engineering, Inc. proposes a fee of \$375,000 to complete the above-described project, making the total design fee equal \$577,100.

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Bossier City, in regular session convened, hereby appropriates \$375,000 from the 2007 Bond Issue to supplement the \$202,200 previously appropriated by Ordinance 53 of 2008 to be used to contract with BBC Engineering, Inc. for the engineering design of improvements to U.S. Highway 80 from Traffic Street to Old Benton Road.

BE IT FURTHER ORDAINED, that the Mayor is authorized to sign any and all documents in connection with the furtherance of this Ordinance.

The above and foregoing Ordinance, read in full at open and legal session convened, was on motion of Mr. David Jones and seconded by Mr. Jeffery Darby, and adopted on the 3rd day of March, 2009, by the following vote:

AYES: Mr. Larkin, Mr. Montgomery, Jr., Mr. Irwin, Mr. Darby, Mr. Williams, Mr. Jones and Dr. Rogers

NAYS: none

ABSENT: none

ABSTAIN: none

Scott Irwin, President

Helen Thornton, City Clerk

Ordinance No. 17 of 2009

An ordinance providing for issuance, sale and delivery of FOUR MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 (\$4,250,000) DOLLARS of Sales Tax Refunding Bonds of the City of Bossier City, Bossier Parish, Louisiana, Series ST-2009; prescribing the form, fixing the details and providing for the rights of the owners thereof; providing for payment of the principal of and interest on such bonds and the application of the proceeds thereof to the current refunding of certain public improvement bonds of said City; and providing for other matters in connection therewith.

WHEREAS, the City of Bossier City, Bossier Parish, Louisiana (the "City") held an election on May 2, 1987 within said City, wherein the following proposition was proposed to and approved by the electorate of the City, to-wit:

SALES TAX PROPOSITION

RED RIVER PARKWAY AND CAPITAL IMPROVEMENTS SALES TAX PROPOSITION

"Shall the City of Bossier City, State of Louisiana, under the provisions of R.S. 33:2711 et seq., and other constitutional and statutory authority supplemental thereto, be authorized to levy and collect and to adopt an Ordinance providing for the levy and collection of an additional tax of one-half of one percent (1/2%) upon the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption, of tangible personal property and on sales of services in said City, as presently defined in R.S. 47:301 through 47:317, inclusive, with the avails or proceeds of said tax (after paying the reasonable and necessary costs of administering and collecting said tax) being dedicated and expended for the purpose of constructing, acquiring, extending and/or improving public works or capital improvements for said City or any portion thereof, including any necessary sites, equipment or furnishings therefor, title to which shall be in the public, all as set forth in the City's then current capital budget adopted after public hearings in the manner required by the City Charter of said City, and further shall the City be authorized to issue not exceeding \$22,000,000 of bonds for the purpose of building a Red River Parkway and for relocating utilities for the widening of Airline drive, and providing matching funds for a riverfront park and the widening of Shed Road, said bonds to mature over a period of not exceeding twenty-five (25) years from date thereof, to bear interest at a rate or rates not exceeding twelve per centum (12%) per annum and to be secured by and payable from the avails or proceeds of the City's one-half of one percent (1/2%) sales and use tax authorized at an election held in said City on July 2, 1982, and the tax authorized hereby?"

WHEREAS, pursuant to the provisions of Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Act") and other constitutional and statutory authority, the City, as governing authority thereof, has heretofore issued Eight Million Seven Hundred Sixty-Five Thousand Dollars (\$8,765,000) Public Improvement Bonds, Series ST-1997, dated June 15, 1997, pursuant to ordinance of the Issuer adopted on June 17, 1997, and of which \$4,340,000.00 in principal is currently outstanding (the "Outstanding Bonds") which Outstanding Bonds are payable as to both principal and interest solely from an irrevocable pledge and dedication of the net proceeds of a one-half percent (1/2%) sales and use tax authorized at an election held on May 2, 1987 (the "Tax") on the sale at retail, the use, the lease or rental, and the consumption and storage for use or consumption of tangible personal property

and sales of services within the City, subject only to the payment of the reasonable and necessary costs and expenses of collecting and administering the Tax and paying the costs of an annual audit of collection and receipts of the Tax, all in accordance with Article VI, Section 29(A) of the Constitution of the State of Louisiana of 1974, Section 2721.6 of Subpart D of Part I of Chapter 6 of Title 33, and Subpart F of Part III of Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and all other laws on the same subject matter; and

WHEREAS, the City Council of the City of Bossier City, governing authority of the City has found and determined that current refunding of the Outstanding Bonds, consisting of those bonds which mature on November 1, 2009 to November 1, 2014, inclusive (the "Refunded Bonds"), would be advantageous to the City;

WHEREAS, the City Council adopted an ordinance on April 15, 2008, expressing its intention to issue sales tax refunding bonds of the City in an amount not to exceed \$5,090,000 pursuant to the Act;

WHEREAS, the State Bond Commission, on May 15, 2008, adopted a resolution granting authority for issuance of the Bonds in the principal amount not exceeding \$5,090,000;

WHEREAS, pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, it is now the desire of the City to adopt this Ordinance in order to provide for issuance by the City of \$4,250,000 principal amount of its Public Improvement Sales Tax Refunding Bonds, Series ST-2009 (the "Bonds"), for the purpose of currently refunding the Refunded Bonds, to pay the cost of issuance for the Bonds, to pay the premium for the financial guaranty insurance policy on the Bonds, to fix the details of the Bonds and to sell the Bonds to the purchasers thereof;

WHEREAS, in connection with refunding the Refunded Bonds, the City has found and determined that it would be of substantial benefit to purchase a financial guaranty insurance policy as more fully provided for herein, and to authorize acquisition thereof;

WHEREAS, it is further necessary to provide for application of the proceeds of the Bonds and to provide for other matters in connection with payment or redemption of the Refunded Bonds;

WHEREAS, in connection with issuance of the Bonds, it is necessary that provision be made for payment of the principal and interest, if any, of the Refunded Bonds described in **Exhibit A** hereto, and to provide for the call for redemption of the Refunded Bonds, pursuant to a Notice of Redemption, attached hereto as **Exhibit D**;

WHEREAS, it is necessary that the City Council of the City of Bossier City as the governing authority of the City, provide for payment of the principal and interest of the Refunded Bonds and authorize execution thereof as hereinafter provided;

WHEREAS, the City desires to sell the Bonds to the purchasers thereof and to fix the details of the Bonds and the terms of the sale of the Bonds in accordance with the Bond Purchase Agreement attached hereto as **Exhibit C**;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bossier City, Parish of Bossier, State of Louisiana, acting as the governing authority of the City that:

ARTICLE I

SECTION 1.1 Definitions. The following terms shall have the following meanings in this ordinance unless the context otherwise requires:

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

"Additional Parity Bonds" shall mean bonds, if any, issued in one or more series on a parity with the Bonds.

"Bond" or "Bonds" shall mean any or all of the Public Improvement Sales Tax Refunding Bonds, Series ST-2009 of the City, issued pursuant to this Ordinance, as the same may be amended from time to time, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued Bond. The Bonds shall be secured by and payable as to both principal and interest solely from an irrevocable pledge and dedication of the net proceeds of the Tax, and insured by a Financial Guaranty Insurance Policy.

"Bondholder," or "Owner" shall mean the Person reflected as owner of any of the Bonds on the registration books maintained by the Paying Agent. Notwithstanding any provision of this Bond Ordinance to the contrary, the Insurer shall, at all times, be deemed an owner of all the Bonds for the purposes of consenting to any resolution or ordinance supplementing or amending this Ordinance, and

shall be notified in advance of the adoption of any resolution or ordinance supplemental or amendatory hereto whether or not the consent of the Owners is required.

“Bond Counsel” shall mean an attorney or firm of attorneys whose experience in matters relating to the issuance of Bonds by states and their political subdivisions is nationally recognized.

“Bond Obligation” shall mean, as of the date of computation, the principal amount of the Bonds then Outstanding.

“Bond Year” shall mean the one-year period ending on the principal payment date on the Bonds (November 1).

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

“City” shall mean the City of Bossier City, Parish of Bossier, State of Louisiana.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

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

“Debt Service” for any period shall mean, as of the date of calculation, an amount equal to the sum of (i) interest payable during such period on Bonds and (ii) the principal amount of Bonds which mature during such period.

“Defeasance Obligations” shall mean (a) cash or (b) non callable Government Securities.

“Executive Officers” shall mean the Mayor of the City of Bossier City, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate.

“Financing Document” shall mean this Bond Ordinance.

“Financial Guaranty Insurance Policy” shall mean the financial guaranty insurance policy issued by the Insurer insuring the payment when due of the principal of and interest on the Bonds as provided therein.

“Fiscal Year” shall mean the one-year period commencing on July 1 of each year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the City.

“Governing Authority” shall mean the City Council of the City of Bossier City, Parish of Bossier, State of Louisiana, or its successor in function.

“Government Securities” shall mean direct general obligations of, or obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

“Insurer” shall mean, with respect to the Bonds, Assured Guaranty Corp., or its successor and assigns.

“Interest Payment Date” shall mean May 1 and November 1 of each year, commencing May 1, 2009.

“Obligations” shall mean the obligations of the Issuer hereunder.

“Ordinance” shall mean the ordinance authorizing issuance of the Bonds, as further amended and supplemented as herein provided.

“Outstanding,” when used with reference to the Bonds, shall mean as of any date, all Bonds theretofore issued under the Ordinance, except:

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

(b) Bonds for the payment or redemption of which sufficient Defeasance Obligations have been deposited with the Paying Agent in trust for the owners of such Bonds with the effect specified in Section 10.1 of this Ordinance, provided that if such Bonds are to be redeemed, irrevocable notice of such redemption has been duly given or provided for pursuant to the Ordinance, to the satisfaction of the Paying Agent, or waived;

(c) Bonds in exchange for or in lieu of which other Bonds have been delivered pursuant to the Ordinance; and

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

“Outstanding Parity Bonds” shall mean Nine Million Three Hundred Fifty-Five Thousand Dollars (\$9,355,000) of Public Improvement Refunding Bonds, Series ST-2001, dated October 1, 2001, of the Issuer, maturing November 1, 2012.

“Paying Agent” shall mean The Bank of New York Mellon Trust Company, N.A. New York, New York, as paying agent and registrar hereunder, until a successor Paying Agent shall have become such pursuant to the applicable provisions of the Ordinance, and thereafter "Paying Agent" shall mean such successor Paying Agent.

“Person” shall mean any individual, corporation, partnership, joint venture, association joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Pledged Tax Revenues” shall mean the net avails or proceeds of a one-half percent (½%) sales and use tax authorized at an election held on May 2, 1987 on the sale at retail, the use, the lease or rental, and the consumption and storage for use or consumption of tangible personal property and sales of services within the City, subject only to the payment of the reasonable and necessary costs and expenses of collecting and administering the Tax and paying the costs of an annual audit of collection and receipts of the Tax, as approved by the electorate of the City in elections previously held therein.

“Qualified Investments” shall mean (i) cash, (ii) Government Securities, and (iii) time certificates of deposit of state banks organized under the laws of the State and national banks having their principal office in the State which are fully collateralized by government securities as provided by Louisiana law, or any other investment security which may be permitted by Louisiana law and approved in writing by the Insurer with notice to Standard & Poor’s Corporation.

“Record Date” shall mean, with respect to an Interest Payment Date, the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date, whether or not such day is a Business Day.

“Refunded Bonds” shall mean Eight Million Seven Hundred Sixty-Five Thousand Dollars (\$8,765,000) Public Improvement Bonds, Series ST-1997, dated June 15, 1997, pursuant to ordinance of the Issuer adopted on June 17, 1997, and of which \$4,340,000.00 in principal is currently outstanding, maturing November 1, 2009 to November 1, 2014, inclusive, which are being refunded by the Bonds, as more fully described in **Exhibit A** hereto.

“State” shall mean the State of Louisiana.

“Tax” shall mean the one-half percent (½%) sales and use tax authorized at an election held on May 2, 1987 on the sale at retail, the use, the lease or rental, and the consumption and storage for use or consumption of tangible personal property and sales of services within the City, being levied and collected in accordance with the provisions of the propositions approved by the electorate of the City at elections held as set forth above.

“Underwriter” shall mean Crews & Associates, Inc., Little Rock, Arkansas.

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

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 2.1 Authorization of Bonds. This Ordinance creates an issue of bonds to be designated "Public Improvement Sales Tax Refunding Bonds, Series ST-2009, City of Bossier City, State of Louisiana" and provides for the full and final payment of the principal or redemption price of, and interest on all the Bonds.

(a) **The Bonds issued under this Ordinance shall be issued for the purpose of refunding the Refunded Bonds by the payment of the principal of and interest on the Refunded Bonds upon redemption as provided in Section 12.1 hereof.**

(b) **Provision having been made for the orderly redemption of all the Refunded Bonds, in accordance with their terms, it is hereby recognized and acknowledged that as of the date of delivery of the Bonds under this Ordinance, provision will have been made for the performance of all covenants and agreements of the City incidental to the Refunded Bonds, and that accordingly, and in compliance with all that is herein provided, the City is expected to have no future obligation with reference to the aforesaid Refunded Bonds, except to assure that the Refunded Bonds are paid pursuant to the terms of the ordinance of the Governing Authority which authorized their issuance, and the Act.**

(c) **The City does hereby find that since substantial benefits will accrue from the insurance of the Bonds, the Bonds are being insured by the Insurer and an appropriate legend shall be printed on the Bonds as evidence of such insurance. The cost of the Financial Guaranty Insurance Policy shall be paid by the City from proceeds of the Bonds.**

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

SECTION 2.3 Obligation of Bonds. Bonds herein authorized shall be secured by and payable in principal and interest, from an irrevocable pledge and dedication of the avails, proceeds, and revenues of the Tax totaling one-half of one percent (1/2 %) on the dollar of each taxable transaction, now being levied and collected by the City, pursuant to the provisions of Article VI, Section 29(A) of the Constitution of 1974 of the State of Louisiana, and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, and in accordance with a special election held within the City on May 2, 1987, authorizing the City to incur debt and issue the Bonds. The Tax avails, proceeds or revenues shall be set aside in separate funds, hereinafter designated, and shall be and remain so pledged for the security and payment of the Bonds in principal and interest and for all other payments provided for in this Ordinance until the Bonds authorized under the provisions of this Ordinance shall have been fully paid and discharged.

SECTION 2.4 Authorization and Designation. Pursuant to the provisions of the Act, there is hereby authorized issuance of \$4,250,000 principal amount of Bonds to be designated "Public Improvement Sales Tax Refunding Bonds, Series ST-2009, City of Bossier City, Bossier Parish, Louisiana," for the purpose of currently refunding the Refunded Bonds. The Bonds shall be in substantially the form set forth in **Exhibit B** hereto, with such necessary or appropriate variations, omissions and insertions as are required or permitted by the Act and this Ordinance.

SECTION 2.5 Denominations, Dates, Maturities and Interest. The Bonds are issuable as book entry only bonds without coupons in the denominations of \$5,000 principal amount or any integral multiple thereof within a single maturity, and shall be numbered R-1 upwards.

The Bonds shall be dated as of the date of their delivery, shall bear interest payable on May 1 and November 1 of each year, commencing May 1, 2009, at the rates per annum and annual principal maturities set forth in the final Official Statement to be approved by the Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate, and shall mature on November 1 in the years and in the principal amounts, which shall not exceed the rates per annum and annual principal maturities set forth below:

<u>DATE</u>	<u>PRINCIPAL PAYMENT</u>	<u>INTEREST RATE</u>	<u>DATE</u>	<u>PRINCIPAL PAYMENT</u>	<u>INTEREST RATE</u>
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11/1/2009	\$510,000	1.50%	11/1/2013	\$770,000	2.375%
11/1/2010	\$700,000	1.75%	11/1/2014	\$790,000	2.625%
11/1/2011	\$725,000	2.00%			
11/1/2012	\$755,000	2.125%			

The principal and premium, if any, of the Bonds are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the principal corporate trust office of the Paying Agent, upon presentation and surrender thereof. Interest on the Bonds is payable by check mailed on or before the Interest Payment Date by the Paying Agent to the Owner (determined as of the Record Date) at the address of such Owner as it appears on the registration books of the Paying Agent maintained for such purpose. Except as otherwise provided in this Section, Bonds shall bear interest from date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, provided, however, that if and to the extent that the City shall default in payment of interest on any Bonds due on any Interest Payment Date, then all such Bonds shall bear interest at their stated rate from the most recent Interest Payment Date to which interest has been paid on the Bonds, or if no interest has been paid on the Bonds, from their dated date. The person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the interest payable on such Interest Payment Date (unless such Bond has been called for redemption on a redemption date which is prior to such Interest Payment Date) notwithstanding cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 3.1 Exchange of Bonds; Persons Treated as Owners. The City shall cause books for the registration and for the registration of transfer of the Bonds as provided in this Ordinance to be kept by the Paying Agent at its principal corporate trust office, and the Paying Agent is hereby constituted and appointed the registrar for the Bonds. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the City, the Insurer or by the Owners (or a designated representative thereof) of 15% of the outstanding principal amount of the Bonds. Upon the occurrence and continuance of an Event of Default, as defined in Section 8.1, which would require the Insurer to make payments under the Financial Guaranty Insurance Policy, the Insurer and its designated agent shall be provided with access to inspect and copy the registration books of the City for the Bonds.

Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and like aggregate principal amount. At the option of the Owner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount, upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Bondholder making the exchange shall be entitled to receive. All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto. The City and the Paying Agent shall not be required (a) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business on the 15th calendar day of the month next preceding an Interest Payment Date ("Record Date"), or any date of selection of Bonds to be redeemed and ending at the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given or (b) to register the transfer of or exchange any Bond so selected for redemption in whole or in part.

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

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

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

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

SECTION 3.4 Cancellation of Bonds. All Bonds paid or redeemed either at or before maturity, together with all Bonds purchased by the City, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Mayor, or the Clerk of Council an appropriate certificate of cancellation.

SECTION 3.5 Execution. The Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signatures of the Mayor, the President of the City Council, the Secretary of the Council or the Clerk of the Council, and the corporate seal of the City of Bossier City (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Said officers shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds or any legal opinion certificate thereon, and the City may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bond, notwithstanding that at the date of such Bond such person may not have held such office or that at the time when such Bond shall be delivered such person may have ceased to hold such office.

SECTION 3.6 Regularity of Proceedings. Issuance of the Bonds, and all procedures undertaken incident thereto, are in full compliance and conformity with all applicable requirements, provisions and limitations prescribed by the Constitution and Laws of the State of Louisiana, particularly Subpart F of Part III of Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended. The City, having investigated the regularity of the proceedings had in connection with issuance of the Bonds, and having determined the same to be regular, each of the Bonds shall contain the following recital, to-wit:

“It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana.”

The total aggregate amount of bonded indebtedness of the City does not now, nor shall it upon issuance of the Bonds, exceed any applicable limit prescribed by the Constitution or Laws of the State of Louisiana.

ARTICLE IV

PAYMENT OF BONDS; DISPOSITION OF FUNDS

SECTION 4.1 Funds and Accounts. In order that the principal of and interest on the Bonds will be paid in accordance with their terms and for the other objects and purposes hereinafter provided, the following special trust funds are hereby established, to be maintained and held by the Governing Authority’s fiscal agent bank for and on behalf of the holders of the Bonds:

- (1) **½% Sales Tax Fund -1987** (the “Sales Tax Fund”);
- (2) **Sales Tax Bonds Sinking Fund-1987** (the “Sinking Fund”); and
- (3) **Sales Tax Bonds Reserve Fund-1987** (the “Reserve Fund”).

In order that the principal of and the interest on the Bonds and the Outstanding Parity Bonds will be paid in accordance with their terms and for the other objects and purposes hereinafter provided, the Issuer further covenants substantially as follows:

All of the avails or proceeds derived from the levy and collection of the Tax shall be deposited daily as the same may be collected in a separate and special bank account maintained with the regularly designated fiscal agent of the Issuer and designated as the “1/2% Sales Tax Fund - 1987” (hereinafter called the “Sales Tax Fund”).

Out of the funds on deposit in the Sales Tax Fund, the Issuer shall first pay all reasonable and necessary expenses of collection and administration of the Tax. After payment of such expenses, the remaining balance of the proceeds of the Tax shall be used in the following order of priority and for the following express purposes:

- (a) The maintenance of the “Sales Tax Bonds Sinking Fund - 1987” (hereinafter called the “Sinking Fund”), sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds, the Outstanding Parity Bonds, and any Additional Parity Bonds issued in the manner provided by the Bond Ordinance, as they severally become due and payable, by transferring from the Sales Tax Fund, monthly, on or before the 20th day of March 2009, to the Sinking Fund an amount equal to one-half the interest due on the next Interest Payment Date and one-eighth of the principal falling due on the next Principal Payment Date, and on or before the 20th day of each month commencing in May 2009 and continuing thereafter, to the Sinking Fund an amount equal to one-sixth (1/6) of the interest due on the next Interest Payment Date, and on or before the 20th day of each month commencing in November 2009 and continuing thereafter, to the Sinking Fund an amount equal to one-twelfth (1/12) of the principal falling due on the

next Principal Payment Date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. The regularly designated fiscal agent of the Issuer shall transfer from the Sinking Fund to the paying agent bank or banks for all bonds payable from the Sinking Fund, at least three (3) days in advance of the date on which payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on such date.

(b) The maintenance of the "Sales Tax Bonds Reserve Fund - 1987" (hereinafter called the "Reserve Fund") with the regularly designated fiscal agent of the Issuer. The money in the Reserve Fund is to be retained solely for the purpose of paying the principal of and the interest on the Bonds payable from the aforesaid Sinking Fund as to which there would otherwise be default (except for certain earnings which may be owed to the United States pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended). Upon delivery of the Bonds, there shall be retained in the Reserve Fund an amount equal to the Reserve Fund Requirement (the highest combined principal and interest requirements for any succeeding Fiscal Year on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds). In the event that pari passu Additional Parity Bonds are issued hereafter in the manner provided by the Bond Ordinance, there shall be deposited into the Reserve Fund, from the proceeds of such Additional Parity Bonds and/or from the proceeds of the Tax or from any other source provided by the Issuer, such additional amounts (as may be designated in the ordinance authorizing the issuance of such Additional Parity Bonds) as will increase the total amount on deposit in the Reserve Fund within a period not exceeding five (5) years to a sum equal to the Reserve Fund Requirement. Any amounts on deposit in the Reserve Fund in excess of the Reserve Fund Requirement shall be transferred to the Sales Tax Fund.

If at any time it shall be necessary to use moneys in the Reserve Fund for the purpose of paying principal or interest on bonds as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received by the Sales Tax Fund, not hereinabove required to pay the expenses of collecting the Tax or to pay current principal and interest requirements, it being the intention hereof that there shall as nearly as possible be at all times in the Reserve Fund the amount hereinabove specified. Unless otherwise consented to by the Insurer, a surety will not be deemed to be an acceptable to satisfy the Reserve Fund Requirement.

All moneys remaining in the Sales Tax Fund on the 20th day of each month in excess of all reasonable and necessary expenses of collection and administration of the Tax and after making the required payments into the Sinking Fund and the Reserve Fund for the current month and for prior months during which the required payments may not have been made, shall be considered as surplus. Such surplus may be used by the Issuer for any of the purposes for which the imposition of the Tax is authorized or for the purpose of retiring Bonds in advance of their maturities, either by purchase of Bonds then outstanding at prices not greater than the redemption prices of said Bonds or by retiring such Bonds at the prices and in the manner set forth in the Bond Ordinance.

All or any part of the moneys in the Sales Tax Fund, or the Sinking Fund shall, at the written request of the Issuer, be invested in Qualified Investments (as defined in the Bond Ordinance) maturing in five (5) years or less, except (a) Bond proceeds representing accrued interest and (b) moneys on deposit in the Reserve Fund, which shall be invested in Government Securities, in which event all income derived from such Qualified Investments shall be added to the Sales Tax Fund, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purposes for which the Sales Tax Fund is created. Income on investments in the Reserve Fund shall be added to the Sales Tax Fund only to the extent that the amount then on deposit in the Reserve Fund exceeds the Reserve Fund Requirement.

“**Government Securities**” means direct general obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

SECTION 4.2 Funds to Constitute Trust Funds. The Sinking Fund provided for in Section 4.1 hereof shall all be and constitute a trust fund for the purposes provided in this Ordinance, and the Owners of Bonds issued pursuant to this Ordinance are hereby granted a lien on all such funds until applied in the manner provided herein. The moneys in such fund shall at all times be secured to the full extent thereof by the bank or trust company holding such funds in the manner required by the laws of the State.

SECTION 4.3 Method of Valuation and Frequency of Valuation. In computing the amount in any fund provided for in Section 4.1, investments shall be valued at the lower of cost or market price, exclusive of accrued interest. With respect to the Sinking Fund valuation shall occur annually. If any investment in the Sinking Fund ceases to be a Qualified Investment, then such non-conforming investment shall be sold or liquidated (unless otherwise approved by the Insurer) and the proceeds thereof invested in Qualified Investments.

ARTICLE V

PARTICULAR COVENANTS, ADDITIONAL BONDS

SECTION 5.1 Payment of Bonds. As a condition of issuance of the Bonds, the City hereby binds and obligates itself to budget in each Fiscal Year sufficient Pledged Tax Revenues to make all payments required by Section 4.3 in such Fiscal Year, and shall also duly and punctually pay or cause to be paid as herein provided, the principal of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds according to the true intent and meaning thereof.

SECTION 5.2 Tax Covenants.

(a) To the extent permitted by the laws of the State, the City will comply with the requirements of the Code to establish, maintain and preserve the exclusion from “gross income” of interest on the Bonds under the Code. The City shall not take any action or fail to take any action, nor shall they permit at any time or times any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an “arbitrage bond” as defined in the Code or would result in the inclusion of the interest on any Bond in “gross income” under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of the proceeds of the Bonds, (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America, or (iii) the use of proceeds of the Bonds in a manner which would cause the Bonds to be “private activity bonds” under the Code.

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

(c) For purposes of paragraphs (A) and (B) above, “interest” shall include any original issue discount properly allocable to the holder of a Bond.

(d) The Bonds herein authorized are not and shall **not** be designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

SECTION 5.3 Obligation to Collect the Tax. Bonds herein authorized shall be secured by and payable in principal and interest, from an irrevocable pledge and dedication of the avails, proceeds, and revenues of the Tax totaling one-half of one percent (1/2%) on the dollar of each taxable transaction, now being levied and collected by the City, pursuant to the provisions of Article VI, Section 29(A) of the Constitution of 1974 of the State of Louisiana, by Section 2721.6 of Title 33 of the Louisiana Revised

Statutes of 1950, as amended, by Sub-Part F of Part III of Chapter 4 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, and in accordance with special election held within the City on May 2, 1987, authorizing the City to incur debt and issue the Bonds. The proceeds or revenues of the Tax shall be set aside in a separate fund, hereinafter designated, and shall be and remain so pledged for the security and payment of Bonds in principal and interest and for all other payments provided for in this Ordinance until the Bonds authorized under the provisions of this Ordinance shall have been fully paid and discharged.

The City does hereby obligate itself and is bound under the terms and provision of law, to levy, impose, enforce and collect the Tax and to provide for all reasonable and necessary rules and regulations, procedures and penalties in connection therewith, including the proper application of the proceeds of the Tax, and said obligation shall be irrevocable until the Bonds have been paid in full as to both principal and interest, or provision therefor has been made in accordance with the provisions of Section 10.1 hereof. This Ordinance imposing said obligation shall not be subject to amendment in any manner which would impair the rights of the holders from time to time of the Bonds herein authorized or which would in any way jeopardize the prompt payment of principal thereof and interest thereon. Nothing contained in this Ordinance, however, shall be construed to prevent the City from altering, amending or repealing from time to time, as may be necessary, the resolutions adopted by the City providing for levying, imposition, enforcement and collection of the Tax or any subsequent resolution providing therefor, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the owners of the Bonds with respect to the revenues from the Tax provided for herein.

SECTION 5.4 Indemnity Bonds. So long as any of the Bonds are outstanding and unpaid, the City shall require all of its officers and employees who may be in a position of authority or in possession of money derived from collection of the ad valorem taxes, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the City from loss.

SECTION 5.5 City to Maintain Books and Records. As long as any of the Bonds herein authorized are outstanding and unpaid in principal or interest, the City shall maintain and keep proper books of record and accounts separate and apart from all other records and accounts in which shall be made full and correct entries of all transactions relating to the collection and expenditure of the City's Tax. Not later than six (6) months after the close of each fiscal year, the City shall cause an audit of such books and accounts to be made by a recognized independent firm of certified or registered public accountants showing the receipts of and disbursements made for the account of the City's allocation of the Tax. The costs of such audit may be paid from the gross receipts of the revenue from the Tax, as a cost of collections of the revenues of the Tax. Such audit shall be available for inspection upon request by the Insurer or any holders of any of the Bonds herein authorized. The City further agrees that the Paying Agent/Registrar as well as the holders of any of the Bonds shall have at all reasonable times the right to inspect the records, accounts and data of the City relating thereto. It shall be the duty of the City, at the time and manner provided for by law and resolutions of the City, to punctually and periodically collect the Tax which secures the Bonds herein authorized, in order to effectuate the provisions of this Ordinance, for and on behalf of the holders, from time to time, of the Bonds herein authorized.

SECTION 5.6 Outstanding Parity Bonds. The Bonds will be issued on a complete parity with Nine Million Three Hundred Fifty-Five Thousand Dollars (\$9,355,000.00) of Public Improvement Refunding Bonds, Series ST-2001, dated October 1, 2001, of the Issuer, maturing November 1, 2002 to November 1, 2012, inclusive (hereinafter collectively referred to as the "Outstanding Parity Bonds"). The Bonds, the Outstanding Parity Bonds and the Additional Parity Bonds, if any, are payable solely from and secured by an irrevocable pledge and dedication of the avails or proceeds of the Tax.

The holders of the Bonds issued pursuant to this Ordinance be and they are hereby granted a lien on all funds and accounts established pursuant to the provisions of this Ordinance until applied in the manner provided herein. The uninvested monies in such funds shall at all times be secured to the full extent thereof by the bank or trust company holding such funds by direct obligations of the United States of America or the State of Louisiana having a market value of not less than the amount of monies then on deposit in said funds.

It is the intention of the City that, to the fullest extent permitted by law, the Bonds will have a lien and privilege on the revenues of the Tax. This pledge shall be valid and binding from the time when it is made, the avails or proceeds of the Tax so pledged and then or thereafter received by the City shall immediately be subject to the lien of such pledge without any physical delivery or further act, and the lien of such pledge and obligation to perform the contractual provisions contained in this Ordinance shall have priority over any or all other obligations and liabilities of the City with the exception only of payment of the reasonable and necessary costs and expenses of collecting and administering the Tax and paying the annual cost of an annual audit of collection and receipts of the Tax by an independent certified public accounting firm. Further, this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice thereof. Said avails or proceeds of the Tax shall be set aside in a separate fund, and the Tax shall be and remain pledged for the security and payment of the Bonds in principal and interest and for all other payments provided for in this Ordinance until the Bonds shall have been fully paid and discharged. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the avails and proceeds of the Tax pledged in this Ordinance, including rights herein pledged and all the rights of the owners of the Bonds against all claims and demands of all persons whomsoever.

ARTICLE VI

SUPPLEMENTAL BOND RESOLUTIONS OR ORDINANCES

SECTION 6.1 Supplemental Resolutions or Ordinances Effective Without Consent of Owners. For any one or more of the following purposes and at any time from time to time, a resolution and/or ordinance supplemental hereto may be adopted, which, upon filing with the Paying Agent and the Insurer of a certified copy thereof, but without any consent of Owners, shall be fully effective in accordance with its terms: (a) to add to the covenants and agreements of the City in this Ordinance other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this Ordinance as theretofore in effect; (b) to add to the limitations and restriction in this Ordinance other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with the Ordinance as theretofore in effect; (c) to surrender any right, power or privilege reserved to or conferred upon the City by the terms of this Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this Ordinance; (d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of this Ordinance; or (e) to insert such provisions clarifying matters or question arising under this Ordinance as are necessary or desirable and are not contrary to or inconsistent with this Ordinance as theretofore in effect. Notwithstanding the foregoing, no provision of this Ordinance expressly recognizing or granting rights in or to the Insurer may be amended in any manner which affects the rights of the Insurer under this Ordinance without the prior written consent of the Insurer.

SECTION 6.2 Supplemental Resolutions or Ordinances Effective With Consent of Owners. Except as provided in Section 6.1, any modification or amendment of this Ordinance or of the rights and obligations of the City and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental resolution or ordinance, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the City to levy and collect the Tax for payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of either the Paying Agent without its written assent thereto. For purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of this Ordinance if the same adversely affects or diminishes the rights of the Owners of said Bonds. The consent of the Insurer shall be required (i) in addition to Bondholder consent, when required, for the adoption of any supplemental resolution, and all supplemental resolutions must be filed with the Insurer immediately upon adoption, (ii) for removal of the Paying Agent and selection and appointment of any successor paying agent; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires Bondholders consent.

ARTICLE VII

PARITY BONDS

SECTION 7.1 Issuance of Parity Bonds. All of the Bonds shall enjoy complete parity of lien on the Pledged Tax Revenues despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds.

The City shall issue no other bonds, notes, other evidences of indebtedness or obligations of any kind or nature payable from or enjoying a lien on the revenues of the Tax having priority over or on a parity with the Bonds herein authorized, except that bonds may hereafter be issued on a parity with the Bonds herein authorized under the following conditions:

- (1) The Bonds or any part thereof, including interest thereon, may be refunded with the consent of the owners thereof (except that as to Bonds which have been properly called for redemption and provision made for the payment thereof, such consent shall not be necessary) and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues that may have been enjoyed by the bonds refunded; provided, however, that if only a portion of the Bonds outstanding is so refunded and the refunding bonds require total principal and interest payments during any Fiscal Year in excess of the principal and interest which would have been required in such Fiscal Year to pay the Bonds refunded thereby, then such Bonds may not be refunded without consent of the Owners of the unrefunded portion of the Bonds issued under the Bond Ordinance.
- (2) Additional Parity Bonds, including any other *pari passu* additional bonds as may at any later date be authorized at an election held by the Issuer or otherwise, may also be issued, and such Additional Parity Bonds shall be on a parity with the Bonds if all of the following conditions are met:
 - (a) The Average Annual Revenues derived by the Issuer from the Tax when computed for the two (2) completed Fiscal Years immediately preceding the issuance of the Bonds must have been not less than 1.75 times the highest combined principal and interest requirements for any succeeding Fiscal Year period on all bonds then outstanding, including any *pari passu* additional bonds theretofore issued and then outstanding, and any other bonds or other obligations whatsoever then outstanding which are payable from the Tax (but not including bonds which have been refunded or provision otherwise made for their full payment and redemption) and the additional bonds so proposed to be issued.
 - (b) The payments to be made into the various funds provided for in the Bond Ordinance must be current and the City must not be in default in the performance or observance of any term or condition of the Ordinance.
 - (c) The existence of the facts required by paragraphs (a) and (b) above must be determined and certified to by an independent firm of certified public accountants who have previously audited the books of the Issuer or by such successors thereof as may have been employed for that purpose.
 - (d) The Additional Parity Bonds must be payable as to principal on November 1st of each year in which principal falls due beginning not later than three (3) years from the date of issuance of said Additional Parity Bonds and payable as to interest on May 1st and November 1st of each year

- (e) The Insurer must be notified of the issuance of such Additional Parity Bonds and provided with a copy of the disclosure document, if any, circulated with respect to such Additional Parity Bonds, on or before the delivery date thereof.

The Bonds or any part thereof, including interest and redemption premiums thereon, may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Bonds refunded.

ARTICLE VIII

REMEDIES ON DEFAULT

SECTION 8.1 Events of Default. If one or more of the following events (in this Ordinance called Events of Default) shall happen, that is to say,

(a) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise (in determining whether a principal payment default has occurred, no effect shall be given to payments made under the Financial Guaranty Insurance Policy); or

(b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable (in determining whether an interest payment default has occurred, no effect shall be given to payments made under the Financial Guaranty Insurance Policy); or

(c) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in the Ordinance, any supplemental resolution or ordinance or in the Bonds contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the City by the Insurer or the Owners of not less than 25% of the Bond Obligation (as defined in the Ordinance); or

(d) if the City shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default, the Insurer and the Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law; provided, however, that the exercise of remedies at the direction of the Owners is subject to the prior written consent of the Insurer, and the Insurer, acting alone, shall have the exclusive right to direct any action or remedy to be undertaken so long as it is not then in default of its payment obligations under the Financial Guaranty Insurance Policy. Under no circumstances may the principal or interest of any of the Bonds be accelerated. The City shall notify the Insurer immediately upon the occurrence of any Event of Default. No Event of Default shall be waived without the consent of the Insurer. All remedies shall be cumulative with respect to the Paying Agent, the Owners and the Insurer; if any remedial action is discontinued or abandoned, the Paying Agent, the Owners and the Bond Insurer shall be restored to the former positions.

SECTION 8.2 Notice to Insurer of Events of Default. The Paying Agent shall provide the Insurer with immediate notice of any payment default, and notice of any other default known to the Paying Agent within five Business Days of the Paying Agent's knowledge thereof.

ARTICLE IX

CONCERNING FIDUCIARIES

SECTION 9.1 Paying Agent; Appointment and Acceptance of Duties. The City will at all times maintain a Paying Agent having the necessary qualifications for the performance of the duties described in this Ordinance. The designation of The Bank of New York Mellon Trust Company, N.A., New York, New York, as the initial Paying Agent is hereby confirmed and approved. The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by the Ordinance by executing and delivering an acceptance of its rights, duties and obligations as Paying Agent set forth herein in form

and substance satisfactory to the City. Notwithstanding any other provision of the Financing Documents, in determining whether the rights of Bondholders will be adversely affected by any action taken pursuant to the terms and provisions thereof, the Paying Agent shall consider the effect on the Bondholders as if there were no Financial Guaranty Insurance Policy.

SECTION 9.2 Successor Paying Agent. Any successor Paying Agent shall (i) be a trust company or bank in good standing, located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, (ii) have a reported capital and surplus of not less than \$75,000,000, and (iii) be acceptable to the Insurer. 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, and until written notice thereof shall have been given to the Insurer. The Insurer shall have the right to remove the Paying Agent upon written notice to the City and the Paying Agent. Every successor Paying Agent appointed pursuant to this Section shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000 and acceptable to the Insurer. Any successor Paying Agent, if applicable, shall not be appointed unless the Insurer approves such successor in writing. Notwithstanding any other provision of this Ordinance, in determining whether the rights of the Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Ordinance, the Paying Agent shall consider the effect on the Bondholders as if there were no Financial Guaranty Insurance Policy.

ARTICLE X

MISCELLANEOUS

SECTION 10.1 Defeasance.

(a) If the City shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest to become due thereon, and any amounts which may be then payable by the City with respect to the Financial Guaranty Insurance Policy to the Insurer, at the times and in the manner stipulated therein and in this Ordinance, then the covenants, agreements and other obligations of the City to the Bondholders and to the Insurer shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the City any moneys, securities and funds held by it pursuant to the Ordinance which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(b) Bonds or interest installments for the payment of which sufficient Defeasance Obligations shall have been set aside and held in trust by the Paying Agent (through deposit by the City of funds for such payment or redemption or otherwise) at a maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section.

Any Bond shall, prior to maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section if (i) there shall have been deposited with the Paying Agent Defeasance Obligations, in the amounts and having such terms as are necessary to provide moneys (whether as principal or interest) in an amount sufficient to pay when due the principal thereof, together with all accrued interest and (ii) the adequacy of the Defeasance Obligations so deposited to pay when due the principal and all accrued interest shall have been verified by an independent certified public accountant.

No defeasance shall be effective unless the Insurer shall be provided with an opinion of Bond Counsel, addressed to the City, the Insurer and the Paying Agent, that the Bonds are no longer Outstanding under the Ordinance and the laws of the State. In connection with the defeasance of any of the Bonds, no substitution of any Defeasance Obligation shall be permitted except with other qualifying Defeasance Obligations and with upon delivery of a new opinion of Bond Counsel.

Neither Defeasance Obligations deposited pursuant to this Section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held

in trust for, the payment of the principal or redemption price, if applicable, and interest to become due on the Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations shall, if permitted by the Code, and to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or redemption price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be.

Notwithstanding the foregoing, amounts paid by the Insurer under the Financial Guaranty Insurance Policy shall not be deemed to be paid or defeased and shall continue to be due and owing until paid by the City in accordance with this Ordinance. All covenants, agreements and other obligations of the City to the Bondholders shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such Bondholders.

SECTION 10.2 Evidence of Signatures of Bondholders and Ownership of Bonds.

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

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

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

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

SECTION 10.3 Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

SECTION 10.4 Parties Interested Herein. Nothing in the Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Insurer, the Paying Agent and Owners of the Bonds any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Insurer, the Paying Agent and Owners of the Bonds.

SECTION 10.5 No Recourse on the Bonds. No recourse shall be had for payment of principal of or interest on the Bonds or for any claim based thereon or on this Ordinance against any member of the Governing Authority or officer of the City or any person executing the Bonds.

SECTION 10.6 Successors and Assigns. Whenever in this Ordinance the City is named or referred to, it shall be deemed to include its successors, and assigns and all the covenants and agreements in this Ordinance contained by or on behalf of the City

shall bind and inure to the benefit of its successors, and assigns whether so expressed or not.

SECTION 10.7 Subrogation. In the event the Bonds herein authorized to be issued, or any of them, should ever be held invalid by any court of competent jurisdiction, the Owner or Owners thereof or the Insurer shall be subrogated to all the rights and remedies against the City had and possessed by the Owner or Owners of the Refunded Bonds.

SECTION 10.8 Severability. In case any one or more of the provisions of the Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Ordinance or of the Bonds, but the Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of the Ordinance which validates or makes legal any provision of the Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this Ordinance to the Bonds.

SECTION 10.9 Execution of Documents. In connection with issuance and sale of the Bonds, the Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate are each authorized, empowered and directed to execute on behalf of the City such documents, certificates and instruments as they may deem necessary, upon the advice of Bond Counsel, to effect the transactions contemplated by this Ordinance, the signatures of the Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 10.10 Recordation. A certified copy of this Ordinance shall be filed and recorded as soon as possible in the Mortgage Records of the Parish of Bossier, State of Louisiana.

ARTICLE XI

SALE OF BONDS

SECTION 11.1 Sale of Bonds. The Bonds are hereby awarded to and sold to the Underwriter at a price of \$4,202,290.90 representing the par amount of the Bonds of \$4,250,000.00, less a net original issue discount of \$12,646.60, and less an Underwriter's discount of \$35,062.50, under the terms and conditions set forth in the Bond Purchase Agreement in substantially the form attached hereto as **Exhibit C**, and after their execution, registration by the Secretary of State and authentication by the Paying Agent, the Bonds shall be delivered to the Underwriters or their agents or assigns, upon receipt by the City of the agreed purchase price. The Bond Purchase Agreement attached hereto as **Exhibit C** is hereby approved and accepted and the signatures of the Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City are hereby ratified on behalf of the City.

SECTION 11.2 Official Statement. The City hereby approves the form and content of the Preliminary Official Statement pertaining to the Bonds, as submitted to the City, and hereby ratifies its prior use in connection with offering and sale of the Bonds. The City further approves the form and content of the final Official Statement and hereby authorizes and directs execution thereof by the Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate and delivery of such final Official Statement to the Underwriter.

SECTION 11.3 Officials Authorized to Execute Closing Documents. The Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate be and they are hereby authorized and directed to take all actions in conformity with the Act, if necessary, or reasonably required to effectuate the issuance, sale and delivery of the Bonds and shall take all action necessary or desirable in conformity with the Act for carrying out, giving effect to and consummating the transactions contemplated by the Bonds, this Ordinance, the Bond

Purchase Agreement, the Preliminary Official Statement and the Final Official Statement, including without limitation, the execution and delivery of any closing documents in connection with the issuance, sale and delivery of the Bonds. The Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate are specifically authorized to approve such changes to said documents as are necessary and appropriate and not contrary to the general tenor thereof, such approval to be conclusively evidenced by such execution thereof.

ARTICLE XII

REDEMPTION OF REFUNDED BONDS

SECTION 12.1 Call for Redemption. Subject only to delivery of the Bonds, the Refunded Bonds are hereby irrevocably called for redemption on March 10, 2009, at a redemption price of 100% of the principal amount of each bond so redeemed, and accrued interest to the date of redemption, in compliance with the ordinance authorizing their issuance.

SECTION 12.2 Notice of Full Redemption. In accordance with the ordinance authorizing issuance of the Refunded Bonds, notice of redemption in substantially the form attached hereto as **Exhibit D**, has been given not less than thirty (30) days prior to the date fixed for redemption, addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the paying agent for the Refunded Bonds.

ARTICLE XIII

PROVISIONS RELATING TO INSURER

SECTION 13.1 Notices and Information to Insurer. The City agrees to provide the Insurer with the following information:

(i) Within 120 days after the end of each Fiscal Year of the City the City's budget for the new year, annual audited financial statements (as soon as available if not within 120 days), and, if not presented in the audited financial statements, a statement of the Pledged Tax Revenues pledged to payment of the Bonds in such Fiscal Year;

(ii) Official Statement or other disclosure, if any, prepared in connection with issuance of additional debt, whether or not it is on parity with the Bonds within 30 days after the sale thereof; and

(iii) Such additional information as the Insurer may reasonably request from time to time.

The City further agrees to notify the Insurer of any failure of the City to provide relevant notices, certificates and other information required of the City pursuant to this Ordinance.

The City will permit the Insurer to discuss the affairs, finances and accounts of the City or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City, and to have access and to make copies of all books and records relating to the Bonds at any reasonable time.

In the event the City fails to comply with the requirements set forth in (i) through (iv) above, the Insurer shall have the right to direct an accounting at the City's expense, and the City's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from the Insurer shall be deemed a default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Owner of the Bonds.

Notwithstanding any other provision of this Ordinance, the City shall immediately notify the Insurer if at any time there are insufficient moneys to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default hereunder.

SECTION 13.2 Payment Procedure Under Financial Guaranty Insurance Policy. For so long as the Financial Guaranty Insurance Policy shall be in full force and effect, the City and the Paying Agent agree to comply with the following provisions:

(a) At least two (2) days prior to all Interest Payment Dates the Fiscal Agent will deposit with the Paying Agent sufficient funds to pay the principal of or interest on the Bonds on such Interest Payment Date. If the Paying Agent determines that there will be insufficient funds in such Sinking Funds, the Paying Agent shall so notify the Insurer. Such notice shall specify the amount of the anticipated deficiency, the Bonds to which such deficiency is applicable and whether such Bonds will be deficient as to principal or interest, or both. If the Paying Agent has not so notified the Insurer at least one (1) day prior to an Interest Payment Date, the Insurer will make payments of principal or interest due on the Bonds on or before the first (1st) day next following the date on which the Insurer shall have received notice of nonpayment from the Paying Agent.

(b) The Paying Agent shall after giving notice to the Insurer as provided in (a) above, make available to the Insurer any, at the Insurer's direction, to the insurance trustee for the Insurer or any successor insurance trustee (the "Insurance Trustee"), the registration books of the City maintained by the Paying Agent and all records relating to the Sinking Fund maintained under this Ordinance.

(c) The Paying Agent shall provide the Insurer and the Insurance Trustee with a list of registered Owners of the Bonds entitled to receive principal or interest payments from the Insurer under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the Owners of Bonds entitled to receive full or partial interest payments from the Insurer and (ii) to pay principal upon Bonds surrendered to the Insurance Trustee by the Owners of Bonds entitled to receive full or partial principal payments from the Insurer.

(d) The Paying Agent shall at the time it provides notice to the Insurer pursuant to (a) above, notify the Owners of Bonds entitled to receive payment of principal or interest thereon from the Insurer (i) as to the fact of such entitlement, (ii) that the Insurer will remit to them all or part of the interest payments next coming due upon proof of Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the Owner's right to payment, (iii) that should they be entitled to receive full payment of principal from the Insurer, they must surrender their Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Bonds to be registered in the name of the Insurer) for payment to the Insurance Trustee, and not the Paying Agent, and (iv) that should they be entitled to receive partial payment of principal from the Insurer, they must surrender their Bonds for payment thereon first to the Paying Agent who shall note on such Bonds the portion of the principal paid by the Paying Agent, and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(e) In the event that the Paying Agent has notice that any payment of principal of or interest on a Bond which has become due for payment and which is made to a Bondholder by or on behalf of the City has been deemed a preferential transfer and theretofore recovered from its registered Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Paying Agent shall at the time the Insurer is notified pursuant to (a) above, notify all registered Owners that in the event any registered Owner's payment is so recovered, such registered owner will be entitled to payment from the Insurer to the extent of such recovery if sufficient funds are not otherwise available, and the Paying Agent shall furnish to the Insurer its records evidencing the payments of principal of and interest on the Bonds which have been made by the Paying Agent and subsequently recovered from registered Owners and the dates on which such payments were made.

(f) In addition to those rights granted the Insurer under this Ordinance, the Insurer shall, to the extent it makes payment of principal of or interest on Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Paying Agent shall note The Insurer's rights as subrogee on the registration books of the City maintained by the Paying Agent, upon receipt from the Insurer of proof of the payment of interest thereon to the registered Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Insurer's rights as subrogee on the registration books of the City maintained by the Paying Agent upon surrender of the Bonds by the registered Owners thereof together with proof of the payment of principal thereof.

SECTION 13.3 Insurer As Third Party Beneficiary. To the extent that this Ordinance confers upon, gives or grants to the Insurer any right, remedy or claim under or by reason of this Ordinance, the Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

SECTION 13.4 Notices to Insurer and Other Information. Any notices required by this Ordinance to be sent to the Insurer shall be in writing and shall be mailed by registered or certified mail or personally delivered or telecopied to the recipient addressed as follows:

Assured Guaranty Corp.
1325 Avenue of the Americas
New York, New York 10019
Attn: Risk Management Department
(Re: Policy No. D-2009-230)
Telecopy No. (212) 581-3268
Confirmation (212) 974-0100
Email: riskmanagementdept@assuredguaranty.com

In each case in which notice or other communication refers to an Event of Default, a claim on the Financial Guaranty Insurance Policy or any event with respect to which failure on the part of the Insurer to respond shall be deemed to constitute consent or acceptance, then such demand, notice or other communication shall be marked to indicate “URGENT MATERIAL ENCLOSED” and shall also be sent to the attention of the General Counsel at the same address and telecopy number above or at generalcounsel@assuredguaranty.com.

Any notice that is required to be given to holders of the Bonds (the “Bondholders”), nationally recognized municipal securities information repositories or state information repositories pursuant to Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission or to the Paying Agent pursuant to the Financing Documents shall also be provided to the Insurer, simultaneously with the sending of such notices. In addition, to the extent that the Issuer has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

The Insurer shall have the right to receive such other additional information as it may reasonably request.

The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

The Paying Agent shall notify the Insurer of any failure of the Issuer to provide notices, certificates and other information under the Financing Documents.

SECTION 13.5 No Purchase by Issuer. Without the prior written consent of Insurer, no Bonds insured by the Insurer shall be purchased by the Issuer unless such Bonds are defeased, redeemed or cancelled.

SECTION 13.6 Reserved.

SECTION 13.7 Reporting Requirements. The Issuer will furnish or cause to be furnished to the Insurer:

- a. the fiscal year budget of the Issuer within thirty (30) days after adoption of such budget;
- b. not later than two hundred ten (210) days after the end of the fiscal year audited financial statements of the Issuer prepared by an independent certified public accountant, together with a certificate of the Issuer stating that no event of default has occurred or is continuing under the Financing Documents;

- c. prior to issuing additional debt secured on a parity with the Bonds, any disclosure document or financing agreement pertaining to such additional debt, which disclosure document or financing agreement shall include, without limitation, the applicable maturity schedule, interest rate or rates, redemption and security provisions pertaining to any such additional debt; and
- d. within thirty (30) days following any litigation or investigation that may have a material adverse affect on the Tax, notice of such litigation or investigation.

SECTION 13.8 Control Rights. Insurer shall be deemed to be the holder of all of the Bonds for purposes of (a) exercising all remedies and directing the Paying Agent to take actions or for any other purposes following an Event of Default (as defined in the resolution, indenture or ordinance), and (b) granting any consent, waiver, direction or approval or taking any action permitted by or required under this Bond Ordinance to be granted or taken by the holders of such Bonds.

SECTION 13.9 Consent Rights of Insurer. The Financing Documents shall include the following consent provisions:

1. Consent of Insurer. Any provision of this Bond Ordinance expressly recognizing or granting rights in or to the Insurer may not be amended in any manner that affects the rights of the Insurer hereunder without the prior written consent of the Insurer.
2. Consent of Insurer in Addition to Bondholder Consent. Wherever the Financing Documents require the consent of Bondholders, Insurer's prior written consent shall also be required.
3. Consent of Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the Issuer must be acceptable to the Insurer. In the event of any such reorganization or liquidation, the Insurer shall have the right to vote on behalf of all Bondholders who hold Bonds guaranteed by Insurer absent a payment default by Insurer under the Financial Guaranty Insurance Policy.
4. Consent of Insurer Upon Default. Anything in this Financing Document to the contrary notwithstanding, upon the occurrence and continuance of an event of default as defined herein, Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders or the Paying Agent for the benefit of the Bondholders under this Financing Document.
5. Acceleration Rights. Upon the occurrence of an event of default as defined herein, the Paying Agent may, with the prior written consent of Insured, and shall at the direction of Insurer or the Bondholders with the prior written consent of Insurer, by written notice to the Issuer and Insurer, declare the principal of the Bonds to be immediately due and payable, whereupon that portion of the principal of the Bonds thereby coming due and the interest thereon accrued to the date of payment shall, without further action, become and be immediately due and payable, anything in this Financing Document or the Bonds to the contrary notwithstanding.

SECTION 13.10 Reimbursement Bonds. The principal Financing Document governing the Issuer's Bonds in respect of the transaction shall include the following provisions:

1. The Issuer hereby agrees to pay or reimburse Insurer (A) all amounts paid by Insurer under the Financial Guaranty Insurance Policy, and (B) to the extent permitted by law, any and all charges, fees, costs and expenses

which Insurer may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Financial Guaranty Insurance Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Financing Document or any other Financing Document, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer or any affiliate thereof) relating to this Financing Document or any other Financing Document, any party to this Financing Document or any other Financing Document or the transaction contemplated by the Financing Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Financing Document or any other Financing Document, or the pursuit of any remedies under this Financing Document or any other Financing Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, or (iv) any amendment, waiver or other action with respect to, or related to, this Financing Document or any other Financing Document whether or not executed or completed; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of Insurer spent in connection with the actions described in clauses (ii) - (iv) above. In addition, Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Financing Document or any other Financing Document. The Issuer will pay interest on the amounts owed in this paragraph from the date of any payment due or paid, at the per annum rate of interest publicly announced from time to time by JP Morgan Chase Bank, National Association at its principal office in New York, New York as its prime lending rate (any change in such prime rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank, National Association) plus three percent (3%) per annum (the “Reimbursement Rate”). The Reimbursement Rate shall be calculated on the basis of the actual number of days elapsed over a 360-day year. In the event JPMorgan Chase Bank ceases to announce its prime rate publicly, the prime rate shall be the publicly announced prime rate or base lending rate of such national bank, as Insured shall specify.

2. In addition to any and all rights of reimbursement, subrogation and any other rights pursuant hereto or under law or in equity, the Issuer agrees to pay or reimburse Insurer, to the extent permitted by law, any and all charges, fees, costs, claims, losses, liabilities (including penalties), judgments, demands, damages, and expenses which Insurer or its officers, directors, shareholders, employees, agents and each Person, if any, who controls Insurer within the meaning of either Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended, may reasonably pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, of any nature in connection with, in respect of or relating to the transactions contemplated by this Financing Document or any other Financing Document by reason of:
 - a. any omission or action (other than of or by Insurer) in connection with the offering, issuance, sale, remarketing or delivery of the Bonds;
 - b. the negligence, bad faith, willful misconduct, misfeasance, malfeasance or theft committed by any director, officer, employee or agent of the Issuer or the Issuer in connection with any transaction arising from or relating to this Financing Document or any other Financing Document;

- c. the violation by the Issuer of any law, rule or regulation, or any judgment, order or decree applicable to it;
- d. the breach by the Issuer of any representation, warranty or covenant under this Financing Document or any other Financing Document or the occurrence, in respect of the Issuer, under this Financing Document or any other Financing Document of any "Event of Default" or any event which, with the giving of notice or lapse of time or both, would constitute any "Event of Default"; or
- e. any untrue statement or alleged untrue statement of a material fact contained in any official statement relating to the Bonds, if any, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such claims arise out of or are based upon any untrue statement or omission in information included in an official statement, if any, and furnished by Insurer in writing expressly for use therein.

SECTION 13.11 Payment Procedure Under the Financial Guaranty Insurance Policy. The payment procedure under the Financial Guaranty Insurance Policy shall be as follows:

1. At least two (2) Business Days prior to each payment date on the Bonds, the Fiscal Agent will deposit with the Paying Agent sufficient funds to pay the principal of or interest on the Bonds on such Interest Payment Date. The Paying Agent will determine whether there will be sufficient funds to pay all principal of and interest on the Bonds due on the related payment date and shall immediately notify Insurer or its designee on the same Business Day by telephone or electronic mail, confirmed in writing by registered or certified mail, of the amount of any deficiency. Such notice shall specify the amount of the anticipated deficiency, the Bonds to which such deficiency is applicable and whether such Bonds will be deficient as to principal or interest or both. If the deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent shall so notify Insurer or its designee.
2. The Paying Agent shall, after giving notice to Insurer, as provided above, make available to Insurer and, at Insurer's direction, to any Fiscal Agent, the registration books of the Issuer maintained by the Paying Agent and all records relating to the funds maintained under the Financing Documents.
3. The Paying Agent shall provide Insurer and any Fiscal Agent with a list of registered owners of Bonds entitled to receive principal or interest payments from Insurer under the terms of the Financial Guaranty Insurance Policy, and shall make arrangements with Insurer, the Fiscal Agent or another designee of Insurer to (i) mail checks or drafts to the registered owners of Bonds entitled to receive full or partial interest payments from Insurer and (ii) pay principal upon Bonds surrendered to Insurer, the Fiscal Agent or another designee of Insurer by the registered owners of Bonds entitled to receive full or partial principal payments from Insurer.
4. The Paying Agent shall, at the time it provides notice to Insurer of any deficiency pursuant to clause 1. above, notify registered owners of Bonds entitled to receive the payment of principal or interest thereon from Insurer (i) as to such deficiency and its entitlement to receive principal or interest, as applicable, (ii) that Insurer will remit to them all or a part of the interest payments due on the related payment date upon proof of its entitlement thereto and delivery to Insurer or any Fiscal Agent, in form satisfactory to Insurer, of an appropriate assignment of the registered owner's right to payment, (iii) that, if they are entitled to receive partial payment of principal from Insurer, they must surrender the related Bonds for payment first to the Paying Agent, which will note on such Bonds the portion of the principal paid by the Paying Agent and second to Insurer or its designee, together with an

appropriate assignment, in form satisfactory to Insurer, to permit ownership of such Bonds to be registered in the name of Insurer, which will then pay the unpaid portion of principal, and (iv) that, if they are entitled to receive full payment of principal from Insurer, they must surrender the related Bonds for payment to Insurer or its designee, rather than the Paying Agent, together with the an appropriate assignment, in form satisfactory to Insurer, to permit ownership of such Bonds to be registered in the name of Insurer.

5. In addition, if the Paying Agent has notice that any holder of the Bonds has been required to disgorge payments of principal or interest on the Bonds previously Due for Payment pursuant to a final non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy laws, then the Paying Agent shall notify Insurer or its designee of such fact by telephone or electronic notice, confirmed in writing by registered or certified mail.
6. The Paying Agent will be hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Bonds as follows:
 - a. If and to the extent there is a deficiency in amounts required to pay interest on the Bonds, the Paying Agent shall (a) execute and deliver to Insurer, in form satisfactory to Insurer, an instrument appointing Insurer as agent for such holders in any legal proceeding related to the payment of such interest and an assignment to Insurer of the claims for interest to which such deficiency relates and which are paid by Insurer, (b) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Financial Guaranty Insurance Policy payment from Insurer with respect to the claims for interest so assigned, and (c) disburse the same to such respective holders; and
 - b. If and to the extent of a deficiency in amounts required to pay principal of the Bonds, the Paying Agent shall (a) execute and deliver to Insurer, in form satisfactory to Insurer, an instrument appointing Insurer as agent for such holder in any legal proceeding related to the payment of such principal and an assignment to Insurer of the Obligation surrendered to Insurer in an amount equal to the principal amount thereof as has not previously been paid or for which moneys are not held by the Paying Agent and available for such payment (but such assignment shall be delivered only if payment from Insurer is received), (b) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Financial Guaranty Insurance Policy payment therefore from Insurer, and (c) disburse the same to such holders.
7. Payments with respect to claims for interest on and principal of Bonds disbursed by the Paying Agent from proceeds of the Financial Guaranty Insurance Policy shall not be considered to discharge the obligation of the Issuer with respect to such Bonds, and Insurer shall become the owner of such unpaid Obligation and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.
8. Irrespective of whether any such assignment is executed and delivered, the Issuer and the Paying Agent hereby agree for the benefit of Insurer that:
 - a. they recognize that to the extent Insurer makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent), on account of principal of or interest on the Bonds, Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon as provided and solely

from the sources stated in the Financing Documents and the Bonds;
and

- b. they will accordingly pay to Insurer the amount of such principal and interest, with interest thereon as provided in the Financing Documents and the Bonds, but only from the sources and in the manner provided herein for the payment of principal of and interest on the Bonds to holders, and will otherwise treat Insurer as the owner of such rights to the amount of such principal and interest.
9. Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment (as such terms are defined in the Financial Guaranty Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with this agreement, whether or not Insurer has received a Notice (as defined in the Financial Guaranty Insurance Policy) of Nonpayment or a claim upon the Financial Guaranty Insurance Policy.
 10. In addition, Insurer shall, to the extent it makes any payment of principal or interest on the Bonds become subrogated to the rights of the recipients of such payments in accordance with the terms of the Financial Guaranty Insurance Policy, and to evidence such subrogation (i) in the case of claims for interest, the Paying Agent shall note Insurer's rights as subrogee on the registration books of the Issuer maintained by the Paying Agent, upon receipt of proof of payment of interest thereon to the registered holders of the Bonds, and (ii) in the case of claims for principal, the Paying Agent, if any, shall note Insurer's rights as subrogee on the registration books of the Issuer maintained by the Paying Agent, upon surrender of the Bonds together with receipt of proof of payment of principal thereof.

ARTICLE XIV

CONTINUING DISCLOSURE UNDERTAKING

SECTION 14.1 Continuing Disclosure. The Mayor, President of the Council, Secretary of the Council, Clerk of Council, and such other officials of the City as may be appropriate are hereby empowered and directed to execute an appropriate Continuing Disclosure Certificate (substantially in the form set forth in Appendix H of the official statement issued in connection with the issuance and sale of the Bonds) pursuant to S.E.C. Rule 15c2-12(b)(5).

(Other business not pertinent to the present excerpt may be found of record in the official minute book.)

Upon motion duly made by Dr. James Rogers and second by Mr. Don Williams with vote as follows:

Ayes: Mr. Larkin, Mr. Montgomery, Jr., Mr. Irwin, Mr. Darby, Mr. Williams, Mr. Jones and Dr. Rogers

Nays: none

Absent: none

Abstain: none

Scott Irwin, President

Helen Thornton, City Clerk

ADOPTED AND APPROVED on this 3rd day of March, 2009.

/s/ _____
Lorenz "Lo" Walker,
Mayor
/s/ _____

STATE OF LOUISIANA

PARISH OF BOSSIER

I, Helen Thornton, certify that I am the duly qualified and acting Clerk of City Council, Parish of Bossier, State of Louisiana, governing authority of the City of Bossier City, Parish of Bossier, State of Louisiana.

I further certify that the foregoing is a true and correct copy of an excerpt from the minutes of a public meeting of the City Council of the City of Bossier City, held on March 3, 2009, and of an ordinance adopted at said meeting, as said minutes and ordinance appear officially of record in my possession.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the City of Bossier City, Parish of Bossier, Louisiana, on this, the 3rd day of March, 2009.

[S E A L]

By: Dr. Rogers

Motion made to introduce Ordinance authorizing the institution of expropriation proceedings pursuant to a local services agreement executed between the Parish of Bossier and the City of Bossier City against the property located at 412/418 Traffic Street, Bossier City, Louisiana, more particularly described in the attached exhibit "A" (Parcel 1-17), in connection with the Traffic Street Widening Project.

Seconded by Mr. Jones

Vote in favor of motion is unanimous.

By: Dr. Rogers

Motion made to declare certain movable equipment owned by City of Bossier City as surplus to the City's need and provide for salvage and disposal according to law.

Seconded by Mr. Williams

Vote in favor of motion is unanimous

By: Dr. Rogers

Motion made to approve report of Change Order # 2 for Bossier City Animal Control addition for Public Works, an increase of \$19,525.98, total cost of contract with increase \$1,353,508.33

Seconded by Mr. Jones

Vote in favor of motion is unanimous.

Hearing of appeal for Ms. Dorothy Murphy for violation of Chapter 46, Section 123 entitled 'Inoperable Vehicle' located at 3214 Bistineau Drive, Bossier City, Louisiana.

Present: Code Enforcement (Guyton)

Owner not present and Code Enforcement stated they have not heard from Ms. Murphy.

By: Mr. Jones

Motion made to tow vehicle

Seconded by Dr. Rogers

Vote in favor of motion is unanimous.

There being no further business to come before this meeting, meeting adjourned at 3:18 PM by President Irwin.

Respectfully submitted:

Helen Thornton, City Clerk

Publish: March 13, 2009

Bossier Press Tribune