

ORDINANCE NO. 2014-06

AUTHORIZING THE ISSUANCE OF THE CURRY COUNTY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2014, IN AN AGGREGATE PRINCIPAL AMOUNT OF THIRTEEN MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$13,750,000) FOR THE PURPOSE OF CONSTRUCTING, PURCHASING, EQUIPPING, REHABILITATING, MAKING ADDITIONS TO OR MAKING IMPROVEMENTS TO ONE OR MORE PUBLIC BUILDINGS OR PURCHASING OR IMPROVING GROUND RELATING THERETO; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE SOLELY FROM THE REVENUES DERIVED FROM THE COUNTY HOLD HARMLESS GROSS RECEIPTS TAX IMPOSED BY THE COUNTY PURSUANT TO SECTION 7-20E-28 NMSA 1978 AND CURRY COUNTY ORDINANCE NO. 2014-05; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM THE GROSS RECEIPTS TAX; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE UNDERTAKING; PROVIDING FOR THE TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, THE METHOD OF PAYING THE BONDS AND OTHER DETAILS CONCERNING THE BONDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH AND APPERTAINING THERETO.

Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of this Ordinance unless the context requires otherwise.

WHEREAS, the County is a legally and regularly created, established, organized and existing county under the general laws of the State of New Mexico; and

WHEREAS, pursuant to Section 7-20E-28 NMSA 1978 and County Ordinance No. 2014-05, adopted on September 16, 2014 (the "Tax Ordinance"), the County authorized the county hold harmless gross receipts tax, imposed at a rate of 0.25% on any person engaging in business in the County for the privilege of engaging in business in the County and distributed monthly from the Revenue Division of the New Mexico Taxation and Revenue Department to the County, effective January 1, 2015 (the "Pledged Revenues"); and

WHEREAS, the Pledged Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding and unpaid; and

WHEREAS, the Board hereby determines that there is an urgent need for the Project and that the Bonds shall be issued for the Project which consequently will provide for the public health, peace and safety of the County and its residents; and

Doc# 140007281

WHEREAS, the County has received an offer to purchase the Bonds from R.W. Baird & Co., Incorporated as the underwriter of the Bonds pursuant to the Bond Purchase Agreement; and

WHEREAS, the Board has determined and hereby determines that it is in the best interests of the County and its residents that the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged Revenues on a parity with the lien thereon of Parity Bonds, if any; and

WHEREAS, there has been on deposit with the County Clerk and presented to the Board:

- (A) the proposed form of Bond Purchase Agreement;
- (B) the proposed form of Continuing Disclosure Undertaking;
- (C) the form of the Preliminary Official Statement;
- (D) the Bond Insurance Commitment and the Reserve Insurance Commitment; and

WHEREAS, the Board hereby determines that it is in the best interest of the County and its residents that a municipal bond insurance policy and a debt service reserve insurance policy be acquired from the Bond Insurer, to enhance the marketability of the Bonds; and

WHEREAS, the Board has determined that it is in the best interest of the County to accept the offer of the Purchaser to purchase the Bonds and to enter into the Related Documents.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE COUNTY OF CURRY:

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Acquisition Fund” means the “Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Acquisition Fund” created in Section 16 of this Ordinance.

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Section 7-20E-28 NMSA 1978, as amended, and enactments of the Board relating to the issuance of the Bonds, including this Ordinance and the Tax Ordinance.

“Board” means the Board of County Commissioners of the County or any future successor governing body of the County.

“Bond Insurance Commitment” means the Municipal Bond Insurance Commitment with an effective date of November 4, 2014 and issued to the County by the Bond Insurer.

“Bond Insurer,” “BAM” and “Insurer” means Build American Mutual Assurance Company, or any successor thereto, as issuer of the Policy and the BAM Reserve Insurance Policy.

“Bond Purchase Agreement” means the bond purchase agreement to be entered into between the County and the Purchaser.

“Bondholder,” “holder,” “owner” or “Owner” means the registered owner of any Bond as shown on the registration books of the County for the Bonds, from time to time, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the holders at the particular time of a majority or of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding.

“Bonds” or “Insured Obligations” means the “Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014” authorized by this Ordinance.

“Business Day” means a day on which commercial banks in the city in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

“Chairperson” means the Chairperson of the Board.

“Code” means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

“Continuing Disclosure Undertaking” means the continuing disclosure undertaking with respect to the Bonds to be executed by the County on the day of issuance and delivery of the Bonds to the Purchaser.

“County” means the County of Curry in the State of New Mexico.

“County Local Option Gross Receipts Tax Act” means Sections 7-20E-1 through 7-20E-28 NMSA 1978, as amended.

“Debt Service Fund” means the “Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Debt Service Fund” established by Section 16 of this Ordinance.

“Depository” means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by an officer of the County.

“Event of default” means any of the events stated in Section 25 of this Ordinance.

“Expenses” means the reasonable and necessary fees, costs and expenses incurred by the County with respect to the issuance of the Bonds, including the fees, compensation, costs and expenses paid or to be paid to the Bond Insurer, Paying Agent, Registrar, Purchaser, attorney’s fees and financial advisor’s fees.

“Federal Securities” as used in this Ordinance shall include only direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America.

“Fiscal Year” means the period commencing on July 1 in each calendar year and ending on June 30 of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the County as its fiscal year.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to the entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

“Independent Accountant” means (A) an accountant employed by the State and under supervision of the State Auditor, or (B) any certified public accountant, registered accountant, or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the County who (i) is, in fact, independent and not under the domination of the County, (ii) does not have any substantial interest, direct or indirect, with the County, and (iii) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

“Insured Bank” means a bank or savings and loan association insured by an agency of the United States.

“Interest Payment Date” means each June 1 and December 1, commencing on June 1, 2015.

“Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as BAM, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to BAM shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

“NMSA” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

“Obligations” means bonds, notes or any other instrument which evidence a borrowing or other obligation of the County secured by Pledged Revenues issued or incurred for any purpose permitted by the Act.

“Ordinance” means this County Ordinance as amended or supplemented from time to time.

“Outstanding” or “outstanding” when used in reference to the Bonds means, on any particular date, the aggregate of all Bonds delivered under this Ordinance except:

A. those cancelled at or prior to such date or delivered or acquired by the County at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Section 31 of this Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the County and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course; and

D. those Bonds which have been refunded in accordance with this Ordinance or other ordinance of the County authorizing the issuance of the applicable bonds.

“Parity Bonds” or “Parity Obligations” means the Bonds and any other Obligations hereafter issued or incurred payable from the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the lien thereon of the Bonds.

“Paying Agent” means BOKF, N.A. dba Bank of Albuquerque, as agent for the County for the payment of the Bonds, the interest thereon and any prior redemption premium in connection therewith, and any successor.

“Pledged Revenues” means the amounts of money derived from all of the revenue attributable to the one-quarter county hold harmless gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978, which county hold harmless gross receipts tax is imposed on all persons engaging in business in the County pursuant to the Tax Ordinance, and as authorized by the County Local Option Gross Receipts Tax Act, (1) which tax equals, subject to the exemptions specified in Sections 7-20E-4(A) and 7-20E-5 NMSA 1978, and the deductions referenced in Section 7-20E-7 NMSA 1978, one-quarter of one percent (0.25%) of the gross receipts of all persons engaging in business in the County for the privilege of engaging in business in the County, and (2) which amounts are collected and, after any deductions for administrative costs and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15 NMSA 1978, are distributed monthly (together with the balance of the County’s gross

receipt tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13 NMSA 1978.

“Policy” shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Obligations when due.

“Preliminary Official Statement” and “Official Statement” means the disclosure documents used by the Purchaser in connection with the sale of the Bonds to the public.

“Principal Payment Date” means December 1 in each year beginning December 1, 2017.

“Project” means constructing, purchasing, equipping, rehabilitating, making additions to or making improvements to one or more public buildings or purchasing or improving ground related thereto, and includes all costs incidental to the foregoing and the issuance of the Bonds.

“Purchaser” means Robert W. Baird & Co., Incorporated.

“Rebate Fund” means the “Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Rebate Fund” established by Section 24(N) of this Ordinance.

“Registrar” means BOKF, N.A. dba Bank of Albuquerque, as registrar and transfer agent for the Bonds, and any successor.

“Related Documents” means the Bond Purchase Agreement, the Continuing Disclosure Undertaking, the Bond Insurance Commitment, the Reserve Insurance Commitment, the Tax Compliance Certificate and any other document or agreement containing an obligation of the County as may be required in connection with the issuance of the Bonds.

“Reserve Fund” means the “Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Reserve Fund” established in Section 16 hereof, and to be maintained by the County.

“Reserve Fund Insurance Policy” or “Reserve Insurance Policy” means any insurance policy (including the BAM Reserve Insurance Policy, as defined in Section 32(K)), surety bond or letter of credit deposited in or credited to the Reserve Fund as provided in Section 18 hereof in lieu of or in partial substitution for cash or allowable investments on deposit in the Reserve Fund. Any such insurance policy, surety bond or letter of credit must be issued by an entity having a rating in one of the two highest rating categories assigned by any nationally recognized rating agency at the time such policy, bond or letter of credit is initially deposited in or credited to the Reserve Fund.

“Reserve Insurance Commitment” means the Municipal Bond Debt Service Reserve Insurance Commitment with an effective date of November 4, 2014 and issued to the County by the Bond Insurer.

“Reserve Requirement” means \$989,925.

“Revenue Fund” means the “Curry County, New Mexico County Hold Harmless Gross Receipts Tax Revenue Fund” established by Section 16 of this Ordinance into which the County shall deposit the Pledged Revenues.

“Security Documents” shall mean the resolution, trust agreement, ordinance, loan agreement, bond, note and/or any additional or supplemental document executed in connection with the Insured Obligations.

“State” means the State of New Mexico.

“Tax Compliance Certificate” means the Tax Compliance Certificate to be delivered by the County at the time of issuance of the Bonds, as the same may be supplemented in accordance with its terms.

“Tax Ordinance” means County Ordinance No. 2014-05, adopted on September 16, 2014, imposing the Pledged Revenues.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Board and the officers of the County, directed toward the Project, the issuance of the Bonds for the Project and the sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project. The Project and the method of financing the Project are hereby authorized and ordered at a total cost of \$14,000,000 and the necessity thereof is hereby so declared, excluding any such cost defrayed or to be defrayed by any source other than Bond proceeds.

Section 4. Findings. The Board hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. Moneys available for the Project from all sources other than the issuance of revenue bonds are not sufficient to defray the cost of the Refunding.

B. The Pledged Revenues may lawfully be pledged to secure the payment of the Bonds.

C. It is economically feasible to defray, in part, the cost of the Project by the issuance of the Bonds.

D. The issuance of the Bonds pursuant to the Act to provide funds for the Project is necessary and in the interest of the public health, safety and welfare of the residents of the County.

E. The issuance of the Bonds pursuant to the Act to provide funds for the financing of the Project is necessary and in the interest of the public health, safety and welfare of the residents of the County.

F. The net effective interest rate on the Bonds of 3.56% is less than the statutory maximum of twelve percent (12%).

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a two-thirds majority of all of the members of the Board. For the purpose of protecting the public health, safety and welfare of the residents of the County, it is hereby declared necessary that the County, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated "Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014," in an aggregate principal amount of \$13,750,000 and the issuance, sale and delivery of the Bonds are hereby authorized. The Bonds shall be sold by a negotiated sale to the Purchaser pursuant to the Bond Purchase Agreement at the price established in the Bond Purchase Agreement which is hereby ratified and approved.

B. Details of Bonds. The Bonds shall be dated the date of their issuance and delivery to the Purchaser (herein "Series Date"), and are issuable in the denomination of \$5,000 each or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond will be issued for more than one maturity). The Bonds shall be numbered consecutively from 1 upwards.

The Bonds shall bear interest from the Series Date, payable semi-annually on June 1 and December 1 each year, commencing on June 1, 2015, until their respective maturities and shall bear the rates of interest and shall mature on December 1 in each of the designated amounts and years as set forth below:

<u>Year</u> <u>Maturing</u>	<u>Amounts</u> <u>Maturing</u>	<u>Interest Rate</u> <u>(Per Annum)</u>
2017	\$475,000	2.000%
2018	485,000	3.000%
2019	500,000	5.000%
2020	225,000	3.000%
2020	300,000	5.000%
2021	545,000	5.000%
2022	445,000	2.125%
2022	125,000	4.000%
2023	585,000	5.000%
2024	615,000	5.000%

2025	645,000	5.000%
2027*	1,380,000	3.000%
2029*	1,465,000	3.250%
2031*	1,565,000	3.250%
2034*	2,540,000	3.500%
2036*	855,000	3.500%
2036*	1,000,000	5.000%

*Term Bonds, subject to mandatory sinking fund redemption.

The net effective interest rate on the Bonds is less than the statutory maximum rate of twelve percent (12%) per annum.

Section 6. Prior Redemption.

A. Optional Redemption. The Bonds maturing on and after December 1, 2025 shall be subject to redemption prior to maturity at the County's option in one or more units of principal of \$5,000 on and after December 1, 2024, in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair) at a redemption price equal to the principal amount of the Bonds or portions thereof to be redeemed plus accrued interest, if any, to the date fixed for redemption.

B. Mandatory Sinking Fund Redemption. The Bonds maturing on December 1, 2027 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2027, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2026	\$680,000
2027*	700,000

*Final Maturity

The Bonds maturing on December 1, 2029 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2029, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2028	\$720,000
2029*	745,000

*Final Maturity

The Bonds maturing on December 1, 2031 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2031, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2030	\$770,000
2031*	795,000

*Final Maturity

The Bonds maturing on December 1, 2034 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2034, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2032	\$820,000
2033	845,000
2034*	875,000

*Final Maturity

The Bonds maturing on December 1, 2036 in an aggregate principal amount of \$855,000 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of such Bonds maturing on December 1, 2036, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2035	\$420,000
2036*	435,000

*Final Maturity

The Bonds maturing on December 1, 2036 in an aggregate principal amount of \$1,000,000 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of such Bonds maturing on December 1, 2036, the County shall cause to be deposited in the interest and sinking fund for the Bonds a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2035	\$490,000
2036*	510,000

*Final Maturity

Not more than 70 days nor less than 40 days prior to each sinking fund redemption date, the Registrar shall proceed to select for redemption (by lot in such manner as the Registrar may determine) from the Bonds maturing on December 1, 2027, December 1, 2029, December 1, 2031, December 1, 2034, or December 1, 2036, as applicable, a principal amount of such Bonds equal to the aggregate principal amount of such Bonds redeemable with the required sinking fund payment, shall call such Bonds or portions thereof (\$5,000 or any integral multiple thereof) for such redemption on such sinking fund redemption date, and shall give notice of such call.

C. Notice to Registrar. The Registrar shall not be required to give notice of any optional redemption unless the Registrar has received written instructions from the County in regard thereto at least 45 days prior to such redemption date unless waived by the Registrar. No notice of mandatory sinking fund redemption of the term bonds to the Registrar from the County shall be required.

D. Notice to Owners. Notice of redemption shall be given by the Registrar by sending a copy of such notice by electronic means or by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. Neither the County's failure to give such notice nor the Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bonds to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the

redemption date be on deposit with the Paying Agent, the bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the County.

E. Conditional Notice. If money or securities sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to paragraph D of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent by 2:00 p.m. on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in a manner deemed reasonable and fair by the County and the Paying Agent shall give notice, in the manner in which the original notice of optional redemption was given, that such money was not received. In that event, the Paying Agent, shall promptly return to the owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been redeemed.

Section 7. Filing of Signatures. Prior to the execution of any Bond, the Chairperson and County Clerk shall each file, pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Chairperson and shall be attested with the facsimile or manual signature of the County Clerk. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The Bonds shall be authenticated by the manual signature of the Registrar. The Bonds when authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the County, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Chairperson and County Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

B. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Registrar.

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper, and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code—Investment Securities. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal shall be payable in immediately available funds at maturity thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the designated office of any successor Paying Agent. Interest on the Bonds shall be payable by check or draft mailed to the registered owner thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owner), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the Interest Payment Date (the “Record Date”). Any interest which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten days prior thereto. If any Bond presented for payment remains unpaid at maturity, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds.

A. Registration, Transfer and Exchange. The County shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. Limitations. The Registrar shall close books for change of registered owners’ addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal of or interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Replacement Bonds. If any Bonds shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If any such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may request the Paying Agent to pay such bond in lieu of replacement.

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

F. Charges. For each new Bond issued in connection with a transfer or exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

G. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the County shall reasonably determine that said Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$50,000,000. It shall not be required that the same institution serves as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

H. Book Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership affected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the Depository or its

nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the County determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the County or the Beneficial Owners, the County will either identify another Depository or Bonds certificates will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the County shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the County are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent, Registrar or the County to the Depository as provided in this Ordinance and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the County to the Depository.

Section 12. Special Limited Obligations. All of the Bonds and all payments of principal, premium, if any, and interest thereon at maturity, together with any interest accruing thereon, shall be special limited obligations of the County and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Section 18 of this Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the County within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the County, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in this Ordinance, and that the holders thereof may not look to any general or other municipal fund for the payment of the principal of and interest on the Bonds. Nothing herein shall prevent the County from applying other funds of the County legally available therefor to the payment of the Bonds, in its sole discretion.

Section 13. Form of Bonds. The forms, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Ordinance.

[Form of Bond]

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal and interest on this Bond to BOKF, NA dba Bank of Albuquerque, Albuquerque, New Mexico, or its successor, as payment agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these bonds, the owner acknowledges and consents to the subrogation and all other rights of BAM as more fully set forth in the Policy.

UNITED STATES OF AMERICA

STATE OF NEW MEXICO

COUNTY OF CURRY

CURRY COUNTY, NEW MEXICO
GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS
SERIES 2014

Bond No. _____ \$ _____

INTEREST RATE MATURITY DATE DATE OF BOND CUSIP

___% per annum December 1, __ December 23, 2014 _____

PRINCIPAL AMOUNT:

REGISTERED OWNER: CEDE & CO.

The County of Curry (the "County"), in the State of New Mexico (the "State"), a political subdivision duly organized and existing under the Constitution and laws of the State, for value received, promises to pay, solely from the special funds available for the purpose set forth below, to the Registered Owner stated above, or registered assigns, on the Maturity Date stated above (unless this bond may be and is called for prior redemption, in whole or in part, in which case on such redemption date), upon presentation and surrender of this bond to BOKF, N.A. dba Bank of Albuquerque, in Albuquerque, New Mexico, or any successor (as such, the "Paying Agent"), the Principal Amount stated above and premium, if any, and to pay interest on the unpaid Principal Amount at the Interest Rate stated above on June 1 and December 1 of each year beginning on June 1, 2015 (each, an "Interest Payment Date") to the Maturity Date stated above, or until redeemed if called for redemption prior to maturity. If upon presentation and surrender at maturity or for prior redemption, payment of this bond is not made, interest shall continue at the

Interest Rate stated above until the Principal Amount is paid in full. This bond will bear interest from the most recent date to which interest has been paid or provided for or if no interest has been paid or provided for, from the Date of Bond stated above. Interest on this bond is payable by check or draft mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by BOKF, N.A. dba Bank of Albuquerque or any successor (as such, the "Registrar"), at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof (or of one or more predecessor Bonds, defined below) as of the Record Date, but shall be payable to the owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. Notice of the special record date shall be given to owners of Bonds as then shown on the Registrar's registration books not less than ten days prior to the special record date. The principal of, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for exchange or collection charges.

This bond is one of a duly authorized series of fully registered bonds of the County in the aggregate principal amount of \$13,750,000 issued in denominations of \$5,000 or integral multiples thereof, designated as Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014 (the "Bonds"), issued under and pursuant to County Ordinance No. 2014-06, (the "Bond Ordinance").

The bonds of the series of which this bond is a part maturing on and after December 1, 2025, are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after December 1, 2024, in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), at a redemption price equal to the principal amount of the Bonds or portion thereof to be redeemed plus accrued interest, if any, to the redemption date.

The Bonds maturing on December 1, 2027 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2027, the County shall cause to be deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2026	\$680,000
2027*	700,000

*Final Maturity

The Bonds maturing on December 1, 2029 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2029, the County shall cause to be deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2028	\$720,000
2029*	745,000

*Final Maturity

The Bonds maturing on December 1, 2031 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2031, the County shall cause to be deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2030	\$770,000
2031*	795,000

*Final Maturity

The Bonds maturing on December 1, 2034 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of Bonds maturing on December 1, 2034, the County shall cause to be deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2032	\$820,000
2033	845,000
2034*	875,000

*Final Maturity

The Bonds maturing on December 1, 2036 in an aggregate principal amount of \$855,000 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of such Bonds maturing on December 1, 2036, the County shall cause to be

deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2035	\$420,000
2036*	435,000

*Final Maturity

The Bonds maturing on December 1, 2036 in an aggregate principal amount of \$1,000,000 are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of such Bonds maturing on December 1, 2036, the County shall cause to be deposited in the interest and sinking fund for the Bonds (after credit as provided in the Bond Ordinance) a sum which is sufficient to redeem the following principal amounts of such Bonds:

Redemption Dates (December 1)	Principal Amount
2035	\$490,000
2036*	510,000

*Final Maturity

Notice of redemption shall be given by the Registrar by sending a copy of such notice by electronic means or by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. Neither the County's failure to give such notice nor the Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bonds to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the County.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely out of the Pledged Revenues pursuant to the pledge made by and as defined in the Bond Ordinance. Payment of the bonds of the series of which this bond is one and the interest thereon shall be made solely from, and as security for such payment, there are pledged pursuant to the Bond Ordinance the amounts of money derived from all of the revenue attributable to the one-quarter county hold harmless gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978, which county hold harmless gross receipts tax is imposed on all persons engaging in business in the County pursuant to County Ordinance No. 2014-05, adopted on September 16, 2014, and as authorized by the County Local Option Gross Receipts Tax Act, (1) which tax equals, subject to the exemptions specified in Sections 7-20E-4(A) and 7-20E-5 NMSA 1978, and the deductions referenced in Section 7-20E-7 NMSA 1978, one-quarter of one percent (0.25%) of the gross receipts of all persons engaging in business in the County for the privilege of engaging in business in the County, and (2) which amounts are collected and, after any deductions for administrative costs and any disbursements for tax credits, refunds and the payment of interest

applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15 NMSA 1978, are distributed monthly (together with the balance of the County's gross receipt tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13 NMSA 1978.

The registered owner may not look to any general or other fund for the payment of the principal of, interest upon, and any prior redemption premium in connection with this obligation except the special funds (i.e., the Pledged Revenues) pledged therefor. Payment of this bond and the interest thereon shall be made solely from, and as security for such payment there are pledged, pursuant to the Bond Ordinance, a special fund identified as the "Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Debt Service Fund" into which the County covenants to pay from the Pledged Revenues sums sufficient to pay when due the principal of and interest on the bonds of the series of which this is one. Reference is made to the Bond Ordinance for a description of said fund and the nature and extent of the security afforded thereby for the payment of the principal of and the interest on the bonds. The bonds are equitably and ratably secured by a lien on the Pledged Revenues, and the bonds constitute an irrevocable and first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues and on a parity with the lien thereon of any Parity Obligations. Additional bonds may be issued and made payable from the Pledged Revenues, upon satisfaction of the conditions set forth in the Bond Ordinance, having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds.

The Bonds are issued for the purpose of (1) constructing, purchasing, equipping, rehabilitating, making additions to or making improvements to one or more public buildings or purchasing or improving ground related thereto, and (2) paying expenses and costs of issuance related to the issuance of the Bonds.

The County covenants and agrees with the owner of this bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Bond Ordinance.

This bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or crossclaims between the obligor and the original purchaser or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the County have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the County.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, Curry County, New Mexico, has caused this bond to be signed and executed on the County's behalf with the facsimile or manual signature of the Chairperson and the facsimile or manual signature of the County Clerk and has caused the corporate seal or a facsimile thereof of the County to be affixed hereon, all as of the Date of Bond.

CURRY COUNTY, NEW MEXICO

[FACSIMILE SEAL]

By _____
Chairperson

By _____
County Clerk

C U R R Y C O U N T Y
ROSALIE L RILEY, CLERK
140007281
Book 532 Page 1659
23 of 46
11/19/2014 11:25 AM

[Form of Registrar's Certificate of Authentication]

Certificate of Authentication

This is one of the Bonds described in the Bond Ordinance, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication: _____

BOKF, N.A. dba Bank of Albuquerque,
as Registrar and Paying Agent

By _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication]

C U R R Y C O U N T Y
ROSALIE L RILEY, CLERK
140007281
Book 532 Page 1660
24 of 46
11/19/2014 11:25 AM

[Form of Assignment]

Assignment

For value received, _____ hereby sells, assigns and transfer
unto _____ the within bond and hereby irrevocably constitutes and
appoints _____ attorney, to transfer the same on the books of the
Registrar, with full power of substitution in the premises.

Social Security or Tax Identification No. of Assignee _____

Dated: _____

NOTE: The assignor's signature to this Assignment must correspond with the name as written
on the face of the within bond in every particular, without alteration or enlargement or any
change whatsoever.

[End of Form of Assignment]

[End of Form of Bond]

Section 14. Period of Project's Usefulness. It is hereby determined and recited that the period of usefulness of the Project financed with the proceeds of the Bonds is not less than the final maturity date of the Bonds.

Section 15. Disposition of Proceeds. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds, shall be used and paid solely for the valid costs of the Project.

A. Accrued Interest. Upon the sale of the Bonds, all moneys received as accrued interest shall be deposited into the Debt Service Fund to apply on the payment of interest next due on the Bonds.

B. Expenses. Upon the sale and delivery of the Bonds, an amount necessary to pay Expenses shall be used for payment of the Expenses in compliance with applicable law.

C. Acquisition Fund Deposit. Upon the sale and delivery of the Bonds, any remaining Bond proceeds after payment of Expenses shall be deposited promptly upon receipt thereof in the Acquisition Fund.

D. Purchaser Not Responsible. The Purchaser of the Bonds shall in no manner be responsible for the application or disposal by the County or by its officers of the proceeds derived from the sale thereof or of any other funds herein designated.

Section 16. Funds and Accounts. The County hereby creates the following special and separate funds, which shall be under the control of the County:

A. Revenue Fund. The "Curry County, New Mexico County Hold Harmless Gross Receipts Tax Revenue Fund" maintained by the County into which the County shall deposit the Pledged Revenues.

B. Debt Service Fund. The "Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Debt Service Fund" to be maintained by the County.

C. Reserve Fund. The "Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Reserve Fund" to be maintained by the County.

D. Acquisition Fund. The "Curry County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2014, Acquisition Fund" to be maintained by the County.

Section 17. Deposit of Pledged Revenues. So long as any Bonds are outstanding, the Pledged Revenues shall, immediately upon receipt thereof by the County, be set aside and deposited into the Revenue Fund. All money deposited into the Revenue Fund shall be held separate and apart from the County's general fund and applied only in accordance with the provisions of this Ordinance and any other County ordinance authorizing the issuance of Parity Obligations.

Section 18. Administration of Pledged Revenue Fund.

A. Debt Service Fund. As a first charge on the Pledged Revenues, the following amounts shall be withdrawn from the Revenue Fund and shall be concurrently credited to the Debt Service Fund:

(1) To the Debt Service Fund, the following:

(a) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the first maturing installment of interest on the Bonds, and monthly thereafter, commencing on each Interest Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the Bonds then outstanding.

(b) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the first maturing installment of principal of the outstanding Bonds and monthly thereafter, commencing on each Principal Payment Date, one-twelfth (1/12) of the amount necessary to pay the next maturing installment of principal on the Bonds then outstanding.

B. Credit. In making the deposits required to be made into the Debt Service Fund, if there are any amounts then on deposit in the Debt Service Fund available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to paragraph A above shall be reduced by the amount available in such fund and available for such purpose.

C. Transfer of Money out of Debt Service Fund. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Debt Service Fund to the Paying Agent on or before four Business Days prior to the due date of such payment.

D. Payment of Parity Obligations. Concurrently with the payment of the Pledged Revenues required by paragraphs A, E and G of this Section, any amounts on deposit in the Pledged Revenue Fund shall be used by the County for the payment of principal of, interest on and debt service reserve fund deposits relating to Parity Obligations, if any, hereafter authorized to be issued and payable from the Pledged Revenues, as applicable, as the same accrue. If funds on deposit in the Pledged Revenue Fund are not sufficient to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Bonds and any outstanding Parity Obligations, then the available funds in the Pledged Revenue Fund will be used, first, on a pro rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Parity Obligations, for the payment of principal of and interest on all series of outstanding Parity Obligations and, second, to the extent of remaining available funds in the Pledged Revenue Fund on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Parity Obligations, for the required debt service reserve fund deposits for all series of outstanding Parity Obligations.

E. Reserve Fund. Immediately upon delivery of the Bonds, a Reserve Fund Insurance Policy or a cash amount of not less than the Reserve Requirement shall be deposited into and credited to the Reserve Fund so that the Reserve Fund Requirement is accumulated upon delivery of the Bonds. Any moneys and investments thereof or, in lieu thereof, a Reserve Fund Insurance Policy deposited in the Reserve Fund are irrevocably and exclusively pledged to payment of the Bonds.

(1) Thereafter, subordinate to the payments required by Subsection A of this Section, and subject to the terms of Subsection D of this Section and concurrently with and on parity with the payments required for any monthly reserve fund payments for Parity Obligations, there shall be credited monthly to the Reserve Fund, from the moneys in the Revenue Fund, such cash amount or amounts, if any, as are necessary, taking into account the amount of any Reserve Fund Insurance Policy which may then be applicable, to maintain the Reserve Fund as a continuing reserve in an amount not less than the Reserve Requirement to meet possible deficiencies in the Debt Service Fund. The moneys, if any, and the amount of any Reserve Fund Insurance Policy which hereafter may be acquired in the Reserve Fund shall be accumulated and maintained as a continuing reserve to be used, except as hereinafter provided in Subsections F and G of this Section, only to prevent deficiencies in the payment of the principal of and interest on the Bonds hereby authorized resulting from the failure to credit to the Debt Service Fund sufficient funds to pay the principal and interest as the same become due and payable. Cash amounts in the Reserve Fund which together with the amount of any Reserve Fund Insurance Policy are in excess of the Reserve Fund Requirement shall be withdrawn from the Reserve Fund and transferred to the Debt Service Fund.

(2) The County may at any time substitute (i) one or more Reserve Fund Insurance Policies for cash or investments therein or (ii) cash or investments thereof for a Reserve Fund Insurance Policy, so long as the amount on deposit in the Reserve Fund after such substitution is at least equal to the Reserve Requirement. In the event the County shall substitute a Reserve Fund Insurance Policy for cash or investments in the Reserve Fund, the amount on deposit in the Reserve Fund shall be that amount available to be drawn or otherwise paid pursuant to such policy at the time of calculation and such cash or investments so withdrawn may be used by the County for any legal purpose.

(3) The Reserve Fund Insurance Policy, if acquired by the County, shall be held by the Paying Agent. In the event of a draw upon any Reserve Fund Insurance Policy, the Paying Agent shall deliver a demand for payment in substantially the form required by the Bond Insurer to be delivered to (and to be received by) the Bond Insurer not later than the business day prior to the business day on which the funds are required. In the event there is cash in the Reserve Fund at the time of a draw from any Reserve Fund Insurance Policy, such cash (including any investments) shall be drawn down completely before any demand is made on any Reserve Fund Insurance Policy. If the Reserve Fund contains any Reserve Fund Insurance Policy from more than one provider, any draw shall be on a pro-rata basis from both. After such a draw, any available moneys in the Revenue Fund, concurrently and on parity with the payments in subparagraph (1) of this Subsection E and the payments required to replenish the reserve fund for any additional Parity Obligations, shall be used first to reimburse each such issuer of any Reserve Fund Insurance Policy for such payment of principal of and interest on the

Bonds pursuant to the terms of the any agreement relating to such Reserve Fund Insurance Policy so as to reinstate each Reserve Fund Insurance Policy and thereafter to replenish any cash in the Reserve Fund.

F. Termination Upon Deposits to Maturity. No payment need be made into the Debt Service Fund, the Reserve Fund, or both, if the amount in such funds (excluding the amount of any Reserve Fund Insurance Policy) totals a sum at least equal to the entire amount of Bonds then outstanding, both as to principal and interest to their respective maturities, and both accrued and unaccrued, in which case, moneys in the Debt Service Fund and Reserve Fund in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue and any moneys in excess thereof in the Debt Service Fund and Reserve Fund and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the County.

G. Defraying Delinquencies in Debt Service and Reserve Fund. If, in any month the County shall, for any reason fail to pay into the Debt Service Fund the full amount above stipulated from the Pledged Revenues then an amount shall be paid into the Debt Service Fund in such month from the moneys, if any, in the Reserve Fund (including the amount of any Reserve Fund Insurance Policy except that there shall be no draw on any Reserve Fund Insurance Policy except immediately prior to an interest or principal payment date) equal to the difference between the amount paid from Pledged Revenues and the full amount so stipulated. Moneys used in that manner shall be replaced in the Reserve Fund and any Reserve Fund Insurance Policy Issuer shall be reimbursed for any draw as provided in Subsection E(3) of this Section from the first revenues thereafter received from Pledged Revenues not required to be otherwise applied. If the County shall, for any reason, fail to pay into the Reserve Fund the full amount above stipulated from the Pledged Revenues (or to reinstate the Reserve Fund Insurance Policy as provided in Subsection E(3) of this Section), the difference between the amount paid and the amount so stipulated shall in like manner be paid into the Reserve Fund from the first revenues thereafter received from Pledged Revenues not required to be otherwise applied. The moneys in the Debt Service Fund and the Reserve Fund (including the amount represented by the Reserve Fund Insurance Policy) shall be used solely and only for the purpose of paying the principal of and the interest on the Bonds issued hereunder; provided, however, that any moneys in the Debt Service Fund and the Reserve Fund (excluding the amount represented by any Reserve Fund Insurance Policy) in excess of accrued and unaccrued principal and interest requirements to the maturities of the outstanding Bonds may be withdrawn and used for any lawful purpose.

H. Interest on and Expenses relating to any Reserve Fund Insurance Policy Draws. Subordinate and subsequent to the payments required by Subsection A, and subject to the terms of Subsections D and E of this Section, Pledged Revenues shall be used to pay interest on amounts advanced under and reasonable expenses relating thereto under, and in accordance with, any agreement relating to any Reserve Fund Insurance Policy.

I. Use of Surplus Pledged Revenues. After making all the payments hereinabove required to be made by this Section, the remaining Pledged Revenues, if any, may be applied to any other lawful purpose, as the County may from time to time determine.

Section 19. General Administration of Funds. The funds designated in Section 16 shall be administered and invested as follows:

A. Places and Times of Deposits. The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in an Insured Bank or Bank. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. Payments shall be made into the proper account on the first day of the month except when the first day shall not be a Business Day, then payment shall be made on the next succeeding Business Day. No later than four Business Days prior to each Interest Payment Date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent. Nothing in this Ordinance shall prevent the County from establishing one or more bank accounts in an Insured Bank or Banks for all the funds required by this Ordinance or shall prevent the combination of such funds and accounts with any other bank account or accounts for other funds and accounts of the County.

B. Investment of Moneys. Moneys in any fund or account not immediately needed may be invested in any investment permitted by law. Investments of amounts in the Reserve Fund shall have maturities not exceeding five years from their date of acquisition and their value shall be determined annually at the end of each Fiscal Year or more frequently if required by accounting standards applicable to the County. The obligations so purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account. The County Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

Section 20. Lien on Pledged Revenues. The Pledged Revenues and the amounts and securities on deposit in the Debt Service Fund, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the County grants a security interest therein for, the payment of the principal of, premium, if any, and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this Ordinance. The Bonds constitute an irrevocable first lien, but not necessarily an exclusive first lien, on the Pledged Revenues on parity with the lien thereon of Parity Obligations.

Section 21. Additional Bonds Payable from Pledged Revenues.

A. Parity Bonds Test. This Ordinance shall not prevent the issuance of additional Parity Obligations payable from and constituting a lien upon the Pledged Revenues on parity with the lien of the Bonds. Before any additional Parity Obligations are actually issued, it must be determined that:

(1) The County is then current in the accumulation of all amounts which are required to have then been accumulated in the Debt Service Fund as required by Section 18 of this Ordinance; and

(2) The requirements of either of the following subparagraphs (a) or (b) of this Section are met and a certificate or opinion as provided for in paragraph B of this Section has been obtained:

(a) The annual Pledged Revenues for the Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of any Parity Bonds shall have been sufficient to pay an amount representing at least one hundred fifty percent (150%) of the maximum annual principal and interest coming due in subsequent Fiscal Years on (1) the outstanding Bonds, (2) other outstanding Parity Obligations payable from and constituting a lien upon the Pledged Revenues, and (3) the Parity Obligations proposed to be issued, excluding reserves therefor; or

(b) If, during the period beginning on the first day of the completed Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of the Parity Obligations proposed to be issued and ending on the date of such ordinance, a change in the rate of Pledged Revenues has been adopted by law, the estimate of the Pledged Revenues (sometimes herein the "Estimated Revenues"), determined by changing the actual Pledged Revenues for the preceding Fiscal Year by the percentage of rate increase or decrease in the gross receipts tax rate, shall have been sufficient to pay an amount representing at least one hundred fifty percent (150%) of the maximum annual principal and interest coming due in subsequent Fiscal Years on (1) the outstanding Bonds, (2) other outstanding Parity Obligations payable from and constituting a lien upon the Pledged Revenues, and (3) the Parity Obligations proposed to be issued, excluding reserves therefor. The preceding Fiscal Year shall be determined as aforesaid from the date of adoption of the ordinance authorizing the issuance of additional Parity Obligations and shall not be determined from the date of publication of such ordinance or adoption of any ordinance which amends or supplements such ordinance.

B. Certification or Opinion Regarding Revenues. A written certificate or opinion by an Independent Accountant or the County Finance Director that the Pledged Revenues or the Estimated Revenues, when determined as provided in Paragraph A of this Section, are sufficient to pay the required amounts under the applicable test in Paragraph A of this Section, shall conclusively determine the right of the County to issue additional Parity Obligations. The Independent Accountant or the County Finance Director may utilize the results of any annual audit to the extent it covers the applicable period.

C. Subordinate Obligations Permitted. Nothing in this Ordinance shall prevent the County from issuing bonds or other obligations payable from the Pledged Revenues and having a lien on the Pledged Revenues subordinate to the lien of the Bonds.

D. Superior Obligations Prohibited. The County shall not issue any obligation having a lien on the Pledged Revenues which is prior and superior to the Bonds.

E. Unpaid Policy Costs. In making the computations required by this Section 21 for issuance of additional Parity Bonds, Policy Costs (as defined in Subsection K of Section

32) due and owing shall be included as part of the debt service requirements for the outstanding Bonds.

Section 22. Refunding Bonds. The provisions of Section 21 of this Ordinance are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time the County shall find it desirable to refund any Parity Obligations or other outstanding obligations constituting a lien upon the Pledged Revenues, the Bonds or other Obligations, or any part thereof, may be refunded, but only with the consent of the holders, unless the obligations shall then mature or be callable for redemption, or the plan of refunding calls for payment of the obligations at maturity or at a redemption date, regardless of whether the lien priority is changed by the refunding, except as provided in Paragraphs B and C of this Section.

B. Limitation Upon Issuance of Parity Refunding Obligations. No refunding obligations shall be issued with a lien on the Pledged Revenues on parity with the lien of the Bonds, unless:

(1) The lien on the Pledged Revenues of the outstanding obligations so refunded is on a parity with the lien on the Pledged Revenues of the Bonds; or

(2) The refunding obligations are issued in compliance with Paragraph B of Section 21 of this Ordinance.

C. Refunding Part of an Issue. The refunding bonds or other refunding obligations issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the same issue refunded thereby. If only a part of any issue or issues is refunded, then there may be no refunding without the consent of the holders of the unrefunded portion of such obligations, unless:

(1) The refunding obligations do not increase the aggregate principal and interest requirements for any Fiscal Year commencing prior to the last maturity date of such unrefunded obligations; or

(2) The refunding bonds or other refunding obligations are issued in compliance with Paragraph A of Section 21 of this Ordinance.

D. Limitation Upon Issuance of any Refunding Obligations. Any refunding obligations payable from Pledged Revenues shall be issued with such details as the County may by ordinance provide, subject to the inclusion of any such rights and privileges designated in Paragraph C of this Section but without impairing any contractual obligation imposed by any proceedings authorizing any unrefunded portion of any issue or issues, including the Bonds.

Section 23. Equality of Parity Bonds. The Parity Bonds, for any source of the Pledged Revenues, from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, as applicable, regardless of the time or times of their issuance or the date incurred, it being the intention of the Board that, except as set forth herein, there shall be no priority among Parity Bonds regardless of whether they are actually issued and delivered or incurred at different times.

Section 24. Protective Covenants. The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The County will proceed without delay to apply the proceeds of the Bonds as set forth in Section 15 of this Ordinance.

B. Payment of Bonds Herein Authorized. The County will promptly pay the principal of and the interest on every Bond at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting to any material degree the privileges and rights of any owner of the Bonds.

D. Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of all Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

E. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the County separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

F. Audits and Budgets. The County will, within two hundred and seventy (270) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the receipts and disbursements in connection with such revenues. The County agrees to furnish forthwith a copy of each of such audits and reports to the Purchaser and the holder of any of the Bonds at its written request.

G. Other Liens. Other than as described and identified by this Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

This Ordinance does not prohibit the issuance of Parity Obligations with a lien on the Pledged Revenues on parity with the lien thereon of the Bonds consistent with the requirements herein.

H. Duty to Impose One-Quarter Percent Hold Harmless County Gross Receipts Tax. If State law or any County ordinance or part thereof, which in any manner affects the Pledged Revenues shall ever be held to be invalid or unenforceable, it shall be the duty of the County to take any legally permissible action necessary to produce sufficient Pledged Revenues to comply with the contracted obligations of this Ordinance, except as is provided in Paragraph I of this Section.

I. Impairment of Contract. The County agrees that any law, ordinance or resolution of the County that in any manner affects the Pledged Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 30 of this Ordinance.

J. Debt Service Fund and Reserve Fund. The Debt Service Fund and Reserve Fund shall be used solely and only, and those funds are hereby pledged, for the purposes set forth in this Ordinance.

K. Surety Bonds. Each County official and employee being responsible for receiving Pledged Revenues shall be bonded at all times, which bond shall be conditioned upon the proper application of Pledged Revenues.

L. Performing Duties. The County will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the County relating to the Bonds.

M. Tax Covenants. The County covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Chairperson and other officers of the County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The County covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, if required, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such

manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chairperson and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

N. Rebate Fund. In furtherance of the covenants set forth in the preceding paragraph, the County hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund. Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate Fund shall be free and clear under any pledge under this Ordinance. Money in the Rebate Fund shall be invested pursuant to the procedures in the manner provided in Section 19(B) for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the County, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The County shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The County shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted to the County.

O. Continuing Disclosure Obligations. The officers of the County are authorized to sign such documents and to take such actions in the future with respect to the County's continuing disclosure obligations as are necessary or desirable to comply with the Continuing Disclosure Undertaking and the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Notwithstanding any other provisions of this Ordinance, failure of the County to comply with the Continuing Disclosure Undertaking shall not be considered an "event of default" under Section 25 hereof, and holders and beneficial owners of Bonds shall be entitled to exercise only such rights with respect thereto as are provided in the Continuing Disclosure Undertaking.

Section 25. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. Failure to pay the principal of any of the Bonds when the same becomes due and payable, either at maturity or otherwise.

B. Nonpayment of Interest. Failure to pay any installment of interest when the same becomes due and payable.

C. Default of any Provision. Default by the County in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Ordinance on its part to be performed, and the continuance of such default (other than a default set forth in subparagraphs A and B of this Section) for sixty (60) days after written notice specifying such default and requiring the same to be remedied has been given to the County by

the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding.

D. Bankruptcy. The County (i) files a petition or application seeking reorganization, arrangement under Federal bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the County does not contest or is not dismissed or discharged with sixty (60) days.

Section 26. Remedies Upon Default. Upon the happening and continuance of any of the events of default as provided in Section 25 of this Ordinance, then in every case the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the County, the Board and its agents, officers and employees to protect and enforce the rights of any holder of Bonds under this Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the Board to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 27. Duties Upon Default. Upon the happening of any of the events of default provided in Section 25 of this Ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 18 of this Ordinance. In the event the County fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 28. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the County to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of

such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the County.

Section 29. Approval of Documents; Delegated Powers. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing, the publication of the summary of this Ordinance set out in Section 38 (with such changes, additions and deletions as they may determine). The Chairperson is authorized and directed to execute and the County Clerk is authorized and directed to affix the seal of the County to and attest, where applicable, the Related Documents and the final Official Statement, in substantially the form as hereby approved or with such changes therein as are not inconsistent with this Ordinance and as shall be approved by the Chairperson, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form presented to the Governing Body. From and after adoption of this Ordinance and the execution and delivery of the Related Documents and the final Official Statement, the officers, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and to execute all such documents as may be necessary to carry out and comply with the provisions of the Related Documents and the final Official Statement as executed.

Section 30. Amendment of Ordinance. This Ordinance may be amended without the consent of the holder of any Bond to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the Purchaser, the provisions of this Ordinance may be supplemented with the written consent of the Purchaser with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. Except as provided above, this Ordinance may be amended without receipt by the County of any additional consideration, but with the written consent of the holders of three-fourths (3/4ths) of the Bonds then outstanding (not including Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

- A. An extension of the maturity of any Bond; or
- B. A reduction of the principal amount or interest rate of any Bond; or
- C. A reduction of the principal amount of Bonds required for consent to such amendatory ordinance; or
- E. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or
- F. The modification of or otherwise affecting the rights of the holders of less than all the outstanding Bonds.

Section 31. Defeasance. When all principal and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien for the payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the

meaning of this Ordinance. Payment shall be deemed made with respect to any Bond or Bonds when the County has placed in escrow with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities) to meet all requirements of principal and interest as the same become due to their final maturities. Any Federal Securities shall become due when needed in accordance with a schedule agreed upon between the County and such bank at the time of the creation of the escrow.

Section 32. Bond Insurance Provisions. Bond Insurer's provisions relating to the Bond Insurance Policy and the Reserve Insurance Policy are set forth in this Section 32. The requirements and procedures set forth in this Section 32 shall control and supersede any conflicting or inconsistent provision in this Ordinance. Any and all financial obligations of the County described in this Section 32 are limited to available Pledged Revenues.

A. Notice and Other Information to be given to BAM. The County will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of Insured Obligations or the Paying Agent/Registrar under the Security Documents.

The notice address of BAM is: Build America Mutual Assurance Company, 1 World Financial Center, 27th Floor, 200 Liberty Street, New York, NY 10281, Attention: Surveillance, Re: Policy No. _____, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

B. Defeasance. The investments in the defeasance escrow relating to the Insured Obligations shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or otherwise may be authorized under State law and be approved by BAM.

At least three (3) Business Days prior to any defeasance with respect to the Insured Obligations, the County shall deliver to BAM draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Insured Obligations, and a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to BAM and shall be in form and substance satisfactory to BAM. In addition, the escrow agreement shall provide that:

(1) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Obligations is excludable) from gross income of the holders of the Insured Obligations of the

interest on the Insured Obligations for federal income tax purposes and the prior written consent of BAM, which consent will not be unreasonably withheld.

(2) The County will not exercise any prior optional redemption of Insured Obligations secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (a) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (b) as a condition to any such redemption there shall be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

(3) The County shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.

C. Paying Agent.

(1) BAM shall receive prior written notice of any name change of the paying agent (the "Paying Agent") for the Insured Obligations or the resignation or removal of the Paying Agent. Any Paying Agent must be (a) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (b) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (c) otherwise approved by BAM in writing.

(2) No removal, resignation or termination of the Paying Agent shall take effect until a successor, acceptable to BAM, shall be qualified and appointed.

D. Amendments, Supplements and Consents. BAM's prior written consent is required for all amendments and supplements to the Security Documents, with the exceptions noted below. The County shall send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Obligations.

(1) Consent of BAM. Any amendments or supplements to the Security Documents shall require the prior written consent of BAM with the exception of amendments or supplements:

(a) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or

(b) To grant or confer upon the holders of the Insured Obligations any additional rights, remedies, powers authority or security that may lawfully be granted to or conferred upon the holders of the Insured Obligations, or

(c) To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Security Documents other conditions, limitations and restrictions thereafter to be observed, or

(d) To add to the covenants and agreements of the County in the Security Documents other covenants and agreements thereafter to be observed by the County or to surrender any right or power therein reserved to or conferred upon the County.

(2) Consent of BAM in Addition to Bondholder Consent. Any amendment, supplement, modification to, or waiver of, any of the Security Documents that requires the consent of holders of the Insured Obligations or adversely affects the rights or interests of BAM shall be subject to the prior written consent of BAM.

(3) Consent of BAM in the Event of Insolvency. Any reorganization or liquidation plan with respect to the County must be acceptable to BAM. In the event of any reorganization or liquidation of the County, BAM shall have the right to vote on behalf of all holders of the Insured Obligations absent a continuing failure by BAM to make a payment under the Policy.

(4) Consent of BAM upon Default. Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Obligations or the Paying Agent for the benefit of the holders of the Insured Obligations under any Security Documents. No default or event of default may be waived without BAM's written consent.

(5) BAM as Owner. Upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole owner of the Insured Obligations for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.

(6) Consent of BAM for Acceleration. BAM's prior written consent is required as a condition precedent to and in all instances of acceleration of maturity of the Insured Obligations, if and to the extent allowed by law.

(7) Grace Period for Payment Defaults. No grace period shall be permitted for payment defaults on the Insured Obligations. No grace period for a covenant default shall exceed 30 days without the prior written consent of BAM.

(8) Special Provisions for Insurer Default. If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraphs D(1)-(5) above to the contrary, (a) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Insured Obligations for all purposes, including giving of consents, and (b) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (a) shall control. For purposes of this paragraph (8), "Insurer Default" means: (x) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (y) BAM shall (i) voluntarily commence any proceeding

or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (z) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

E. BAM as Third Party Beneficiary. BAM is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

F. Payment Procedure under the Policy. In the event that principal and/or interest due on the Insured Obligations shall be paid by BAM pursuant to the Policy, the Insured Obligations shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the County, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the County to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Insured Obligations.

In the event that on the second (2nd) business day prior to any payment date on the Insured Obligations, the Paying Agent has not received sufficient moneys to pay all principal of and interest on the Insured Obligations due on such payment date, the Paying Agent shall immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent shall so notify BAM or its designee.

In addition, if the Paying Agent has notice that any holder of the Insured Obligations has been required to disgorge payments of principal of or interest on the Insured Obligations 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 law, then the Paying Agent shall notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

The Paying Agent shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Obligations as follows:

(1) If there is a deficiency in amounts required to pay interest on the Insured Obligations, the Paying Agent shall (a) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the

Insured Obligations in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Obligations, (b) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment from BAM with respect to the claims for interest so assigned, and (c) disburse the same to such respective holders; and

(2) If there is a deficiency in amounts required to pay principal of the Insured Obligations, the Paying Agent shall (a) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holder of the Insured Obligations in any legal proceeding related to the payment of such principal and an assignment to BAM of the Insured Obligations surrendered to BAM, (b) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment therefore from BAM, and (c) disburse the same to such holders.

The Paying Agent shall designate any portion of payment of principal on Insured Obligations paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Obligations registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Obligation to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Insured Obligation shall have no effect on the amount of principal or interest payable by the County on any Insured Obligation or the subrogation or assignment rights of BAM.

Payments with respect to claims for interest on and principal of Insured Obligations disbursed by the Paying Agent from proceeds of the Policy shall not be considered to discharge the obligation of the County with respect to such Insured Obligations, and BAM shall become the owner of such unpaid Insured Obligations and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise.

Irrespective of whether any such assignment is executed and delivered, the County and the Paying Agent agree for the benefit of BAM that:

(1) They recognize that to the extent BAM makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent), on account of principal of or interest on the Insured Obligations, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the County, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Insured Obligations; and

(2) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Obligations, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Obligations to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

G. Additional Payments. The County agrees that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Security Documents ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The County agrees that failure to pay any Insurer Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything herein to the contrary, the County agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Policy ("BAM Policy Payment"); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the County, payable to BAM at the Late Payment Rate per annum (collectively, "BAM Reimbursement Amounts") compounded semi-annually. The County hereby covenants and agrees that the BAM Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues pledged to the Insured Obligations on a parity with debt service due on the Insured Obligations.

H. Reserve Fund and Acquisition Fund.

(1) The prior written consent of BAM shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Fund. Amounts on deposit in the Reserve Fund shall be applied solely to the payment of debt service due on the Insured Obligations.

(2) Unless BAM otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Acquisition Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Insured Obligations.

I. Exercise of Rights by BAM. The rights granted to BAM under the Security Documents to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Obligations and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the Insured Obligations or any other person is required in addition to the consent of BAM.

J. Payments by BAM. BAM shall be entitled to pay principal or interest on

the Insured Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the County (as such terms are defined in the Policy) and any amounts due on the Insured Obligations as a result of acceleration of the maturity thereof, if and to the extent allowed by law, whether or not BAM has received a claim upon the Policy.

K. Reserve Insurance Policy. With respect to the Municipal Bond Debt Service Reserve Insurance Policy issued by BAM (the "BAM Reserve Insurance Policy"), notwithstanding anything to the contrary set forth in the Ordinance, the County and the Paying Agent agree to comply with the following provisions.

(1) The County shall repay any draws under the BAM Reserve Insurance Policy and pay all related reasonable expenses incurred by BAM. Interest shall accrue and be payable on such draws and expenses from the date of payment by the Insurer at the Late Payment Rate. Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw. Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the BAM Reserve Insurance Policy will be increased by a like amount, subject to the terms of the BAM Reserve Insurance Policy. All cash and investments in the Reserve Fund established for the Bonds shall be transferred to the Debt Service Fund for payment of the debt service on the Bonds before any drawing may be made on the Reserve Insurance Policy or any other Reserve Fund Insurance Policy in lieu of cash. Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Fund Insurance Policies (including the BAM Reserve Insurance Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Fund Insurance Policies shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(2) Draws under the BAM Reserve Insurance Policy may only be used to make payments on Insured Obligations.

(3) If the County shall fail to pay any Policy Costs in accordance with the requirements of paragraph (1) above, the Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Ordinance other than (a) acceleration of the maturity of the Bonds, or (b) remedies which would adversely affect owners of the Bonds.

(4) The Ordinance shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The County's obligation to pay such amount shall expressly survive payment in full of the Bonds.

(5) The Paying Agent shall ascertain the necessity for a claim upon the BAM Reserve Insurance Policy in accordance with the provisions of paragraph (1) above and provide notice to the Insurer at least three business days prior to each date upon which interest or principal is due on the Bonds.

(6) The BAM Reserve Insurance Policy shall expire on the earlier of the date the Bonds are no longer outstanding and the final maturity date of the Bonds.

Section 33. Ordinance Irrepealable. After any of the Bonds are issued, this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance as herein provided.

Section 34. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 35. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 36. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairperson and County Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 40 below) shall be published in a newspaper which maintains an office and is of general circulation in the County, or posted in accordance with law, and said Ordinance shall be in full force and effect thirty days after recording.

Section 37. Limitation of Action Period. After the passage of the thirty (30) days from the publication required by Section 38 hereof, any action attacking the validity of any proceedings had or taken by the County preliminary to and in the authorization and issuance of the Bonds shall be perpetually barred.

Section 38. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

[Form of Summary of Ordinance for Publication]

Curry County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in County Ordinance No. 2014-06, duly adopted and approved by the Board of County Commissioners of Curry County, New Mexico, on November 18, 2014, relating to the authorization and issuance of the County's Gross Receipts Tax Improvement Revenue Bonds,

Series 2014. Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, Curry County Government Center, 700 N. Main Street, Clovis, New Mexico.

The title of the Ordinance is:

AUTHORIZING THE ISSUANCE OF THE CURRY COUNTY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2014, IN AN AGGREGATE PRINCIPAL AMOUNT OF THIRTEEN MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$13,750,000) FOR THE PURPOSE OF CONSTRUCTING, PURCHASING, EQUIPPING, REHABILITATING, MAKING ADDITIONS TO OR MAKING IMPROVEMENTS TO ONE OR MORE PUBLIC BUILDINGS OR PURCHASING OR IMPROVING GROUND RELATING THERETO; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE SOLELY FROM THE REVENUES DERIVED FROM THE COUNTY HOLD HARMLESS GROSS RECEIPTS TAX IMPOSED BY THE COUNTY PURSUANT TO SECTION 7-20E-28 NMSA 1978 AND CURRY COUNTY ORDINANCE NO. 2014-05; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM THE GROSS RECEIPTS TAX; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE UNDERTAKING; PROVIDING FOR THE TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, THE METHOD OF PAYING THE BONDS AND OTHER DETAILS CONCERNING THE BONDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH AND APPERTAINING THERETO.

The title sets forth a general summary of the subject matter contained in the Ordinance. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

[End of Form of Summary for Publication]

PASSED, APPROVED AND ADOPTED THIS 18th DAY OF NOVEMBER, 2014.



[SEAL]

ATTEST:

By Rosalie Riley
County Clerk 11-18-14

CURRY COUNTY, NEW MEXICO

By Frank H. Blackburn
Chairperson