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RESOLUTION

OF

CITY OF TOPEKA, KANSAS

ADOPTED

NOVEMBER 6, 2007



\$15,085,000
GENERAL OBLIGATION BONDS
SERIES 2007-D

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RESOLUTION

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RESOLUTION NO. 8012

A RESOLUTION INTRODUCED BY CITY MANAGER NORTON N. BONAPARTE, JR. PRESCRIBING THE FORM AND DETAILS OF GENERAL OBLIGATION BONDS, SERIES 2007-D OF THE CITY OF TOPEKA, KANSAS, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$15,085,000 THE ISSUANCE OF WHICH WERE AUTHORIZED BY THE CITY PURSUANT TO ITS ORDINANCE NO. 18983 ADOPTED AND APPROVED NOVEMBER 6, 2007; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, the Governing Body of the City of Topeka, Kansas, (the "City") has caused certain internal improvements (the "Internal Improvements") to be made in the City under the authority of K.S.A. 12-110c, K.S.A. 12-685 et seq., K.S.A. 12-6a01 *et seq.*, all as amended, the home rule authority granted to the cities of the State of Kansas by Section 5 of Article 12 of the Kansas Constitution, Charter Ordinance No. 89 of the City (Section A12-1 of the Code of the City), and other provisions of the laws of the State of Kansas applicable thereto; and

WHEREAS, the City has by its Ordinance No. 18983 adopted and approved November 6, 2007, (the "Ordinance") authorized the issuance of its General Obligation Bonds, Series 2007-D in the aggregate principal amount of \$15,085,000 (the "Bonds") under the authority of K.S.A. 12-110c, K.S.A. 12-685 et seq., K.S.A. 12-6a01 *et seq.*, all as amended, the home rule authority granted to the cities of the State of Kansas by Section 5 of Article 12 of the Kansas Constitution, Charter Ordinance No. 89 of the City (Section A12-1 of the Code of the City) and other provisions of the laws of the State of Kansas applicable thereto for the purpose of providing funds to pay the cost of making the Internal Improvements; and

WHEREAS, in accordance with the City's notice of the sale of the Bonds published in accordance with the requirements of law the Bonds have been sold to and purchased by George K. Baum & Company, Kansas City, Missouri (the "Original Purchaser"); and

WHEREAS, in accordance with the terms and conditions of the Ordinance, the City hereby intends to both prescribe the form and details of the Bonds and authorize certain other documents and actions in connection with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TOPEKA, KANSAS, AS FOLLOWS:

ARTICLE I

DEFINITIONS

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

"Arbitrage Instructions" means the Arbitrage Instructions attached to the City's Federal Tax Certificate dated as of the date of issuance and delivery of the Bonds, as the same may be amended or supplemented in accordance with the provisions thereof.

"Bond and Interest Fund" means the Bond and Interest Fund of the City for its general obligation bonds.

202 **"Bond Counsel"** means the firm of Nichols and Wolfe Chartered, or any other attorney
203 or firm of attorneys with a nationally recognized standing in the field of municipal bond financ-
204 ing as selected by the City.

205 **"Bond Insurer"** means MBIA Insurance Corporation, Armonk, New York, the insurer of
206 the Bonds.

207 **"Bond Payment Date"** means any date on which principal of or interest on any Bond is
208 payable.
209

210 **"Bond Register"** means the books for the registration, transfer and exchange of Bonds
211 kept at the office of the Bond Registrar.
212

213 **"Bond Registrar"** means the Treasurer of the State of Kansas, Topeka, Kansas, and any
214 successors and assigns thereto to the duties and responsibilities described in this Resolution and
215 in the related agreement between the City and the State Treasurer.
216

217 **"Bonds"** means the General Obligation Bonds, Series 2007-D, authorized and issued by
218 the City pursuant to the Ordinance.
219

220 **"Business Day"** means a day other than a Saturday, Sunday or holiday on which the
221 Paying Agent is scheduled in the normal course of its operations to be open to the public for
222 conduct of its operations.
223

224 **"Cede & Co."** means Cede & Co., as nominee name of The Depository Trust Company,
225 New York, New York and any successors or assigns thereto.
226

227 **"City"** means the City of Topeka, Kansas, the issuer of the Bonds.
228

229 **"Clerk"** means the duly appointed and/or elected Clerk of the City or, in the Clerk's
230 absence, the duly appointed Deputy Clerk or Acting Clerk of the City.
231

232 **"Code"** means the Internal Revenue Code of 1986, as amended.
233

234 **"Costs of Issuance"** means all costs of issuing the Bonds, including all publication,
235 printing, signing and mailing expenses in connection therewith, registration fees, financial
236 advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses
237 incurred in connection with compliance with the Code and with the Disclosure Certificate, all
238 expenses, if any, incurred in connection with receiving ratings on the Bonds and any premiums
239 or expenses incurred in obtaining municipal bond insurance on the Bonds.
240

241 **"Dated Date"** means November 28, 2007.
242

243 **"Defaulted Interest"** means interest on any Bond which is payable but not paid on any
244 Interest Payment Date.
245

246 **"Defeasance Obligations"** means any of the following obligations:
247

248 (a) United States Government Obligations that are not subject to redemption in
249 advance of their maturity dates; or
250

251

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

255
256 (1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee
257 for such obligations has been given irrevocable instructions concerning their calling and
258 redemption and the issuer of such obligations has covenanted not to redeem such obligations
259 other than as set forth in such instructions;

260
261 (2) the obligations are secured by cash or United States Government Obligations that
262 may be applied only to principal of, premium, if any, and interest payments on such obligations;

263
264 (3) such cash and the principal of and interest on such United States Government
265 Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the
266 obligations;

267
268 (4) such cash and United States Government Obligations serving as security for the
269 obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust; and

270
271 (5) such cash and United States Government Obligations are not available to satisfy
272 any other claims, including those against the trustee or escrow agent.

273
274 **"Disclosure Certificate"** means the Continuing Disclosure Certificate attached to the
275 City's Final Certificate as *Exhibit D* and included in the transcript of proceedings pertaining to
276 the issuance of the Bonds.

277
278 **"Event of Default"** means any of the following occurrences or events:

279
280 (a) Payment of the principal or the Redemption Price of any of the Bonds shall not be
281 made when the same shall become due and payable, either at Stated Maturity or by proceedings
282 for redemption or otherwise; or

283
284 (b) Payment of any installment of interest on any of the Bonds shall not be made on
285 the Interest Payment Date when the same shall become due; or

286
287 (c) The City shall default in the due and punctual performance of any other of the
288 covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on
289 the part of the City to be performed (other than relating to Rule 15c2-12 as defined in the
290 Disclosure Certificate), and such default shall continue for thirty (30) days after written notice
291 specifying such default and requiring same to be remedied shall have been given to the City by
292 the Owner of any of the Bonds then Outstanding.

293
294 **"Federal Tax Certificate"** means the certificate so named and included in the transcript
295 of proceedings pertaining to the issuance of the Bonds describing the investment and use of the
296 proceeds of the Bonds.

297
298 **"Fiscal Year"** means the twelve month period ending on December 31.

299
300 **"Funds and Accounts"** means funds and accounts created or referred to in **Section 501**
301 hereof.

302
303 **"Insurance Paying Agent"** means U.S. Bank Trust National Association or its
successors under the Policy.

304
305 **"Interest Payment Date(s)"** means the Stated Maturity of an installment of interest on
306 any Bond which shall be February 15 and August 15 of each year, commencing February 15,
307 2008.

308
309 **"Internal Improvements"** mean certain internal improvements constructed in the City
310 in accordance with the legal authority as described in the recitals to this Resolution and in the
311 Ordinance.

312
313 **"Maturity"** when used with respect to any Bond means the date on which the principal
314 of such Bond becomes due and payable as therein and herein provided, whether at the Stated
315 Maturity thereof or upon on call for redemption or otherwise.

316
317 **"Mayor"** means the duly appointed and/or elected Mayor of the City or, in the Mayor's
318 absence, the duly appointed Deputy Mayor or Acting Mayor of the City.

319
320 **"Moody's"** means Moody's Investors Service, Inc., New York, New York, and any
321 successors or assigns to the Bond rating functions thereof which is deemed acceptable by the
322 City and Bond Counsel.

323
324 **"Original Purchaser"** means, with respect to the Bonds, George K. Baum & Company,
325 Kansas City, Missouri.

326
327 **"Ordinance"** means Ordinance No. 18983 adopted and approved November 6, 2007,
328 and published as required by law, pursuant to which the issuance of the Bonds has been
329 authorized.

330
331 **"Outstanding"** means, when used with reference to the Bonds, as of a particular date of
332 determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

333
334 (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent
335 for cancellation;

336
337 (b) Bonds deemed to be paid in accordance with the provisions of **Section 701**
338 hereof; and

339
340 (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated
341 and delivered hereunder.

342
343 **"Owner"** when used with respect to any Bond means the Person in whose name such
344 Bond is registered on the Bond Register.

345
346 **"Participants"** means those financial institutions for whom the Securities Depository
347 effects book-entry transfers and pledges of securities deposited with the Securities Depository, as
348 such listing of Participants exists at the time of such reference.

349
350 **"Paying Agent"** means the State Treasurer, and any successors and assigns thereof to the
351 duties and responsibilities described in this Resolution and in the related agreement between the
352 City and the State Treasurer.

353
354 **"Permitted Investments"** means: (a) investments authorized by K.S.A. 12-1675 and
355 amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a,
356 and amendments thereto; (c) direct obligations of the United States Government or any agency
357 thereof; (d) the City's temporary notes issued pursuant to K.S.A. 10-123 and amendments

358 thereto; (e) interest-bearing time deposits in commercial banks located in the county or counties
359 in which the City is located; (f) obligations of the federal national mortgage association, federal
360 home loan banks or the federal home loan mortgage corporation; (g) repurchase agreements for
361 securities described in (c) or (f); (h) investment agreements with or other obligations of a finan-
362 cial institution the obligations of which at the time of investment are rated in either of the three
363 highest rating categories by Moody's, Inc. or Standard & Poor's; (i) investments in shares or units
364 of a money market fund or trust the portfolio of which is comprised entirely of securities
365 described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof
366 described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the
367 State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the
368 same; or (l) bonds of any municipality of the States as defined in K.S.A. 10-1101 which have
369 been refunded in advance of their maturity and are fully secured as to payment of principal and
370 interest thereon by deposit in trust, under escrow agreement with a bank, of securities described
371 in (c) or (f). No Permitted Investment shall include any derivative investment instrument whose
372 market price is derived from the fluctuating value of an underlying asset, index, currency, futures
373 contract, including futures, options and collateralized mortgage obligations.

374
375 **"Person"** means any natural person, as well as any corporation, partnership, joint
376 venture, association, firm, joint-stock company, trust, unincorporated organization, or
377 government or any agency or political subdivision thereof or other public body.

378 **"Policy"** means the Financial Guaranty Insurance Policy issued by MBIA Insurance
379 Corporation, Armonk, New York, to insure the Bonds.

380
381 **"Purchase Price"** means the purchase price of the Bonds as set forth in the *Bid Proposal*
382 *for Purchase of the Bonds* as submitted by the Original Purchaser and accepted by the City, plus
383 accrued interest to the date of delivery.

384
385 **"Record Dates"** means, for the interest payable on any Interest Payment Date, the first
386 day (whether or not a Business Day) of each month of such Interest Payment Date.

387
388 **"Redemption Date"** means when used with respect to any Bond to be redeemed, the
389 date fixed for the redemption of such Bond pursuant to the terms of this Resolution.

390
391 **"Redemption Price"** means when used with respect to any Bond to be redeemed the
392 price at which such Bond is to be redeemed pursuant to the terms of this Resolution, including
393 the applicable redemption premium, if any, but excluding installments of interest whose Stated
394 Maturity is on or before the Redemption Date.

395
396 **"Replacement Bonds"** means Bonds issued to the beneficial owners of the Bonds in
397 accordance with **Section 211** hereof.

398
399 **"Representation Letter"** means the Blanket Issuer Letter of Representations from the
400 City to the Securities Depository with respect to the Bonds, substantially in the form attached to
401 this Resolution as *Exhibit B*.

402
403 **"Resolution"** means this resolution relating to the Bonds, and any Supplemental
404 Resolution.

405
406 **"Securities Depository"** means, initially, The Depository Trust Company, New York,
407 New York, and any successors and assigns.

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Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in the denominations of \$5,000 or any integral multiple thereof and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated November 28, 2007, shall become due in the amounts on the Stated Maturities (subject to redemption and payment prior to their Stated Maturities as provided in Article III hereof), and shall bear interest at the rates per annum as follows:

<u>MATURITY</u> <u>(August 15)</u>	<u>PRINCIPAL</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>
SERIAL BONDS		
2008	\$350,000	4.00%
2009	530,000	4.00
2010	550,000	4.00
2011	575,000	4.00
2012	595,000	4.00
2013	625,000	4.00
2014	645,000	4.00
2015	670,000	4.00
2016	695,000	4.00
2017	730,000	4.00
2018	750,000	4.00
2019	790,000	4.00
2020	815,000	4.10
2021	850,000	4.10
2022	890,000	4.25
2023	920,000	4.25
2024	960,000	4.25
2025	1,000,000	4.25
TERM BONDS		
2027	\$2,145,000	4.50%

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid, payable on the Interest Payment Dates in the manner set forth in **Section 204** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be typed or printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as *Exhibit A* or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The Treasurer of the State of Kansas, Topeka, Kansas, is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and as Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor and Clerk of the City are hereby authorized and empowered to execute on behalf of the City an agreement with the Bond Registrar and Paying Agent for the Bonds.

517
518 The City will at all times maintain a Paying Agent and Bond Registrar meeting the
519 qualifications herein described for the performance of the duties hereunder. The City reserves
520 the right to appoint a successor Paying Agent or Bond Registrar by (1) filing with the Paying
521 Agent or Bond Registrar then performing such function a certified copy of the proceedings
522 giving notice of the termination of such Paying Agent or Bond Registrar and appointing a
523 successor, and (2) causing notice of appointment of the successor Paying Agent and Bond
524 Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying
525 Agent or Bond Registrar shall become effective until a successor has been appointed and has
526 accepted the duties of Paying Agent or Bond Registrar.

527
528 Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the
529 requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

530
531 **Section 204. Method and Place of Payment of the Bonds.** The principal of, or
532 Redemption Price, if any, and interest on the Bonds shall be payable in any coin or currency
533 which, on the respective dates of payment thereof, is legal tender for the payment of public and
534 private debts.

535
536 The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in
537 whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presen-
538 tation and surrender of such Bond at the principal corporate trust office of the Paying Agent.

539
540 The interest payable on each Bond on any Interest Payment Date shall be paid to the
541 Owner of such Bond as shown on the Bond Register at the close of business on the Record Date
542 for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner
543 shown on the Bond Register or (b) in the case of an interest payment to any Owner of \$500,000
544 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon
545 written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the
546 Record Date for such interest, containing the electronic transfer instructions including the bank
547 (which shall be in the continental United States) ABA routing number and account number to
548 which such Owner wishes to have such transfer directed.

549
550 Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with
551 respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record
552 Date and shall be payable to the Owner in whose name such Bond is registered at the close of
553 business on the Special Record Date for the payment of such Defaulted Interest, which Special
554 Record Date shall be fixed as hereinafter specified in this paragraph. The City shall notify the
555 Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond
556 and the date of the proposed payment (which date shall be at least 30 days after receipt of such
557 notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an
558 amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted
559 Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the
560 date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a
561 Special Record Date for the payment of such Defaulted Interest which shall be not more than 15
562 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall
563 promptly notify the City of such Special Record Date and, in the name and at the expense of the
564 City, shall cause notice of the proposed payment of such Defaulted Interest and the Special
565 Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond
566 entitled to such notice at the address of such Owner as it appears on the Bond Register not less
567 than 10 days prior to such Special Record Date.

568

569 The Paying Agent shall keep a record of payment of principal and Redemption Price of
570 and interest on all Bonds and at least annually shall forward a copy or summary of such records
571 to the City.
572

573 **Section 205. Registration, Transfer and Exchange of Bonds.** The City covenants that,
574 as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the
575 office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in
576 the name of the Owner thereof on the Bond Register.
577

578 Bonds may be transferred and exchanged only on the Bond Register as provided in this
579 Section. Upon surrender of any Bond at the principal corporate trust office of the Bond Regis-
580 trar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any
581 authorized denomination of the same Stated Maturity and in the same aggregate principal
582 amount as the Bond that was presented for transfer or exchange.
583

584 Bonds presented for transfer or exchange shall be accompanied by a written instrument or
585 instruments of transfer or authorization for exchange, in a form and with guarantee of signature
586 satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly
587 authorized agent.
588

589 In all cases in which the privilege of transferring or exchanging Bonds is exercised, the
590 Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this
591 Resolution. The City shall pay the fees and expenses of the Bond Registrar for the registration,
592 transfer and exchange of Bonds provided for by this Resolution and the cost of printing a
593 reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred
594 in the secondary market, other than fees of the Bond Registrar, are the responsibility of the
595 Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification
596 number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient
597 to pay any governmental charge required to be paid as a result of such failure. In compliance
598 with Section 3406 of the Code, such amount may be deducted by the Paying Agent from
599 amounts otherwise payable to such Owner hereunder or under the Bonds.
600

601 The City and the Bond Registrar shall not be required (a) to register the transfer or
602 exchange of any Bond that has been called for redemption after notice of such redemption has
603 been mailed by the Bond Registrar pursuant to **Section 303** hereof and during the period of 15
604 days next preceding the date of mailing of such notice of redemption; or (b) to register the
605 transfer or exchange of any Bond during a period beginning at the opening of business on the
606 day after receiving written notice from the City of its intent to pay Defaulted Interest and ending
607 at the close of business on the date fixed for the payment of Defaulted Interest pursuant to
608 **Section 204** hereof.
609

610 The City and the Paying Agent may deem and treat the Person in whose name any Bond
611 is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is
612 overdue or not, for the purpose of receiving payment of, or on account of, the principal or
613 Redemption Price of and interest on said Bond and for all other purposes. All payments so made
614 to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge
615 the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the
616 Paying Agent shall be affected by any notice to the contrary.
617

618 At reasonable times and under reasonable regulations established by the Bond Registrar,
619 the Bond Register may be inspected and copied by the Owners of 10% or more in principal
620 amount of the Bonds then Outstanding or any designated representative of such Owners whose
621 authority is evidenced to the satisfaction of the Bond Registrar.
622

623 **Section 206. Execution, Registration, Authentication and Delivery of Bonds.** Each
624 of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially
625 delivered, shall be executed for and on behalf of the City by the manual or facsimile signature of
626 the Mayor, attested by the manual or facsimile signature of the Clerk and the seal of the City
627 shall be affixed thereto or imprinted thereon. The Mayor and Clerk are hereby authorized and
628 directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds
629 to be registered in the office of the Clerk, which registration shall be evidenced by the manual or
630 facsimile signature of the Clerk with the seal of the City affixed thereto or imprinted thereon.
631 The Bonds shall also be registered in the office of the State Treasurer, which registration shall be
632 evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State
633 Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on
634 any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall
635 nevertheless be valid and sufficient for all purposes, as if such person had remained in office
636 until delivery. Any Bond may be signed by such persons who at the actual time of the execution
637 of such Bond are the proper officers to sign such Bond although at the date of such Bond such
638 persons may not have been such officers.
639

640 The Bonds shall have endorsed thereon a *Certificate of Authentication* substantially in the
641 form attached hereto as *Exhibit A* hereof, which shall be manually executed by an authorized
642 officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or
643 employee sign the *Certificate of Authentication* on all of the Bonds that may be issued hereunder
644 at any one time. No Bond shall be entitled to any security or benefit under this Resolution or be
645 valid or obligatory for any purpose unless and until such *Certificate of Authentication* has been
646 duly executed by the Bond Registrar. Such executed *Certificate of Authentication* upon any
647 Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered
648 under this Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the
649 Original Purchaser upon instructions of the City or its representative.
650

651 **Section 207. Mutilated, Lost, Stolen or Destroyed Bonds.** If (a) any mutilated Bond is
652 surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of
653 the destruction, loss or theft of any Bond, and (b) there is delivered to the City and the Bond
654 Registrar such security or indemnity as may be required by each of them, then, in the absence of
655 notice to the City or the Bond Registrar that such Bond has been acquired by a bona fide
656 purchaser, the City shall execute and, upon the City's request, the Bond Registrar shall
657 authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or
658 stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.
659

660 If any such mutilated, destroyed, lost or stolen Bond has become or is about to become
661 due and payable, the City, in its discretion, may pay such Bond instead of issuing a new Bond.
662

663 Upon the issuance of any new Bond under this Section, the City may require the payment
664 by the Owner of a sum sufficient to cover any tax or other governmental charge that may be
665 imposed in relation thereto and any other expenses (including the fees and expenses of the Bond
666 Registrar) connected therewith.
667

668 Every new Bond issued pursuant to this Section shall constitute a replacement of the prior
669 obligation of the City, and shall be entitled to all the benefits of this Resolution equally and
670 ratably with all other Outstanding Bonds.
671

672 **Section 208. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that
673 have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either
674 at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment,
675 redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance
676 with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate

677 in duplicate describing the Bonds so cancelled and destroyed and shall file an executed
678 counterpart of such certificate with the City.

679
680 **Section 209. Preliminary and Final Official Statement.** The *Preliminary Official*
681 *Statement* dated October 29, 2007, is hereby ratified and approved. For the purpose of enabling
682 the Original Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities
683 and Exchange Commission, the City hereby deems the information regarding the City contained
684 in the *Preliminary Official Statement* to be "final" as of its date, except for the omission of such
685 information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the City are
686 hereby authorized, if requested, to provide the Original Purchaser a letter or certification to such
687 effect and to take such other actions or execute such other documents as such officers in their
688 reasonable judgment deem necessary to enable the Original Purchaser to comply with the
689 requirement of such Rule.

690
691 The final *Official Statement* is hereby authorized to be prepared by supplementing,
692 amending and completing the *Preliminary Official Statement*, with such changes and additions
693 thereto as are necessary to conform to and describe the transaction. The Mayor is hereby
694 authorized to execute the final *Official Statement* as so supplemented, amended and completed,
695 and the use and public distribution of the final *Official Statement* by the Original Purchaser in
696 connection with the reoffering of the Bonds is hereby authorized. The proper officials of the
697 City are hereby authorized to execute and deliver a certificate pertaining to such *Official*
698 *Statement* as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

699
700 The City agrees to provide to the Original Purchaser within seven business days of the
701 date of the sale of Bonds sufficient copies of the final *Official Statement* to enable the Original
702 Purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the Securities and Exchange
703 Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking
704 Board.

705
706 **Section 210. Sale of the Bonds.** The sale of the Bonds to the Original Purchaser is
707 hereby ratified and confirmed. Delivery of the Bonds shall be made to the Original Purchaser as
708 soon as practicable after the passage of this Resolution, upon payment of the Purchase Price.

709
710 **Section 211. Book-Entry Bonds; Securities Depository.**

711
712 (a) The Bonds shall initially be registered to Cede & Co., the nominee for the
713 Securities Depository, and no beneficial owner will receive certificates representing its
714 respective interests in the Bonds, except in the event the Bond Registrar issues Replacement
715 Bonds as provided in subsection (b) hereof. It is anticipated that during the term of the Bonds,
716 the Securities Depository will make book-entry transfers among its Participants and receive and
717 transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants
718 until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the
719 beneficial owners as described in subsection (b).

720
721 (b) (1) If the City determines (A) that the Securities Depository is unable to properly
722 discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as
723 a securities depository and registered clearing agency under the Securities and Exchange Act of
724 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any
725 Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the
726 beneficial owners of the Bonds, or (2) if the Bond Registrar receives written notice from
727 Participants having interests in not less than 50% of the Bonds Outstanding, as shown on the
728 records of the Securities Depository (and certified to such effect by the Securities Depository),
729 that the continuation of a book-entry system to the exclusion of any Bonds being issued to any
730 Owner other than Cede & Co. is no longer in the best interests of the beneficial owners of the

731 Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and
732 of the availability of certificates to Owners requesting the same, and the Bond Registrar shall
733 register in the name and authenticate and deliver Replacement Bonds to the beneficial owners or
734 their nominees in principal amounts representing the interest of each, making such adjustments
735 as it may find necessary or appropriate as to accrued interest and previous calls for redemption;
736 provided, that in the case of a determination under (1)(A) or (1)(B) of this subsection (b), the
737 City, with the consent of the Bond Registrar, may select a successor securities depository in
738 accordance with **Section 211(c)** hereof to effect book-entry transfers. In such event, all
739 references to the Securities Depository herein shall relate to the period of time when the
740 Securities Depository has possession of at least one Bond. Upon the issuance of Replacement
741 Bonds, all references herein to obligations imposed upon or to be performed by the Securities
742 Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the
743 extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns
744 and the City, the Bond Registrar or Owners are unable to locate a qualified successor of the
745 Securities Depository in accordance with **Section 211(c)** hereof, then the Bond Registrar shall
746 authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond
747 Registrar may rely on information from the Securities Depository and its Participants as to the
748 names of the beneficial owners of the Bonds. The cost of printing, registration, authentication
749 and delivery of Replacement Bonds shall be paid for by the City.

750
751 (c) In the event the Securities Depository resigns, is unable to properly discharge its
752 responsibilities, or is no longer qualified to act as a securities depository and registered clearing
753 agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a
754 successor Securities Depository provided the Bond Registrar and the City receive written
755 evidence with respect to the ability of the successor Securities Depository to discharge its
756 responsibilities. Any such successor Securities Depository shall be a securities depository which
757 is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or
758 other applicable statute or regulation that operates a securities depository upon reasonable and
759 customary terms. The Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall
760 cause the delivery of Bonds to the successor Securities Depository in appropriate denominations
761 and form as provided herein.

762
763 (d) The execution and delivery of the Representation Letter to DTC by the Mayor of
764 the City in the form attached hereto as Exhibit B with such changes, omissions, insertions and
765 revisions as the Mayor shall deem advisable, is hereby authorized, and execution of the
766 Representation Letter by the Mayor shall be conclusive evidence of such approval. The
767 Representation Letter shall set forth certain matters with respect to, among other things, notices,
768 consents and approvals by Registered Owners of the Bonds and beneficial Owners and payments
769 on the Bonds. The Paying Agent shall have the same rights with respect to its actions thereunder
770 as it has with respect to its actions under this Resolution.

771 772 ARTICLE III

773 774 REDEMPTION OF BONDS

775
776 **Section 301. Optional Redemption by City.** The Bonds maturing prior to August 15,
777 2013, shall become due without the option of prior payment. The Bonds maturing on or after
778 August 15, 2013, may be called for redemption and payment prior to maturity on August 15,
779 2012, and thereafter in whole or in part on any date (Bonds of less than a single maturity to be
780 selected by lot in multiples of \$5,000 principal amount by the Paying Agent and Bond Registrar
781 in such equitable manner as they shall designate), at the redemption price equal to the principal
782 amount thereof, plus accrued interest thereon to the date fixed for redemption and payment.

784 (b) Mandatory Redemption. The Term Bonds shall be subject to mandatory redemption
785 and payment prior to Stated Maturity pursuant to the mandatory redemption requirements of this
786 Section at a Redemption Price equal to 100% of the principal amount thereof plus accrued
787 interest to the Redemption Date. The taxes levied in Article IV hereof which are to be deposited
788 into the Principal and Interest Account shall be sufficient to redeem, and the City shall redeem
789 on August 15 in each year, the following principal amounts of such Term Bonds:

790
791 TERM BONDS

792
793

794 <u>Principal</u>	795 <u>Year</u>
796 \$1,050,000	2026

797
798 (leaving \$1,095,000 to mature August 15, 2027)
799
800

801 At its option, to be exercised on or before the 45th day next preceding any mandatory
802 Redemption Date, the City may: (1) deliver to the Paying Agent for cancellation Term Bonds
803 subject to mandatory redemption on said mandatory Redemption Date, in any aggregate
804 principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate
805 instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on
806 said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall
807 expend such funds for such purpose to such extent as may be practical; or (3) receive a credit
808 with respect to the mandatory redemption obligation of the City under this Section for any Term
809 Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to
810 such date, have been redeemed (other than through the operation of the mandatory redemption
811 requirements of this subsection (b)) and cancelled by the Paying Agent and not theretofore
812 applied as a credit against any redemption obligation under this subsection (b). Each Term Bond
813 so delivered or previously purchased or redeemed shall be credited at 100% of the principal
814 amount thereof on the obligation of the City to redeem Term Bonds of the same Stated Maturity
815 on such mandatory Redemption Date, and any excess of such amount shall be credited on future
816 mandatory redemption obligations for Term Bonds of the same Stated Maturity in chronological
817 order, and the principal amount of Term Bonds to be redeemed by operation of the requirements
818 of this Section shall be accordingly reduced. If the City intends to exercise any option granted
819 by the provisions of clauses (1), (2) or (3) above, the City will, on or before the 45th day next
820 preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate
821 indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with,
822 with respect to such mandatory redemption payment.

823
824 **Section 302. Selection of Bonds to be Redeemed.** Bonds shall be redeemed only in the
825 principal amount of \$5,000 or any integral multiple thereof. When less than all of the Bonds of
826 the same maturity are to be redeemed and paid prior to their Stated Maturity, the Bonds to be
827 redeemed shall be selected by the Bond Registrar in \$5,000 units of principal amount in such
828 equitable manner as the Bond Registrar may determine.

829
830 In the case of a partial redemption of Bonds by lot when Bonds of denominations greater
831 than \$5,000 are then Outstanding, then for all purposes in connection with such redemption each
832 \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of
833 \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value
834 represented by any Bond is selected for redemption, then upon notice of intention to redeem such
835 \$5,000 unit or units, the Owner or the Owner's duly authorized agent shall forthwith present and
836 surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and
837 interest to the Redemption Date of such \$5,000 unit or units of face value called for redemption,

838 and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the
839 aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If
840 the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and
841 exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption
842 date to the extent the \$5,000 unit or units of face value called for redemption (and to that extent
843 only).
844

845 **Section 303. Notice and Effect of Call for Redemption.** In the event the City desires
846 to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided
847 to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior
848 to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and
849 shall give notice of such redemption as herein provided upon receipt by it of the City's written
850 notice at least 45 days prior to the Redemption Date. If the Bonds are refunded more than 90
851 days in advance of such Redemption Date, any escrow agreement entered into by the City in
852 connection with such refunding shall provide that such written instructions to the Paying Agent
853 shall be given by the escrow agent on behalf of the City not more than 90 days prior to the
854 Redemption Date. The Paying Agent may in its discretion waive such notice period so long as
855 the notice requirements set forth in **Section 303** are met.
856

857 Unless waived by any Owner of Bonds to be redeemed, the Bond Registrar shall give
858 written notice of the redemption of said Bonds on a specified date, the same being described by
859 maturity, said notice to be mailed by United States first class mail addressed to the Owners of
860 said Bonds to be redeemed and to the Original Purchaser of the Bonds, each of said notices to be
861 mailed not less than 30 days prior to the date fixed for redemption. The City and Bond Registrar
862 shall also give such additional notice as may be required by Kansas law or regulations of the
863 Securities and Exchange Commission in effect as of the date of such notice.
864

865 All official notices of redemption shall be dated and shall contain the following
866 information:
867

868 (a) the Redemption Date;

869 (b) the Redemption Price;

870 (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in
871 the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be
872 redeemed;
873

874 (d) a statement that on the Redemption Date the Redemption Price will become due
875 and payable upon each such Bond or portion thereof called for redemption and that interest
876 thereon shall cease to accrue from and after the Redemption Date; and
877

878 (e) the place where such Bonds are to be surrendered for payment of the Redemption
879 Price, which shall be the principal office of the Paying Agent.
880

881 The failure of any Owner to receive notice given as heretofore provided or an immaterial
882 defect therein shall not invalidate any redemption.
883

884 Prior to any Redemption Date, the City shall deposit with the Paying Agent an amount of
885 money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be
886 redeemed on such Redemption Date.
887

888 Official notice of redemption having been given as aforesaid, the Bonds or portions of
889 Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption
890
891

892 Price therein specified, and from and after the Redemption Date (unless the City defaults in the
893 payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest.
894 Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption
895 Price shall be payable as herein provided for payment of interest. Upon surrender for any partial
896 redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same
897 Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have
898 been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as
899 provided herein and shall not be reissued.

900
901 The Paying Agent is also directed to comply with any mandatory or voluntary standards
902 then in effect for processing redemptions of municipal securities established by the State or the
903 Securities Exchange Commission. Failure to comply with such standards shall not affect or
904 invalidate the redemption of any Bond.

905 906 ARTICLE IV

907 908 SECURITY FOR AND PAYMENT OF BONDS

909
910
911 **Section 401. Security for the Bonds.** The Bonds shall be general obligations of the
912 City. The Bonds shall be payable as to both principal and interest in part from special
913 assessments levied upon specially benefited property and, if not so paid, from ad valorem taxes
914 which may be levied without limitation upon all the taxable tangible property, real and personal,
915 within the territorial limits of the City. The balance of the principal of and interest on the Bonds
916 is payable from ad valorem taxes which may be levied without limitation as to rate or amount
917 upon all the taxable tangible property, real and personal, within the territorial limits of the City.
918 The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt
919 payment of the principal of and interest on the Bonds as the same become due.

920
921 **Section 402. Levy and Collection of Annual Tax.** The governing body of the City
922 shall annually make provision for the payment of principal of, redemption premium, if any, and
923 interest on the Bonds as the same become due by levying and collecting the necessary taxes upon
924 all of the taxable tangible property within the City in the manner provided by law.

925
926 The taxes referred to above shall be extended upon the tax rolls in each of the several
927 years, respectively, and shall be levied and collected at the same time and in the same manner as
928 the other ad valorem taxes of the City are levied and collected. The proceeds derived from said
929 taxes shall be deposited in the Series 2007-D Principal and Interest Account and, shall be kept
930 separate and apart from all other funds of the City and shall be used solely for the payment of the
931 principal of, redemption premium, if any, and interest on the Bonds as and when the same
932 become due, taking into account the fees and expenses of the Bond Registrar and Paying Agent.

933
934 If at any time said taxes are not collected in time to pay the principal of or interest on the
935 Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest
936 out of the general funds of the City and to reimburse said general funds for money so expended
937 when said taxes are collected.

938

939 ARTICLE V

940 ESTABLISHMENT OF FUNDS AND ACCOUNTS
941 DEPOSIT AND APPLICATION OF MONEYS
942
943

944 **Section 501. Establishment of Funds and Accounts.** Simultaneously with the issuance
945 of the Bonds, there shall be created within the treasury of the City the following funds and
946 accounts:

947 (a) In the treasury of the City, the "Series 2007-D Project Account";

948 (b) In the City's Bond and Interest Fund, the "Principal and Interest Account for the
949 City of Topeka, Kansas, General Obligation Bonds, Series 2007-D (the "Series 2007-D Principal
950 and Interest Account"); and
951

952 (c) In the treasury of the City, the Rebate Fund for the City of Topeka, Kansas,
953 General Obligation Bonds, Series 2007-D (the " Series 2007-D Rebate Fund").
954

955 The Funds and Accounts established herein shall be administered in accordance with the
956 provisions of this Resolution so long as the Bonds are Outstanding.
957

958 **Section 502. Disposition of Bond Proceeds.** The Purchase Price of the Bonds, upon
959 issuance and delivery thereof, shall be deposited as follows:

960 (a) Proceeds of the Bonds in the amount of \$11,244,736.45 shall be deposited in the
961 Series 2007-D Project Account; and
962

963 (b) Proceeds of the Bonds in the amount of \$3,636,547.05 shall be deposited with the
964 Treasurer of the State of Kansas for the redemption of a portion of the City's Temporary Notes,
965 Series 2006-A, on December 1, 2007; and
966

967 (c) Proceeds of the Bonds in the amount of \$31,500.00 shall be wired to MBIA
968 Insurance Corporation for payment of the bond insurance premium.
969

970 **Section 503. Disposition of Other Moneys.**
971

972 (a) That concurrently with the issuance and delivery of the Bonds, the City shall
973 deposit with the Treasurer of the State of Kansas \$1,492,090.32 of other lawfully available
974 funds of the City, for the redemption of a portion of the City's Temporary Notes, Series 2006-A,
975 on December 1, 2007.
976

977 **Section 504. Withdrawals from the Series 2007-D Project Account.** The Treasurer
978 shall make withdrawals from the Series 2007-D Project Account solely for the purpose of paying
979 costs and expenses of the Internal Improvements and paying the Costs of Issuance for the Bonds.
980 Such withdrawals shall be made only on due authorization by the governing body of the City.
981

982 **Section 505. Surplus in the Series 2007-D Project Account.** All moneys remaining in
983 the Series 2007-D Project Account after the completion of the Internal Improvements, as
984 determined by the governing body of the City, shall be transferred immediately to the Series
985 2007-D Principal and Interest Account and applied to the next installment of principal due on the
986 Bonds from which such surplus moneys remain.
987

988 **Section 506. Application of Moneys in Series 2007-D Principal and Interest
989 Account.** All amounts paid and credited to the Series 2007-D Principal and Interest Account
990

993 shall be expended and used by the City for the sole purpose of paying the principal or
994 Redemption Price of and interest on the Series 2007-D Bonds as and when the same become due
995 and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The
996 Treasurer is authorized and directed to withdraw from the Series 2007-D Principal and Interest
997 Account sums sufficient to pay principal or Redemption Price of and interest on the Bonds and
998 the fees and expenses of the Bond Registrar and Paying Agent as and when the same become
999 due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying
1000 Agent will receive immediately available funds in such amounts on or before the Business Day
1001 immediately preceding the dates when such principal or Redemption Price, interest and fees of
1002 the Bond Registrar and Paying Agent will become due. If, through the lapse of time or
1003 otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the
1004 interest thereon, the Paying Agent shall return said funds to the City. All moneys deposited with
1005 the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the
1006 provisions contained in this Resolution and shall be held in trust by the Paying Agent for the
1007 benefit of the Owners of the Bonds entitled to payment from such moneys.
1008

1009 Any moneys or investments remaining in the Series 2007-D Principal and Interest
1010 Account after the retirement of the indebtedness for which the Bonds were issued shall be
1011 transferred and paid into the Bond and Interest Fund of the City.
1012

1013 **Section 507. Application of Moneys in the Series 2007-D Rebate Fund.**
1014

1015 (a) There shall be deposited in the Series 2007-D Rebate Fund such amounts as are
1016 required to be deposited therein pursuant to the Arbitrage Instructions. All money at any time
1017 deposited in the Series 2007-D Rebate Fund shall be held in trust, to the extent required to pay
1018 rebatable arbitrage to the United States of America, and neither the City nor the Owner of any
1019 Bond shall have any rights in or claim to such money. All amounts deposited into or on deposit
1020 in the Series 2007-D Rebate Fund shall be governed by this Section and the Arbitrage
1021 Instructions.
1022

1023 (b) The City shall periodically determine the rebatable arbitrage, if any, under Section
1024 148(f) of the Code in accordance with the Arbitrage Instructions, and the City shall make
1025 payments to the United States of America at the times and in the amounts determined under the
1026 Arbitrage Instructions. Any moneys remaining in the Series 2007-D Rebate Fund after
1027 redemption and payment of all of the Bonds and payment and satisfaction of any rebatable arbi-
1028 trage, or provision made therefor, shall be deposited into the Series 2007-D Principal and Interest
1029 Account of the City.
1030

1031 (c) Notwithstanding any other provision of this Resolution, including in particular
1032 Article VII hereof, the obligation to pay rebatable arbitrage to the United States of America and
1033 to comply with all other requirements of this Section and the Arbitrage Instructions shall survive
1034 the defeasance or payment in full of the Bonds.
1035

1036 (d) The Arbitrage Instructions may be amended or replaced if, in the opinion of Bond
1037 Counsel, such amendment or replacement will not adversely affect the exclusion from gross
1038 income for federal income tax purposes of interest on the Bonds.
1039

1040 **Section 508. Deposits and Investment of Moneys.** Moneys in each of the Funds and
1041 Accounts shall be invested in accordance with the requirements of K.S.A. 10-131, as amended.
1042 All such investments constituting deposits shall be continuously and adequately secured by the
1043 financial institutions holding such deposits as provided by the laws of the State. All moneys held
1044 in the Funds and Accounts shall be kept separate and apart from all other funds of the City so
1045 that there shall be no commingling of such funds with any other funds of the City.
1046

1047 Moneys held in the funds and accounts herein created or established in conjunction with
1048 the issuance of the Bonds may be invested by the City in Permitted Investments or in other
1049 investments allowed by Kansas law in such amounts and maturing at such times as shall
1050 reasonably provide for moneys to be available when required in said accounts or funds;
1051 provided, however, that no such investment shall be made for a period extending longer than to
1052 the date when the moneys invested may be needed for the purpose for which such fund or
1053 account was created. All interest on any Permitted Investment held in any fund or account
1054 (except amounts required to be deposited in the Series 2007-D Rebate Fund in accordance with
1055 the Arbitrage Instructions) shall accrue to and become a part of such fund or account; provided,
1056 however, that interest earned on investments of moneys held in the Series 2007-D Project
1057 Account may, at the direction of the governing body of the City, be paid and credited to the
1058 Series 2007-D Principal and Interest Account, and used to pay interest on the Bonds. In
1059 determining the amount held in any fund or account under the provisions of the Resolution,
1060 Permitted Investments shall be valued at their par value or at their then current redemption value,
1061 whichever is lower.
1062

1063 **Section 509. Nonpresentment of Bonds.** If any Bond is not presented for payment
1064 when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have
1065 been made available to the Paying Agent, all liability of the City to the Owner thereof for the
1066 payment of such Bond shall forthwith cease, determine and be completely discharged, and
1067 thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for
1068 interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted
1069 exclusively to such funds for any claim of whatever nature on his part under this Resolution or
1070 on, or with respect to, said Bond. If such funds shall have remained unclaimed for five (5) years
1071 after such principal or interest has become due and payable, such funds shall be paid to the City;
1072 and all liability of the Paying Agent to the Owner thereof for the payment of such Bond shall
1073 forthwith cease, terminate and be completely discharged. The obligations of the Paying Agent
1074 under this Section to pay any such funds to the City shall be subject to any provisions of law
1075 applicable to the Paying Agent or to such funds providing other requirements for disposition of
1076 unclaimed property.
1077

1078 ARTICLE VI

1079 DEFAULT AND REMEDIES

1081 **Section 601. Remedies.** The provisions of the Resolution, including the covenants and
1082 agreements herein contained, shall constitute a contract between the City and the Owners of the
1083 Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less
1084 than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the
1085 equal benefit and protection of all Owners of Bonds similarly situated:
1086
1087

1088 (a) by mandamus or other suit, action or proceedings at law or in equity to enforce
1089 the rights of such Owner or Owners against the City and its officers, agents and employees, and
1090 to require and compel duties and obligations required by the provisions of the Resolution or by
1091 the Constitution and laws of the State;
1092

1093 (b) by suit, action or other proceedings in equity or at law to require the City, its
1094 officers, agents and employees to account as if they were the trustees of an express trust; and
1095

1096 (c) by suit, action or other proceedings in equity or at law to enjoin any acts or things
1097 which may be unlawful or in violation of the rights of the Owners of the Bonds.
1098

1099 **Section 602. Limitation on Rights of Owners.** The covenants and agreements of the
1100 City contained herein and in the Bonds shall be for the equal benefit, protection, and security of

1101 the Owners of any or all of the Bonds, all of which Bonds shall be equal rank and without
1102 preference or priority of one Bond over any other Bond in the application of the funds herein
1103 pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as
1104 to rate of interest, date of maturity and right of prior redemption as provided in this Resolution.
1105 No one or more Owners secured hereby shall have any right in any manner whatever by its
1106 action to affect, disturb or prejudice the security granted and provided for herein, or to enforce
1107 any right hereunder, except in the manner herein provided, and all proceedings at law or in
1108 equity shall be instituted, had and maintained for the equal benefit of all Owners of Outstanding
1109 Bonds.
1110

1111 **Section 603. Remedies Cumulative.** No remedy conferred herein upon the Owners is
1112 intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in
1113 addition to every other remedy and may be exercised without exhausting and without regard to
1114 any other remedy conferred herein. No waiver of any default or breach of duty or contract by the
1115 Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract
1116 or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise
1117 any right or power accruing upon any default shall impair any such right or power or shall be
1118 construed to be a waiver of any such default or acquiescence therein. Every substantive right
1119 and every remedy conferred upon the Owners of the Bonds by this Resolution may be enforced
1120 and exercised from time to time and as often as may be deemed expedient. If action or
1121 proceedings taken by any Owner on account of any default or to enforce any right or exercise
1122 any remedy has been discontinued or abandoned for any reason, or shall have been determined
1123 adversely to such Owner, then, and in every such case, the City and the Owners of the
1124 Outstanding Bonds shall be restored to their former positions and rights hereunder, respectively,
1125 and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action
1126 or other proceedings had been brought or taken.
1127

1128 **Section 604. Bond Insurance.**

1129 (a) In the event that, on the second Business Day, and again on the Business Day,
1130 prior to the payment date on the Bonds, the Paying Agent has not received sufficient moneys to
1131 pay all principal of and interest on the Bonds due on the second following or following, as the
1132 case may be, Business Day, the Paying Agent shall immediately notify the Bond Insurer or its
1133 designee on the same Business Day by telephone or telegraph, confirmed in writing by registered
1134 or certified mail, of the amount of the deficiency.

1135 (b) If the deficiency is made up in whole or in part prior to or on the payment date,
1136 the Paying Agent shall so notify the Bond Insurer or its designee.

1137 (c) In addition, if the Paying Agent has notice that any Owner has been required to
1138 disgorge payments of principal or interest on the Bonds to a trustee in Bankruptcy or creditors or
1139 others pursuant to a final judgment by a court of competent jurisdiction that such payment
1140 constitutes an avoidable preference to such Owner within the meaning of any applicable
1141 bankruptcy laws, then the Paying Agent shall notify the Bond Insurer or its designee of such fact
1142 by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

1143 (d) The Paying Agent is hereby irrevocably designated, appointed, directed and
1144 authorized to act as attorney-in-fact for Owners of the Bonds as follows:

1145 1. If and to the extent there is a deficiency in amounts required to pay interest
1146 on the Bonds, the Paying Agent shall (a) execute and deliver to U.S. Bank Trust National
1147 Association, or its successors under the Policy (the "Insurance Paying Agent"), in form
1148 satisfactory to the Insurance Paying Agent, an instrument appointing the Bond Insurer as
1149 agent for such Owners in any legal proceeding related to the payment of such interest and
1150 an assignment to the Bond Insurer of the claims for interest to which such deficiency
1151 relates and which are paid by the Bond Insurer, (b) receive as designee of the respective

1152 Owners (and not as Paying Agent) in accordance with the tenor of the Policy payment
1153 from the Insurance Paying Agent with respect to the claims for interest so assigned, and
1154 (c) disburse the same to such respective Owners; and

1155 2. If and to the extent of a deficiency in amounts required to pay principal of
1156 the Bonds, the Paying Agent shall (a) execute and deliver to the Insurance Paying Agent
1157 in form satisfactory to the Insurance Paying Agent an instrument appointing the Bond
1158 Insurer as agent for such Owner in any legal proceeding relating to the payment of such
1159 principal and an assignment to the Bond Insurer of any of the Bond surrendered to the
1160 Insurance Paying Agent of so much of the principal amount thereof as has not previously
1161 been paid or for which moneys are not held by the Paying Agent and available for such
1162 payment (but such assignment shall be delivered only if payment from the Insurance
1163 Paying Agent is received), (b) receive as designee of the respective Owners (and not as
1164 Paying Agent) in accordance with the tenor of the Policy payment therefor from the
1165 Insurance Paying Agent, and (c) disburse the same to such Owners.

1166 (e) Payments with respect to claims for interest on and principal of Bonds disbursed
1167 by the Paying Agent from proceeds of the Policy shall not be considered to discharge the
1168 obligation of the City with respect to such Bonds, and the Bond Insurer shall become the owner
1169 of such unpaid Bond and claims for the interest in accordance with the tenor of the assignment
1170 made to it under the provisions of this subsection or otherwise.

1171 (f) Irrespective of whether any such assignment is executed and delivered, the City
1172 and the Paying Agent hereby agree for the benefit of the Bond Insurer that:

1173 1. They recognize that to the extent the Bond Insurer makes payments,
1174 directly or indirectly (as by paying through the Paying Agent), on account of principal of
1175 or interest on the Bonds, the Bond Insurer will be subrogated to the rights of such Owners
1176 to receive the amount of such principal and interest from the City, with interest thereon as
1177 provided and solely from the sources stated in this Resolution and the Bonds; and

1178 2. They will accordingly pay to the Bond Insurer the amount of such
1179 principal and interest (including principal and interest recovered under subparagraph (ii)
1180 of the first paragraph of the Policy, which principal and interest shall be deemed past due
1181 and not to have been paid), with interest thereon as provided in this Resolution and the
1182 Bond, but only from the sources and in the manner provided herein for the payment of
1183 principal of and interest on the Bonds to Owners, and will otherwise treat the Bond
1184 Insurer as the owner of such rights to the amount of such principal and interest.

1185 (g) In connection with the issuance of additional Bonds, the City shall deliver to the
1186 Bond Insurer a copy of the disclosure document, if any, circulated with respect to such additional
1187 Bonds.

1188 (h) Copies of any amendments made to the documents executed in connection with
1189 the issuance of the Bonds which are consented to by the Bond Insurer shall be sent to Standard &
1190 Poor's Corporation.

1191 (i) The Bond Insurer shall receive notice of the resignation or removal of the Paying
1192 Agent and the appointment of a successor thereto.

1193 (j) The Bond Insurer shall receive copies of all notices required to be delivered to
1194 Owners and, on an annual basis, copies of the City's audited financial statements and Annual
1195 Budget.

1196 Notices: Any notice that is required to be given to a holder of the Bond or to the Paying
1197 Agent pursuant to the Resolution shall also be provided to the Bond Insurer. All notices required
1198 to be given to the Bond Insurer under the Resolution shall be in writing and shall be sent by
1199 registered or certified mail addressed to MBIA Insurance Corporation, 113 King Street, Armonk,
1200 New York 10504 Attention: Surveillance.

1201
1202 (k) The City agrees to reimburse the Bond Insurer immediately and unconditionally
1203 upon demand, to the extent permitted by law, for all reasonable expenses, including attorneys'
1204 fees and expenses, incurred by the Bond Insurer in connection with (i) the enforcement by the
1205 Bond Insurer of the City's obligations, or the preservation or defense of any rights of the Bond
1206 Insurer, under this Resolution and any other document executed in connection with the issuance
1207 of the Bonds, and (ii) any consent, amendment, waiver or other action with respect to the
1208 Resolution or any related document, whether or not granted or approved, together with interest
1209 on all such expenses from and including the date incurred to the date of payment at Citibank's
1210 Prime Rate plus 3% or the maximum interest rate permitted by law, whichever, is less. In
1211 addition, the Bond Insurer reserves the right to charge a fee in connection with its review of any
1212 such consent, amendment or waiver, whether or not granted or approved.

1213
1214 (l) The City agrees not to use the Bond Insurer's name in any public document
1215 including, without limitation, a press release or presentation, announcement or forum without the
1216 Bond Insurer's prior consent; provided however, such prohibition on the use of the Bond Insurer's
1217 name shall not relate to the use of the Bond Insurer's standard approved form of disclosure in
1218 public documents issued in connection with the current Bonds to be issued in accordance with the
1219 terms of the Commitment; and provided further such prohibition shall not apply to the use of the
1220 Bond Insurer's name in order to comply with public notice, public meeting or public reporting
1221 requirements.

1222
1223 (m) The City shall not enter into any agreement nor shall it consent to or participate in
1224 any arrangement pursuant to which Bonds are tendered or purchased for any purpose other than
1225 the redemption and cancellation or legal defeasance of such Bonds without the prior written
1226 consent of MBIA.

1227
1228 ARTICLE VII

1229
1230 DEFEASANCE

1231
1232 **Section 701. Defeasance.** When any or all of the Bonds or scheduled interest payments
1233 thereon have been paid and discharged, then the requirements contained in this Resolution and
1234 the pledge of the City's faith and credit hereunder and all other rights granted hereby shall
1235 terminate with respect to the Bonds or scheduled interest payments thereon so paid and dis-
1236 charged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and
1237 discharged within the meaning of this Resolution if there has been deposited with the Paying
1238 Agent, or other commercial bank or trust company located in the State and having full trust
1239 powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest pay-
1240 ments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance
1241 Obligations which, together with the interest to be earned on any such Defeasance Obligations,
1242 will be sufficient for the payment of the principal of said Bonds and/or interest accrued to the
1243 Stated Maturity or Redemption Date, or if default in such payment has occurred on such date,
1244 then to the date of the tender of such payments; provided, however, that if any such Bonds are to
1245 be redeemed prior to their Stated Maturity, (1) the City has elected to redeem such Bonds, and
1246 (2) either notice of such redemption has been given, or the City has given irrevocable
1247 instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the
1248 Bond Registrar to give such notice of redemption in compliance with **Section 303** of this
1249 Resolution. Any money and Defeasance Obligations that at any time shall be deposited with the
1250 Paying Agent or other commercial bank or trust company by or on behalf of the City, for the
1251 purpose of paying and discharging any of the Bonds, shall be and are hereby assigned,
1252 transferred and set over to the Paying Agent or other bank or trust company in trust for the
1253 respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably
1254 appropriated to the payment and discharge thereof. All money and Defeasance Obligations

1255 deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited
1256 in accordance with and subject to all of the provisions of this Resolution.

1257
1258 ARTICLE VIII

1259
1260 TAX COVENANTS

1261
1262 **Section 801. General Covenants.**

1263
1264 (a) The City covenants and agrees that (1) it will comply with all applicable
1265 provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the
1266 exclusion from gross income for federal income tax purposes of the interest on the Bonds and (2)
1267 it will not use or permit the use of any Bond proceeds or any other funds of the City in a manner
1268 which would adversely affect the exclusion from gross income of the interest on the bonds, and
1269 (3) will not take or permit any other action, or fail to take any action, if any such action or failure
1270 to take action would adversely effect the exclusion from gross income of the interest on the
1271 Bonds. The City will, in addition, adopt such other ordinances or resolutions and take such other
1272 actions as may be necessary to comply with the Code and with all other applicable future laws,
1273 regulations, published rulings and judicial decisions, in order to ensure that the interest on the
1274 Bonds will remain excluded from federal gross income, to the extent any such actions can be
1275 taken by the City.

1276
1277 (b) The City covenants and agrees that (1) it will use the proceeds of the Bonds as
1278 soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are
1279 issued, and (2) it will not invest or directly or indirectly use or permit the use of any proceeds of
1280 the Bonds or any other funds of the City in any manner, and will not take or omit to take any
1281 action, that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a)
1282 of the Code.

1283
1284 (c) The City covenants and agrees that it will not use any portion of the proceeds of
1285 the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a
1286 manner that would cause any Bond to be a "private activity bond" within the meaning of Section
1287 141(a) of the Code.

1288
1289 **Section 802. Rebate Covenant.** The City covenants and agrees that it will pay, or
1290 provide for the payment of, from time to time all amounts required to be rebated to the United
1291 States pursuant to Section 148(f) of the Code and the Arbitrage Instructions. This covenant shall
1292 survive payment in full or defeasance of the Bonds. The Arbitrage Instructions may be amended
1293 or replaced if, in the opinion of Bond Counsel such amendment or replacement will not
1294 adversely affect the exclusion from gross income for federal income tax purposes of interest on
1295 the Bonds.

1296
1297 **Section 803. Survival of Covenants.** The covenants contained in this Article shall
1298 remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to Article
1299 VII hereof or any other provision of this Resolution until the final maturity date of all Bonds
1300 Outstanding.

1301
1302 **Section 804. Qualified Tax-exempt Obligations.** The Bonds are not designated as
1303 "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code.
1304

1305 ARTICLE IX

1306 CONTINUING DISCLOSURE REQUIREMENTS

1307
1308
1309 **Section 901. Disclosure Requirements.** The City hereby covenants with the Original
1310 Purchaser and the Beneficial Owners (as defined in the Disclosure Certificate) to provide and
1311 disseminate such information as is required by Rule 15c2-12 (as defined in the Disclosure
1312 Certificate) and is further set forth in the Disclosure Certificate. Such covenant shall be for the
1313 benefit of and enforceable by the Original Purchaser and such Beneficial Owners.
1314

1315 **Section 902. Failure to Comply with Continuing Disclosure Requirements.** In the
1316 event the City fails to comply in a timely manner with its covenants contained in the preceding
1317 section, the Original Purchaser and/or any such Beneficial Owner may make demand for such
1318 compliance by written notice to the City. In the event the City does not remedy such
1319 noncompliance within 10 days of receipt of such written notice, the Original Purchaser or any
1320 such Beneficial Owner may in its discretion, without notice or demand, proceed to enforce
1321 compliance by a suit or suits in equity for the specific performance of such covenant or
1322 agreement contained in the preceding section or for the enforcement of any other appropriate
1323 legal or equitable remedy as the Original Purchaser and/or any such Beneficial Owner shall deem
1324 effectual to protect and enforce any of the duties of the City under such preceding section.
1325

1326 ARTICLE X

1327 MISCELLANEOUS PROVISIONS

1328
1329
1330 **Section 1001. Annual Audit.** Annually, promptly after the end of the Fiscal Year, the
1331 City will cause an audit to be made of its funds and accounts for the preceding Fiscal Year by a
1332 certified public accountant or firm of certified public accountants.
1333

1334 Within 30 days after the completion of each such audit, a copy thereof shall be filed in
1335 the office of the Clerk, and a duplicate copy of the audit shall be mailed to the Original Purchas-
1336 er. Such audit shall at all times during the usual business hours of the City be open to the
1337 examination and inspection by any taxpayer, any Owner of the Bonds or by anyone acting for or
1338 on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and
1339 mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or
1340 prospective Owner.
1341

1342 As soon as possible after the completion of the annual audit, the governing body of the
1343 City shall review such audit, and if the audit discloses that proper provision has not been made
1344 for all of the requirements of this Resolution, the City shall promptly cure such deficiency.
1345

1346 **Section 1002. Amendments.** The rights and duties of the City and the Owners, and the
1347 terms and provisions of the Bonds or of this Resolution, may be amended or modified at any
1348 time in any respect by resolution of the City with the written consent of the Owners of not less
1349 than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced
1350 by an instrument or instruments executed by such Owners and duly acknowledged or proved in
1351 the manner of a deed to be recorded, and such instrument or instruments shall be filed with the
1352 Clerk, but no such modification or alteration shall:
1353

- 1354 (a) extend the maturity of any payment of principal or interest due upon any Bond;
1355
1356 (b) effect a reduction in the amount which the City is required to pay as principal of
1357 or interest on any Bond;
1358

- 1359 (c) permit preference or priority of any Bond over any other Bond; or
1360
1361 (d) reduce the percentage in principal amount of Bonds required for the written
1362 consent to any modification or alteration of the provisions of this Resolution.
1363

1364 Any provision of the Bonds or of this Resolution may, however, be amended or modified
1365 by resolution duly adopted by the governing body of the City at any time in any legal respect
1366 with the written consent of the Owners of all of the Bonds at the time Outstanding.
1367

1368 With notice to or the consent of any Owners, the City may amend or supplement this
1369 Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity
1370 therein or in connection with any other change therein which is not materially adverse to the
1371 interests of the Owners.
1372

1373 Every amendment or modification of the provisions of the Bonds or of this Resolution, to
1374 which the written consent of the Owners is given, as above provided, shall be expressed in a
1375 resolution adopted by the governing body of the City amending or supplementing the provisions
1376 of this Resolution and shall be deemed to be a part of this Resolution. A certified copy of every
1377 such amendatory or supplemental resolution, if any, and a certified copy of this Resolution shall
1378 always be kept on file in the office of the Clerk, and shall be made available for inspection by the
1379 Owner of any Bond, or a prospective purchaser or owner of any Bond authorized by this
1380 Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of
1381 any such amendatory or supplemental resolution or of this Resolution will be sent by the Clerk to
1382 any such Owner or prospective Owner. A copy of every amendatory or supplemental resolution
1383 shall be sent to Moody's.
1384

1385 Any and all modifications made in the manner hereinabove provided shall not become
1386 effective until there has been filed with the Clerk a copy of the resolution of the City hereinabove
1387 provided for, duly certified, as well as proof of any required consent to such modification by the
1388 Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the
1389 Outstanding Bonds any reference to such amendment or modification.
1390

1391 The City shall furnish to the Bond Registrar and to the Paying Agent a copy of any
1392 amendment to the Bonds or this Resolution which affects the duties or obligations of the Bond
1393 Registrar or the Paying Agent under this Resolution.
1394

1395 **Section 1003. Notices, Consents and Other Instruments by Owners.** Any notice,
1396 consent, request, direction, approval or other instrument to be signed and executed by the
1397 Owners may be in any number of concurrent writings of similar tenor and may be signed or
1398 executed by such Owners in person or by agent appointed in writing. Proof of the execution of
1399 any such instrument or of the writing appointing any such agent and of the ownership of Bonds,
1400 if made in the following manner, shall be sufficient for any of the purposes of this Resolution,
1401 and shall be conclusive in favor of the City, the Bond Registrar and the Paying Agent with regard
1402 to any action taken, suffered or omitted under any such instrument, namely:
1403

1404 (a) The fact and date of the execution by any person of any such instrument may be
1405 proved by a certificate of any officer in any jurisdiction who by law has power to make
1406 acknowledgements within such jurisdiction that the person signing such instrument
1407 acknowledged before such officer the execution thereof, or by affidavit of any witness to such
1408 execution.
1409

1410 (b) The fact of ownership of Bonds, the amount or amounts, numbers and other
1411 identification of Bonds, and the date of holding the same shall be proved by the Bond Register.
1412

1413 In determining whether the Owners of the requisite principal amount of Bonds
1414 Outstanding have given any request, demand, authorization, direction, notice, consent or waiver
1415 under this Resolution, Bonds owned by the City shall be disregarded and deemed not to be
1416 Outstanding under this Resolution, except that, in determining whether the Owners shall be
1417 protected in relying upon any such request, demand, authorization, direction, notice, consent or
1418 waiver, only Bonds which the Owners know to be so owned shall be so disregarded.
1419 Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not
1420 be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the
1421 pledgee's rights so to act with respect to such Bonds and that the pledgee is not the City.
1422

1423 **Section 1004. Further Authority.** The officers and officials of the City, including the
1424 Mayor and Clerk, are hereby authorized and directed to execute all documents and take such
1425 actions as they may deem necessary or advisable in order to carry out and perform the purposes
1426 of this Resolution and to make ministerial alterations, changes or additions in the foregoing
1427 agreements, statements, instruments and other documents herein approved, authorized and
1428 confirmed which they may approve, and the execution or taking of such action shall be con-
1429 clusive evidence of such necessity or advisability.
1430

1431 **Section 1005. Severability.** If any section or other part of this Resolution is for any
1432 reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of
1433 this Resolution.
1434

1435 **Section 1006. Governing Law.** This Resolution shall be governed exclusively by and
1436 construed in accordance with the applicable laws of the State.
1437

1438 **Section 1007. Effective Date.** This Resolution shall take effect and be in full force from
1439 and after its passage by the Council of the City.
1440

1441 (REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK)

1442 PASSED and approved by the City of Topeka, Kansas, on November 6, 2007.

1443

1444 CITY OF TOPEKA, KANSAS

1445

1446

1447 (SEAL)

1448

1449 William W. Bunten, Mayor

1450

1451 ATTEST:

1452

1453

1454

1455

1456 Brenda Younger, City Clerk

1457

1458

1459 CERTIFICATE

1460

1461

1462

1463

1464

1465

1466

1467 DATED: November 6, 2007.

1468

1469

1470

1471

1472 Brenda Younger, City Clerk

1473

1474 (SEAL)

EXHIBIT A
(FORM OF BOND)

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SHAWNEE
CITY OF TOPEKA
GENERAL OBLIGATION BOND
SERIES 2007-D

No. R-_____

\$_____

Rate of
Interest:

Maturity

Dated

CUSIP _____

Date: August 15, 20__ Date: November 28, 2007

Registered Owner:

PRINCIPAL AMOUNT _____

The City of Topeka, in the County of Shawnee, State of Kansas, (the "City") for value received acknowledges itself to be indebted to and promises to pay, but solely from the sources hereinafter pledged, to the registered owner identified above (the "Owner"), or registered assigns as hereinafter provided, on the maturity date identified above, the principal amount identified above, and in like manner to pay, as of the Record Dates as hereinafter provided, interest on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid prior to the registration date set forth below at the rate of interest per annum set forth above semiannually on February 15 and August 15 of each year (the "Interest Payment Dates") commencing February 15, 2008, until said principal amount is paid.

The principal of and redemption premium, if any, on this Bond shall be payable in lawful money of the United States of America at the office of the Treasurer of the State of Kansas, Topeka, Kansas, (the "Paying Agent" and "Bond Registrar") upon presentation of this Bond for payment and cancellation. The interest on this Bond shall be payable in lawful money of the United States of America by check or draft of the Paying Agent by mailing to the Owner thereof at the address appearing on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar at the close of business on the 1st day of February or August of the applicable interest payment date (the "Record Dates"), or in the case of an interest payment to any Owner of **\$500,000** or more in aggregate principal amount of the Bonds, by electronic transfer to such Owner upon written notice given to the Paying Agent by such Owner not less than **15** days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account number to which such Owner wishes to have such transfer directed. The full faith, credit and resources of the City are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

It is hereby certified and declared that all acts, conditions and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and Laws of the State of Kansas, and that the total indebtedness of said City, including this series of bonds, does not exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IN WITNESS WHEREOF, the said City of Topeka, in the State of Kansas, by its governing body, has caused this Bond to be executed by its Mayor and attested by its City Clerk by their manual signatures with its corporate seal to be affixed hereon, all as of the 28th day of November, 2007.

CITY OF TOPEKA, KANSAS

(manual)
Mayor

ATTEST: _____
(manual)
City Clerk

(SEAL)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the City of Topeka, Kansas, General Obligation Bonds, Series 2007-D described in the within mentioned Resolution.

Registration Date: _____

OFFICE OF THE STATE TREASURER
Topeka, Kansas,
as Bond Registrar and Paying Agent

By _____

I.D.#: _____

FURTHER TERMS AND PROVISIONS

This Bond is one of a duly authorized series of Bonds of the City aggregating the principal amount of \$15,085,000 (the "Bonds") issued for the purposes set forth in Ordinance No. 18983 of the City (the "Ordinance"). This Bond and the series of Bonds of which it is a part are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and Laws of the State of Kansas, including the home rule authority granted to the cities of the State of Kansas by Section 5 of Article 12 of the Kansas Constitution, K.S.A. 10-101 to 125, inclusive, as amended, K.S.A. 12-110c, K.S.A. 12-685 et seq. K.S.A. 12-6a01 et seq., Charter Ordinance No. 89 of the City, and all amendments thereof, acts supplemental thereto, the Ordinance, Resolution No. 8012 of the City (the "Resolution") and all other provisions of the laws of the State of Kansas applicable thereto.

The Bonds are issuable in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations upon the terms set forth in the authorizing Ordinance and the Resolution.

At the option of the City, the Bonds maturing on or after August 15, 2013, may be called for redemption and payment prior to maturity on August 15, 2012, and thereafter in whole or in part on any date (Bonds of less than a single maturity to be selected by lot in multiples of \$5,000 principal amount by the Paying Agent and Bond Registrar in such equitable manner as they shall designate), at the redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption and payment.

Each of the Bonds maturing on August 15, 2027, shall also be subject to mandatory redemption and payment prior to maturity on August 15, 2026, and August 15, 2027, pursuant to the redemption schedule set forth in the Resolution at the Redemption Price of 100% (expressed as a percentage of the principal amount) plus accrued interest thereon to the Redemption Date.

Bonds will be redeemed in integral multiples of \$5,000. If less than all Bonds are called for redemption, the Bond Registrar will, in the case of Bonds in denominations greater than \$5,000, treat each \$5,000 of face value as though it were a separate Bond.

In the event of any such redemption, the Paying Agent shall give notice of such call by mailing a copy of the redemption notice by first class mail, postage prepaid, not less than thirty (30) days prior to the date of such redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Failure to give such notice by mailing to the Owner of any Bond, or any defect therein, shall not affect the validity of any proceedings for the redemption of other Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the Owner of such Bonds received the notice.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof, or redemption price hereof and interest due hereon and for all other purposes.

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

principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the city, the Paying Agent and the Securities Depository.

This Bond is transferable by the Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. The City shall pay out of the proceeds of the Bonds or from other funds all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds. Upon such transfer a replacement Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefore.

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does (do) hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identifying No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$_____ standing in the name of the undersigned on the books of the Treasurer of the State of Kansas (the "Bond Registrar"). The undersigned does (do) hereby irrevocably constitute and appoint _____ as attorney to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or Taxpayer
Identifying No.

Signature (Sign Here Exactly as
Name(s) Appear on Face of
Certificate)

Signature guaranty:

By _____

CERTIFICATE OF CITY CLERK

I, the undersigned, City Clerk of the City of Topeka, Kansas, do hereby certify that this Bond has been duly registered in my office according to law as of November 28, 2007.

WITNESS my hand and official seal.

(manual)
City Clerk

(SEAL)

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

I, LYNN JENKINS, Treasurer of the State of Kansas, do hereby certify that a full and complete transcript of the proceedings leading up to the issuance of this Bond has been filed in my office and that this Bond was registered in my office according to law this

_____.

WITNESS my hand and official seal.

LYNN JENKINS
TREASURER OF THE STATE OF KANSAS

By _____
State Treasurer

(SEAL)

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at the office of the Treasurer of the State of Kansas, Topeka, Kansas.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Issuer to the Treasurer of the State of Kansas, Topeka, Kansas, or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless the Insurer elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i)

and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$15,085,000
CITY OF TOPEKA, KANSAS
GENERAL OBLIGATION BONDS
SERIES 2007-D

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one business day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with U.S. Bank Trust National Association, in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to U.S. Bank Trust National Association, U.S. Bank Trust National Association shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA INSURANCE CORPORATION

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EXHIBIT B
(DTC LETTERS OF REPRESENTATION)