

ORDINANCE NUMBER 69-0-93

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

WHEREAS the City of Evanston, Cook County, Illinois (the "City") has a population in excess of 25,000 as determined by the last official census, and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, the City is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS the City has heretofore issued and there are now outstanding the following legal and validly binding and subsisting obligations of the City:

A. Corporate Purpose Bonds, Series 1986

\$9,160,000 Series 1986 Bonds, issued on August 19, 1986; bearing a dated date of August 1, 1986; of which \$7,585,000 are still outstanding, due serially on January 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	1,225,000	6.40
1994	1,225,000	6.60
1995	1,245,000	6.75
1996	740,000	6.90
1997	750,000	7.00
1998	535,000	7.00
1999	350,000	7.00
2000	340,000	7.00
2001	340,000	7.00
2002	330,000	7.00
2003	155,000	7.00
2004	150,000	7.00
2005	145,000	7.00
2006	55,000	7.00

of which bonds, those due on or after January 1, 1998 (the "1986 Prior Bonds"), are redeemable on January 1, 1997 (or any interest payment date thereafter) at the redemption price of par plus accrued interest.

B. Corporate Purpose Bonds, Series 1987

\$10,030,000 Series 1987 Bonds, issued on October 14, 1987; bearing a dated date of October 1, 1987; of which \$8,945,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	345,000	8.50
1994	365,000	8.50
1995	385,000	7.75
1996	405,000	6.80
1997	435,000	7.00
1998	420,000	7.10
1999	450,000	7.30
2000	480,000	7.40
2001	515,000	7.50
2002	550,000	7.60
2003	590,000	7.70
2004	630,000	7.75
2005	675,000	7.75
2006	720,000	7.75
2007	780,000	7.75
2008	580,000	7.75
2009	620,000	7.75

of which bonds, those due on or after December 1, 1998 (the "1987 Prior Bonds"), are redeemable on June 1, 1997 (or any interest payment date thereafter) at the redemption price of par plus a premium of 2% of the principal amount plus accrued interest.

C. Corporate Purpose Bonds, Series 1988

\$2,650,000 Series 1988 Bonds, issued on September 13, 1988; bearing a dated date of September 1, 1988; of which \$2,500,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	50,000	8.50
1994	50,000	8.50
1995	235,000	7.75
1996	275,000	6.50
1997	290,000	6.60
1998	300,000	6.70
1999	300,000	6.80
2000	250,000	6.90
2001	250,000	7.00
2002	250,000	7.10
2003	250,000	7.10

of which bonds, those due on or after December 1, 1997 (the "1988 Prior Bonds"), are redeemable on December 1, 1996 (or any interest payment date thereafter) at the redemption price of par plus a premium of 1.50% of the principal amount plus accrued interest.

D. Corporate Purpose Bonds, Series 1989

\$6,235,000 Series 1989 Bonds, issued on October 2, 1989; bearing a dated date of October 1, 1989; of which \$5,725,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	225,000	6.70
1994	225,000	6.70
1995	250,000	6.70
1996	275,000	6.70
1997	275,000	6.70
1998	300,000	6.70
1999	300,000	6.70
2000	275,000	6.70
2001	300,000	6.70
2002	325,000	6.70
2003	350,000	6.70
2004	375,000	6.70
2005	400,000	6.70
2006	425,000	6.75
2007	450,000	6.80
2008	475,000	6.80
2009	500,000	6.80

of which bonds, those due on or after December 1, 1997 (the "1989 Prior Bonds"), are redeemable on December 1, 1996 (or any date thereafter) at the redemption price of par plus a premium of 0.75% of the principal amount plus accrued interest.

E. Corporate Purpose Bonds, Series 1990

\$15,155,000 Series 1990 Bonds, issued on October 24, 1990; bearing a dated date of October 1, 1990; of which \$14,925,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	180,000	8.250
1994	770,000	8.250
1995	765,000	7.400
1996	825,000	6.500
1997	885,000	6.875
1998	915,000	6.875
1999	935,000	6.875
2000	1,015,000	6.875
2001	900,000	6.875
2002	970,000	7.000
2003	1,040,000	7.000
2004	1,095,000	7.000
2005	1,200,000	7.000
2006	1,275,000	7.125
2007	1,380,000	7.125
2008	410,000	7.125
2009	175,000	7.125
2010	190,000	7.125

of which bonds, those due on or after December 1, 1998 (the "1990 Prior Bonds"), are redeemable on December 1, 1997 (or any date thereafter) at the redemption price of par plus a premium of 0.75% of the principal amount plus accrued interest.

(the 1986 Prior Bonds, 1987 Prior Bonds, 1988 Prior Bonds, 1989 Prior Bonds, and 1990 Prior Bonds being, collectively, the "Prior Bonds"); and

WHEREAS the City Council of the City has considered and determined that interest rates available in the bond market are currently more favorable for the City than they were at the various times when the Prior Bonds were issued and that it is possible, proper and advisable to refund all or a portion of such bonds at this time to take advantage of the debt service savings which will result from such lower interest rates (which refunding may hereinafter be referred to as the "Refunding"); and

WHEREAS on September 8, 1992, the City Council adopted Ordinance Number 79-0-92 (the "Series 1992 Ordinance") authorizing the issuance of certain bonds (the "Series 1992 Bonds") to accomplish the Refunding, but the terms, limitations and criteria for the

issuance of the Series 1992 Bonds were unable to be met, and now market conditions require a new authorization for bonds as hereinafter provided; and the City Council shall herein act to repeal the Series 1992 Ordinance; and

WHEREAS the City Council does hereby determine that it is advisable and in the best interests of the City to borrow not to exceed \$38,000,000 at this time pursuant to the Act as hereinafter defined for the purpose of paying the costs of the Refunding and, in evidence of such borrowing, issue its full faith and credit bonds in the principal amount of not to exceed \$38,000,000;

NOW THEREFORE Be It Ordained by the City Council of the City of Evanston, Cook County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Definitions. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the following meanings, unless, in either case, the context or use clearly indicates another or different meaning is intended:

"Act" means the Illinois Municipal Code, as supplemented and amended, and the home rule powers of the City under Section 6 of Article VII of the Illinois Constitution of 1970. In the event of conflict between the provisions of said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code.

"Bond" or *"Bonds"* means one or more, as applicable, of the not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, authorized to be issued by this Ordinance.

"Bond Moneys" means the Pledged Taxes and any other moneys deposited into the Debt Service Fund and investment income earned in the Debt Service Fund.

"Bond Order" means the Bond Order as authorized to be executed by the Designated Officials of the City as set forth in Section 14 of this Ordinance and by which the final terms of the Bonds will be established.

"Bond Register" means the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"Bond Registrar" means American National Bank and Trust Company of Chicago, Chicago, Illinois, a bank having trust powers, or a successor thereto or a successor designated as Bond Registrar hereunder.

"City" means the City of Evanston, Cook County, Illinois.

"City Council" means the City Council of the City.

"Code" means the Internal Revenue Code of 1986.

"Comptroller" means the Comptroller and Director of Finance of the City.

"County Clerk" means the County Clerk of The County of Cook, Illinois.

"Debt Service Fund" means the Debt Service Fund as defined in Section 15 of this Ordinance.

"Depository" means Midwest Securities Trust Company, an Illinois limited trust company, its successors, or a successor depository qualified to clear securities under applicable state and federal laws.

"Designated Officials" means the City Manager and Comptroller of the City, acting together.

"Escrow Agent" means American National Bank and Trust Company of Chicago, Chicago, Illinois, a bank having trust powers, or a successor thereto or a successor designated as Escrow Agent hereunder.

"Escrow Agreement" means the agreement by and between the City and the Escrow Agent as authorized in Section 15 hereof and set forth as *Exhibit B*.

"Financial Advisor" means R.V. Norene & Associates, Inc., the financial advisor to the City for the sale of the Bonds.

"Ordinance" means this Ordinance, numbered as set forth on the title page hereof, and passed by the City Council on the 14th day of June 1993.

"Paying Agent" means American National Bank and Trust Company of Chicago, Chicago, Illinois, a bank having trust powers, or a successor thereto or a successor designated as Paying Agent hereunder.

"Pledged Taxes" means the taxes levied on the taxable property within the City to pay principal of and interest on the Bonds as made in Section 12 hereof.

"Prior Bonds" means the bonds of the City described and defined as such in the preambles to this Ordinance.

"Refunding" means the refunding of all or a portion of the Prior Bonds from proceeds of the Bonds and such other lawfully available funds of the City as necessary.

"Tax-exempt" means, with respect to the Bonds, the status of interest paid and received thereon as not includible in the gross income of the owners thereof under the Code for federal income tax purposes except to the extent that such interest will be taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations, in computing the environmental tax imposed on certain corporations and in computing the "branch profits tax" imposed on certain foreign corporations.

"Term Bonds" means Bonds subject to mandatory redemption by operation of the Debt Service Fund and designated as term bonds in the Bond Order.

Section 2. Incorporation of Preambles. The City Council hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and does incorporate them into this Ordinance by this reference.

Section 3. Determination To Issue Bonds. It is necessary and in the best interests of the City to provide for the Refunding to achieve a net debt service savings, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes. It is hereby found and determined that such borrowing of money is necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 4. Bond Details. For the purpose of providing for the payment of the costs of the Refunding and to pay all related costs and expenses incidental thereto, there shall be issued and sold the Bonds in the principal amount of not to exceed \$38,000,000. The Bonds shall each be designated "*General Obligation Corporate Purpose Bond, Series 1993*"; shall be dated such date (as of or prior to issuance) as shall be set forth in the Bond Order (the "*Dated Date*"); and shall also bear the date of authentication thereof. The Bonds shall be in fully registered form. The Bonds shall mature on December 1 of such years from 1993 and up to and including the year 2010 as shall be set forth in the Bond Order, and in such principal amounts as shall be set forth therein; *provided, however*, that the *sum* of the principal of and interest on the Bonds due (or subject to mandatory redemption) in any given annual period from December 2 to the following December 1 shall not exceed the *sum* of the principal of and interest on the Prior Bonds during such period. The Bonds shall bear interest at a rate not exceeding six and one-quarter percent (6.25%) per annum.

The Bonds shall be in fully registered book-entry form (hereinafter "*Book Entry Form*"), shall be in denominations of \$5,000 or integral multiples thereof (but no single such Bond shall represent principal maturing on more than one date); shall be numbered consecutively in such reasonable fashion as shall be determined by the Bond Registrar, and shall become due and payable (subject to right of prior redemption herein stated) as provided in the Bond Order.

Each Bond shall bear interest from the later of its Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semiannually on June 1 and December 1 of each year, commencing on the date as set forth in the Bond Order. So long as the Bonds are held in Book Entry Form as hereinafter more specifically set forth, interest on each Bond shall be paid to the Depository by check or draft or electronic funds transfer as may be agreed by the Comptroller, Paying Agent and the Depository; in the event the Bonds should ever become available in physical form to registered owners other than the Depository, interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable record date; and mailed to the address of such person as it appears in the Bond Register or at such other address furnished in writing to the Bond Registrar. The applicable record date (the "*Record Date*") is the 15th day of the month preceding any regular interest payment date and the 15th day preceding any other interest payment date which may be occasioned by a redemption of Bonds on a day other than the first day of any month. The principal of and redemption premium, if any, due on the Bonds shall be payable in lawful

money of the United States of America upon presentation thereof at the principal corporate trust office of the Paying Agent or at successor Paying Agent and address.

Section 5. Book Entry Provisions. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of "Kray & Co.", or any successor thereto, as nominee of the Depository. All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of Kray & Co., as nominee of the Depository. The Comptroller and the Paying Agent and Bond Registrar are authorized to execute and deliver on behalf of the City such letters to or agreements with the Depository as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"). Without limiting the generality of the authority given with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of Kray & Co., as nominee of the Depository, the Comptroller and the Paying Agent and Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "*Depository Participant*") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence,

the City and the Paying Agent and Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, Kray & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of Kray & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the applicable record date, the name "*Kray & Co.*" in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the City determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the City, the Paying Agent and Bond Registrar and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the City determines that it is in the best interests of the City or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify the Depository and the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Kray & Co., as nominee of the Depository. The City may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as

may be acceptable to the City, or such depository's agent or designee, but if the City does not select such alternate book-entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Kray & Co., as nominee of the Depository, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 6. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if

signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Term Bonds, Mandatory Redemption and Covenants. The Bonds may be subject to mandatory redemption (as Term Bonds) as provided in the Bond Order; provided, however, that in such event the amounts due as provided for under such mandatory redemption shall be the amounts used to satisfy the test set forth in Section 4 of this Ordinance for the maximum amounts of principal and interest due on the Bonds in any given period.

Bonds designated as Term Bonds shall be made subject to mandatory redemption by operation of the Debt Service Fund at a price of not to exceed par and accrued interest, without premium, on a given date of the years and in the amounts as shall be determined in the Bond Order. The City covenants that it will redeem any Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds and levy taxes accordingly.

The Bonds may be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part on any date as provided in the Bond Order, and if in part, in such order of maturities as shall be specified in the Bond Order, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar as hereinafter provided, at the redemption price (expressed as a percentage of the principal amount being redeemed) of not to exceed 103% of par plus accrued interest to the date fixed for redemption, as provided in the Bond Order.

Notwithstanding any other provision of this Ordinance, the Bond Order may provide for non-callable Bonds.

Section 8. Term Bonds Purchase or Redemption. If the City redeems pursuant to optional redemption as hereinabove provided or purchases Term Bonds of any maturity and

cancels the same from Bond Moneys as hereinafter described, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the City shall determine. If the City redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the City shall determine.

Section 9. Redemption Procedure. For a mandatory redemption, the Bond Registrar shall proceed to redeem Bonds without any further order or direction from the City whatsoever. For an optional redemption, the City shall, at least 45 days prior to a redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the maturities (and, if applicable, the scheduled mandatory redemption affected) and principal amounts of Bonds to be redeemed.

For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof

so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion.

The Bond Registrar shall promptly notify the City and the Paying Agent in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by registered or certified mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall include the names of the Bonds and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent.

Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price), such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Such additional notice and information as may be agreed upon with the Depository shall also be given so long as the Bonds are held by the Depository.

As part of their respective duties hereunder, the Bond Registrar and Paying Agent shall prepare and forward to the City a statement as to notice given with respect to each redemption together with copies of the notices as mailed and published.

Section 10. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall

execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 11. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[FORM OF BOND - FRONT SIDE]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF EVANSTON
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 1993

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: Date: December 1, _____ Date: _____ 1, 1993 CUSIP: _____

Registered Owner:

Principal Amount: _____ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the City of Evanston, Cook County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to right of prior redemption as hereinafter stated), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 1 and December 1 of each year, commencing _____ 1, 19__, until said Principal Amount is paid or duly provided for. The principal of or redemption price on this Bond is payable in lawful money of the United States of America

upon presentation hereof at the principal corporate trust office of American National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, as paying agent (the "*Paying Agent*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by said American National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, as bond registrar (the "*Bond Registrar*"), at the close of business on the applicable Record Date (the "*Record Date*"). The Record Date shall be the 15th day of the month preceding any regular or other interest payment date occurring on the first day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the first day of a month. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar or as otherwise agreed by the City for so long as this Bond is held by Midwest Securities Trust Company, Chicago, Illinois, the Depository, or nominee, in book-entry only form as provided for same.

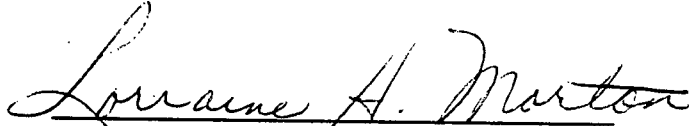
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing Act in issuing this Bond, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any

constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

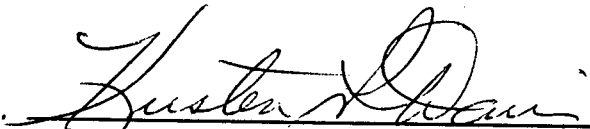
This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the City of Evanston, Cook County, Illinois, by its City Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.



Mayor, City of Evanston
Cook County, Illinois

ATTEST:



City Clerk, City of Evanston
Cook County, Illinois

[SEAL]

TABLE A

CITY OF EVANSTON, ILLINOIS

Outstanding General Obligation Bonds Redemption Features

Issue Amount		CALLED	CALL DETAILS
25-Feb-80	\$7,000,000	NO	-
15-Dec-80	\$10,000,000	YES	Yes-by Series 1986
05-Oct-81	\$5,000,000	YES	Yes-by Series 1986
14-Jun-82	\$6,500,000	YES	Yes-by Series 1983
26-Sep-83	\$11,825,000	YES	Yes-by Series 1990
03-Dec-84	\$1,750,000	NO	-
28-Oct-85	\$2,240,000	NO	-
28-Jul-86	\$9,160,000	YES	NO
14-Sep-87	\$10,030,000	YES	NO
22-Aug-88	\$2,650,000	YES	NO
18-Sep-89	\$6,235,000	YES	NO
24-Sep-90	\$15,155,000	YES	NO
			Escrowed for Redemption on 1/1/92
			Escrowed for Redemption on 1/1/92
			Escrowed for Redemption on 1/1/93
			Escrowed for Redemption on 1/1/94
			-
			-
			Callable 1/1/97 @ 100 (1)
			Callable 6/1/97 @ 102 (2)
			Callable 12/1/96 @ 101.5 (3)
			Callable 12/1/96 @ 101 (4)
			Callable 12/1/97 @ 100.75(5)



TABLE B - Page 1

CITY OF EVANSTON, IL
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 1993
 (ALL MATURITIES)

=====

SOURCES AND USES OF FUNDS

=====

DELIVERY DATE: ~~7/1/93~~ 6/30/93

Sources of Funds

=====

PAR AMOUNT OF BONDS.....	\$35,750,000.00	
+PREMIUM /-DISCOUNT.....	\$0.00	
BOND PROCEEDS.....		35,750,000.00
TAX COLLECTIONS		

		\$35,750,000.00

Uses of Funds

=====

ESCROW COST.....		35,300,000.00
Underwriters Discount (% or \$).....	(0.750000%)*	268,125.00
FINANCIAL ADVISOR.....	(0.250000%)...	89,375.00
BOND COUNSEL.....	(0.200000%)...	71,500.00
RATING.....		10,000.00
VERIFICATION.....		2,500.00
PRINTING.....		2,000.00
ESCROW AND PAYING AGENT.....		4,000.00
CONTINGENCY.....		2,500.00

		\$35,750,000.00

First Chicago Capital Markets, Inc.

RUNDATE: 06-04-1993 @ 08:32:18 FILENAME: EVANSTON KEY: REFALL

* - NOW (0.700000%)



TABLE B - Page 2
 CITY OF EVANSTON, IL
 GENERAL OBLIGATION REFUNDING BONDS, SERIES 1993
 (ALL MATURITIES)

=====

SAVINGS REPORT

=====

DATE	PRINCIPAL	PROPOSED COUPON	DEBT SERVICE INTEREST	TOTAL	PRIOR D/S	SAVINGS	CUMULATIVE SAVINGS
12/ 1/93	1,090,000.00	2.500000	717,709.38	1,807,709.38	3,002,961.25	1,195,251.88	1,195,251.88
6/ 1/94			847,626.25				
12/ 1/94	2,375,000.00	3.100000	847,626.25	4,070,252.50	4,071,422.50	1,170.00	1,196,421.88
6/ 1/95			810,813.75				
12/ 1/95	2,040,000.00	3.700000	810,813.75	3,661,627.50	3,662,035.00	407.50	1,196,829.38
6/ 1/96			773,073.75				
12/ 1/96	2,090,000.00	4.100000	773,073.75	3,636,147.50	3,641,175.00	5,027.50	1,201,856.88
6/ 1/97			730,228.75				
12/ 1/97	1,890,000.00	4.300000	730,228.75	3,350,457.50	3,354,835.00	4,377.50	1,206,234.38
6/ 1/98			689,593.75				
12/ 1/98	1,700,000.00	4.500000	689,593.75	3,079,187.50	3,084,370.00	5,182.50	1,211,416.88
6/ 1/99			651,343.75				
12/ 1/99	1,705,000.00	4.700000	651,343.75	3,007,687.50	3,009,850.00	2,162.50	1,213,579.38
6/ 1/ 0			611,276.25				
12/ 1/ 0	2,070,000.00	4.900000	611,276.25	3,292,552.50	3,297,700.00	5,147.50	1,218,726.88
6/ 1/ 1			560,561.25				
12/ 1/ 1	2,570,000.00	5.050000	560,561.25	3,691,122.50	3,693,142.50	2,020.00	1,220,746.88
6/ 1/ 2			495,668.75				
12/ 1/ 2	2,495,000.00	5.150000	495,668.75	3,486,337.50	3,486,942.50	605.00	1,221,351.88
6/ 1/ 3			431,422.50				
12/ 1/ 3	2,590,000.00	5.250000	431,422.50	3,452,845.00	3,456,867.50	4,022.50	1,225,374.38
6/ 1/ 4			363,435.00				
12/ 1/ 4	2,425,000.00	5.350000	363,435.00	3,151,870.00	3,151,937.50	67.50	1,225,441.88
6/ 1/ 5			298,566.25				
12/ 1/ 5	2,475,000.00	5.450000	298,566.25	3,072,132.50	3,076,187.50	4,055.00	1,229,496.88
6/ 1/ 6			231,122.50				
12/ 1/ 6	2,535,000.00	5.550000	231,122.50	2,997,245.00	2,999,225.00	1,980.00	1,231,476.88
6/ 1/ 7			160,776.25				
12/ 1/ 7	2,690,000.00	5.600000	160,776.25	3,011,552.50	3,013,893.75	2,341.25	1,233,818.13
6/ 1/ 8			85,456.25				
12/ 1/ 8	1,505,000.00	5.650000	85,456.25	1,675,912.50	1,679,518.75	3,606.25	1,237,424.38
6/ 1/ 9			42,940.00				
12/ 1/ 9	1,315,000.00	5.700000	42,940.00	1,400,880.00	1,403,056.25	2,176.25	1,239,600.63
6/ 1/10			5,462.50				
12/ 1/10	190,000.00	5.750000	5,462.50	200,925.00	203,537.50	2,612.50	1,242,213.13
	35,750,000.00		16,296,444.38	52,046,444.38	53,288,657.50		1,242,213.13
ACCRUED	35,750,000.00		16,296,444.38	52,046,444.38	53,288,657.50		1,242,213.13

Dated 7/ 1/93 with Delivery of 7/ 1/93
 Bond Years 311,150.833
 Average Coupon 5.237474
 Average Life 8.703520
 N I C % 5.237474 % Using 100.000000
 T I C % 5.194591 % From Delivery Date

Net Present Value Savings at: 5.1946% Equals 1,209,029.88 or 3.3819% of Par of the Current Issue
 or 3.7092% of Par of the Prior Issue

FIRST CHICAGO CAPITAL MARKETS, INC.

RUNDATE: 06-04-1993 @ 08:34:30 FILENAME: EVANSTON KEY: REFALL



Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Corporate Purpose Bonds, Series 1993, having a Dated Date of _____, 1993, of the City of Evanston, Cook County, Illinois.

**AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, as Bond Registrar**

By _____
Authorized Officer

Bond Registrar and Paying Agent:

**AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO
Chicago, Illinois**

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$38,000,000 issued by the City for the purpose of paying the costs of that certain Refunding, and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (the "*Ordinance*"), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, (such code and powers being the "*Act*"), and with the Ordinance, which has been duly passed by the City Council, signed by the Mayor, and published, in all respects as by law required.

Subject to the provisions relating to this Bond remaining in Book Entry Form, this Bonds may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance. Upon surrender for transfer or exchange of this Bond at the principal corporate trust office of the Bond Registrar in the City of Chicago, Illinois, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the Registered Owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening

of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The Bonds due on December 1 of the years 200* and 20** are Term Bonds and are subject to mandatory redemption by operation of the Debt Service Fund at a price of par and accrued interest, without premium, on December 1 of the years and in the amounts as follows:

For the Term Bonds due December 1, 200*:

YEAR	AMOUNT (\$)
200*	
200*	

with \$_____ remaining to be paid at maturity in 200*.

For the Term Bonds due December 1, 20**:

YEAR	AMOUNT (\$)
20**	
20**	
20**	

with \$_____ remaining to be paid at maturity in 20**.

Those of the Bonds due on or after December 1, 20**, are subject to redemption prior to maturity, at the option of the City, from any available funds, in whole or in part, on any date on or after December 1, 20**, and if in part, in any order of maturity (and, if applicable, any order of mandatory redemption payment) as selected by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of par plus accrued interest to the date of redemption.

Unless waived by the Registered Owner of Bonds to be redeemed, notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by registered or certified mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular Registered Owner of a Bond, shall affect the sufficiency of such notice with respect to other Registered Owners. Notice having been properly given, failure of a Registered Owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a Registered Owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

The City, the Bond Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the City, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

ASSIGNMENT

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

Here insert Social Security Number, Employer Identification Number or other Identifying Number

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 12. Tax Levy. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity and as subject to mandatory redemption, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there is hereby levied on all

of the taxable property in the City, in addition to all other taxes, in the City, in addition to all other taxes, the following direct annual taxes (the "Pledged Taxes"):

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR SUM OF	
1993	1,789,385.00	for principal and interest up to and including December 1, 1994
1994	1,789,385.00	for principal and interest
1995	1,789,385.00	for principal and interest
1996	2,889,385.00	for principal and interest
1997	3,084,370.00	for principal and interest
1998	3,009,850.00	for principal and interest
1999	3,297,700.00	for principal and interest
2000	3,693,142.50	for principal and interest
2001	3,486,942.50	for principal and interest
2002	3,456,867.50	for principal and interest
2003	3,151,937.50	for principal and interest
2004	3,076,187.50	for principal and interest
2005	2,999,225.00	for principal and interest
2006	3,013,893.75	for principal and interest
2007	1,679,518.75	for principal and interest
2008	1,403,056.25	for principal and interest
2009	203,537.50	for principal and interest

Such levy shall be subject to reduction as provided in the Bond Order.

The Pledged Taxes and other moneys on deposit (collectively, the "Bond Moneys") in the Debt Service Fund and allocable to the Bonds shall be applied to pay principal of and interest on the Bonds as follows:

A. Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity or as redeemed pursuant to mandatory redemption from the Debt Service Fund, or

B. On or before 65 days preceding a mandatory redemption date, and provided notice is given to the Bond Registrar on or before said 65th day preceding a mandatory redemption date, Bond Moneys up to the amount of the redemption

requirement on such mandatory redemption date plus interest due on Term Bonds on such date may be applied (1) to the purchase of Term Bonds of the maturity for which such mandatory redemption requirement was established at prices (including commissions and charges, if any) not exceeding par and accrued interest to such mandatory redemption date or (2) to the redemption of such Bonds, without premium, pursuant to optional redemption provisions applicable thereto. Upon the purchase or redemption of Term Bonds of any maturity pursuant to this paragraph (B), an amount equal to the principal amount of such Bonds or applicable portion thereof so purchased or redeemed shall be deducted from the mandatory redemption requirement as provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of payment on the Term Bonds as due at maturity or subject to mandatory redemption in any year as the City shall at such time determine.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Debt Service Fund.

Whenever other funds from any lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the taxes levied herein for the payment of same, the City Council shall, by proper proceedings, direct the deposit of such funds into the Debt Service Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk of The County of Cook, Illinois, in a timely manner to effect such abatement.

Section 13. Filing with County Clerk. Promptly, as soon as this Ordinance becomes effective *and after* the Bond Order has been executed and delivered, a copy hereof, certified by the City Clerk of the City, shall be filed with the County Clerk of The County of Cook, Illinois; and the County Clerk shall in and for each of the years 1993 to 2009, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied in each of said years; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 14. Sale of Bonds; Bond Order. The Designated Officials are hereby authorized to proceed, without any further authorization or direction whatsoever from the City Council of the City, to sell and deliver the Bonds upon the terms as prescribed in this Section.

The Bonds shall be sold and delivered to First Chicago Capital Markets, Inc. (the "Underwriters"), at the price of not less than 99.25% of the par value (not including within said 0.75% discount any original issue discount) of the principal amount thereof, plus

accrued interest to the date of delivery; *provided, however*, that the maximum original issue discount on the Bonds shall not exceed 10% of the original aggregate principal amount thereof. Such sale shall be made upon the advice (in the form of a written certificate or report) of the Financial Advisor that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets.

As an additional limitation on the sale of the Bonds, the Financial Advisor's certificate or report (as hereinabove described) must set forth that the Refunding will provide a present value debt service savings to the City in an amount not less than the lesser of (a) \$1,000,000 or (b) 3.50% of the aggregate principal amount of the Prior Bonds which are in fact refunded as part of the Refunding.

Nothing in this Section shall require the Designated Officials to sell the Bonds if in their judgment, aided by the Financial Advisor, the conditions in the bond markets shall have markedly deteriorated from the time of adoption thereof, but the Designated Officials shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance and the conditions of this Section shall have been met.

Upon the sale of the Bonds, the Designated Officials and any other officers of the City as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, a Direction for Abatement of Taxes, Preliminary Official Statement, Official Statement, Bond Purchase Contract (as hereinafter defined), and closing documents. The City Council hereby finds and determines that no person holding any office of the City either by election or appointment, is in any manner interested either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation in said Contract with the Underwriters for the purchase of the Bonds.

The distribution by the Underwriters of a Preliminary Official Statement relating to the Bonds as shall be approved by the Designated Officials is hereby in all respects authorized and approved, and the proposed use by the Underwriters of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved.

A bond purchase contract for the sale of the Bonds to the Underwriters (the "Bond Purchase Contract") in substantially the form attached hereto as *Exhibit A* to this Ordinance (with such changes to be made as shall be approved by the Designated Officials) is hereby in all respects authorized and approved.

Upon the sale of the Bonds, the Designated Officials shall execute and file the Bond Order with the City Clerk and such shall be entered into the records of the City and made available to all Aldermen at the next succeeding public meeting of the City Council; but such action shall be for information purposes only, and the City Council of the City shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Order.

The Designated Officials shall also file with the County Clerk the Bond Order or like document including a statement of abatement of taxes, if appropriate, from the amounts as levied herein.

Section 15. Creation of Funds and Appropriations.

A. There is hereby created the "*General Obligation Corporate Purpose Bonds, Series 1993, Debt Service Fund*" (the "*Debt Service Fund*"), which shall be the fund for the payment of principal of and interest on the Bonds. Except as may be necessary to accomplish the Refunding, accrued interest received at delivery of the Bonds shall be deposited into the Bond Fund and applied to pay first interest coming due on the Bonds.

B. The Pledged Taxes shall either be deposited into the Debt Service Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Debt Service Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in the Debt Service Fund shall be retained in the Debt Service Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the City Council, transferred to such other fund as may be determined. The City hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the City Council to transfer certain interest income or investment profit earned in the Debt Service Fund to other funds of the City, as described in the preceding sentence.

C. The amount necessary from the proceeds of the Bonds shall be used to pay costs of issuance of the Bonds and shall to the fullest extent possible be totally paid by the Underwriters from Bond proceeds at closing or (if and only if necessary) deposited into a separate fund, hereby created, designated the "*Expense Fund*". Such payments by the Underwriters or any disbursements from such fund shall be made from time to time as necessary. Any excess in said fund shall be deposited into the Debt Service Fund hereinafter created after six months from the date of issuance of the Bonds.

D. The amount necessary from the proceeds of the Bonds, together with such money in the debt service funds for the Prior Bonds as may be advisable for the purpose, shall be used to provide for the Refunding, and the payment of such expenses as may be designated, pursuant to the provisions of an Escrow Agreement with the Escrow Agent as is

designated, all in accordance with the provisions of the Escrow Agreement, substantially in the form attached hereto as *Exhibit B* to this Ordinance, made a part hereof by this reference, and hereby approved; the officers appearing signatory to such Escrow Agreement are hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding.

Section 16. Not Private Activity Bonds. None of the Bonds is a “*private activity bond*” as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

A. None of the proceeds of the Bonds is to be used, directly or indirectly, and none of the proceeds of the Prior Bonds was used, directly or indirectly, in any trade or business carried on by any person other than a state or local governmental unit. The Prior Bonds (and all bonds refunded with proceeds of the Prior Bonds) were issued for the purpose, and the Prior Bonds and further refunded bond proceeds (except refunding proceeds) have been (or will be) properly and fully expended for the purpose of paying the costs of capital improvements to the essential governmental purpose systems of the City, including water, sewer, street, lighting, parks and recreation, police and fire prevention systems (collectively, such systems being the “*Infrastructure*”).

B. No direct or indirect payments are to be made on any Bond with respect to any private business use by any person other than a state or local governmental unit.

C. None of the proceeds of the Bonds is to be used, and none of the Proceeds of the Prior Bonds (or further refunded bonds) was used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

D. No user of the Infrastructure other than the City or another governmental unit will use the same on any basis other than the same basis as the general public; and no person other than the City or another governmental unit will be a user of the Infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract, or (iii) any other arrangement.

Section 17. General Arbitrage Covenants. The City represents and certifies as follows with respect to the Bonds:

A. Except for the Debt Service Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Debt Service Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service, and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Debt Service Fund will be spent within a 13-month period beginning on the date of deposit, and investment earnings in the Debt Service Fund will be spent or withdrawn from the Debt Service Fund within a one-year period beginning on the date of receipt.

B. Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in connection with the

issuance of the Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

C. The City has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Treasury Regulations Section 1.103-13 (a)(2)(ii) (1979).

The City further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits" (the "*Rebate Requirement*") to the United States:

D. Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.

E. Relating to applicable exceptions, the City Comptroller or the Mayor is hereby authorized to make such elections under the Code as either such officer shall deem reasonable and in the best interests of the City.

J. The Comptroller shall cause to be established, at such time and in such manner as he or she may deem necessary or appropriate hereunder, a "*General Obligation Corporation Purpose Bonds, Series 1993, Rebate Fund*" (the "*148 Compliance Fund*") for the Bonds, and such officer shall further, not less frequently than annually, cause to be transferred to the 148 Compliance Fund the amount determined to be the accrued liability under the Rebate Requirement. Said officer shall cause to be paid to the U.S., without further order or direction from the City Council, from time to time as required, amounts sufficient to meet the Rebate Requirement.

K. Interest earnings in the Debt Service Fund are hereby authorized to be transferred, without further order or direction from the City Council, from time to time as required, to the 148 Compliance Fund for the purposes herein provided; and proceeds of the Bonds and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement, but only if necessary after application of investment earnings as aforesaid and only as appropriated by the City Council.

The City also certifies and further covenants with the purchasers and registered owners of the Bonds from time to time outstanding that moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

Section 18. Registered Form. The City recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain Tax-exempt. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 19. Further Tax Covenants. The City agrees to comply with all provisions of the Code which, if not complied with by the City, would cause the Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the Bonds; (c) to consult with such

counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

Section 20. Opinion of Counsel Exception. The City reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in Sections 16 through 19 herein, provided it shall first have received an opinion from Bond Counsel for the City approving the Bonds, or if unable to act, an attorney or a firm of attorneys of nationally recognized standing as bond counsel, to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax-exempt status of the Bonds.

Section 21. Rights and Duties of Bond Registrar and Paying Agent. If requested by the Bond Registrar or the Paying Agent, or both, any officer of the City is authorized to execute standard forms of agreements between the City and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent hereunder. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar and Paying Agent by acceptance of duties hereunder agree:

(a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;

(b) as to the Bond Registrar, to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer;

(d) as to the Bond Registrar, to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(e) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds; and

(f) to perform its duties with respect to the Policy as incorporated herein or any authorized document.

The City Clerk of the City is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

Section 22. Taxes Previously Levied. The taxes previously levied to pay principal of and interest on the Prior Bonds, to the extent such principal and interest is provided for from the proceeds of the Bonds or from the Escrow Account under the Escrow Agreement as hereinabove described, shall be abated. The filing of a certificate of abatement with the County Clerk of The County of Cook, Illinois, shall constitute authority and direction for the County Clerk to make such abatement. Taxes previously levied which are either on hand or cannot be abated (already in the process of extension) shall be used for lawful corporate capital projects identified in the City's current Capital Improvement Plan and for which funds are otherwise not currently available, thus decreasing the City's need to borrow for such purposes in the future.

Section 23. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Paying Agent or similar institution

to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the Tax-exempt status of the Bonds; payment, registration, transfer, and exchange; and with respect to the Bond Insurer, are expressly continued for all Bonds whether outstanding Bonds or not.

Section 24. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the City Council.

Section 25. Repeal of Ordinance Number 79-0-92; Superseder and Effective Date. Ordinance Number 79-0-92 is hereby repealed. A filing of a certified copy of this Ordinance with the County Clerk of Cook County shall constitute authority for the Clerk to abate and remove from the tax books all taxes levied by said Ordinance Number 79-0-92. If for any reason the Bonds as authorized in this Ordinance are not sold and the Bond Order not executed by December 31, 1993, then the City Clerk and the Comptroller shall cause this Section of this Ordinance to be certified to the County Clerk and direct the Clerk to abate and remove such taxes as levied by said Ordinance Number 79-0-92. All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage, approval and publication.

AYES: Aldermen Guthrie, Heydemann, Kent, Moran, Engelman, Holsman,
Feldman, Newman and Drummer

NAYS: None

ABSENT: None

ADOPTED: June 14, 1993

APPROVED: June 15, 1993

Mayor, City of Evanston
Cook County, Illinois

Recorded In City Records: June 15, 1993.

Published in pamphlet form by authority of the City Council at 9:00 a.m. on June 15,
1993.

ATTEST:

City Clerk, City of Evanston
Cook County, Illinois



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Evanston, Cook County, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "*City Council*") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the City Council held on the 14th day of June 1993 insofar as the same relates to the adoption of an ordinance, numbered 69-0-93, entitled:

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the City Council on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the City Council has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the City Council in the adoption of said ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this ____ day of _____ 1993.

City Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Evanston, Cook County, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the City and of the City Council (the "*City Council*") thereof.

I do further certify that at 9:00 a.m. on the 15th day of June 1993 there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of Ordinance Number 69-0-93 of the City providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City this ____ day of _____ 1993.

City Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF FILING

I, David D. Orr, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois, and as such officer I do hereby certify that on the ___ day of _____ 1993 there was filed in my office a properly certified copy of Ordinance Number 69-0-93, passed by the City Council of the City of Evanston, Cook County, Illinois, on the 14th day of June 1993 and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Cook, Illinois, at Evanston, Illinois, this _____ day of _____ 1993.

County Clerk of The County
of Cook, Illinois

[SEAL]



[FORM OF BOND ORDER]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

BOND ORDER

**To: THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS
(THE "CITY"), AND THE COUNTY CLERK OF THE COUNTY OF COOK, ILLINOIS
(THE "COUNTY"):**

GREETINGS:

We are pleased to advise you as follows:

A. *Sale.* We have received the Financial Advisor's Certificate Re: Bond Sale. Please be advised that responsive to the information contained in such Certificate and the authority contained in an ordinance adopted by the City Council of the City on June 14, 1993 (the "*Bond Ordinance*") (terms used herein shall have the meanings given to them in the Bond Ordinance unless otherwise defined herein), and being numbered 69-0-93 and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

a contract for the purchase of the Bonds was awarded by us as the Mayor and Comptroller of the City, to the Underwriters, First Chicago Capital Markets, Inc., at a price of \$_____ being _____% of the par value (not including any original issue discount) of the principal amount of the Bonds. The original issue discount on the Bonds does not exceed 10% of the aggregate original principal amount of the Bonds.

The net present value debt service savings from the Refunding is \$_____, which is not less than the lesser of (a) \$1,000,000 or (b) 3.50% of the aggregate principal amount of the Prior Bonds which are in fact refunded as part of the Refunding.

The Prior Bonds as selected for redemption are set forth in *Exhibit BO-A* attached hereto and made a part hereof.

B. Terms. The terms of the Bonds are fair and reasonable in view of current conditions in the bond market. Pursuant to the terms of the bond purchase contract executed on _____, 1993 (the "*Bond Purchase Contract*"), the Bonds shall be dated as of _____, 1993, and become due (subject to right of prior redemption hereinafter stated) on December 1 of the years, in the amounts and bearing interest at the interest rates percent per annum, as follows:

YEAR	AMOUNT (\$)	RATE (%)	YEAR	AMOUNT (\$)	RATE (%)
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Interest on the Bonds shall be payable on June 1 and December 1 of each year, commencing _____, 199__.

The Bonds due on December 1 of the years 200* and 20** are Term Bonds and are subject to mandatory redemption by operation of the Debt Service Fund at a price of par and

accrued interest, without premium, on December 1 of the years and in the amounts as follows:

For the Term Bonds due December 1, 200*:

YEAR	AMOUNT (\$)
200*	
200*	

with \$_____ remaining to be paid at maturity in 200*.

For the Term Bonds due December 1, 20**:

YEAR	AMOUNT (\$)
20**	
20**	
20**	

with \$_____ remaining to be paid at maturity in 20**.

Those of the Bonds due on or after December 1, 20**, are subject to redemption prior to maturity, at the option of the City, from any available funds, in whole or in part on any date, on or after December 1, 20**, and if in part, in any order of maturity (and, if applicable, any order of mandatory redemption payment) as selected by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of par plus accrued interest to the date of redemption.

C. *Taxes.* Section 12 of the Bond Ordinance provides for a direct annual taxes in and for each of the years 1993 to 2010, inclusive, to pay the interest on the Bonds promptly when and as the same falls due and to pay and discharge the principal thereof at maturity or as subject to mandatory redemption. Please be further advised that the Bonds were sold on terms resulting in a final schedule of taxes levied and to be extended as follows:

YEAR OF LEVY	AMOUNT OF TAX LEVIED IN BOND ORDINANCE (\$)	REDUCTION (\$)	REDUCED TAX LEVIED AND WHICH IS TO BE EXTENDED FOR COLLECTION (\$)
1993			
1994			
1995			
1996			
1997			
1998			
1999			
2000			
2001			
2002			
2003			
2004			
2005			
2006			
2007			
2008			
2009			
2010			
2011			

D. Deposits into Funds. The net proceeds of the Bonds (exclusive of accrued interest) shall be deposited as follows:

\$_____ to be paid by the Underwriters directly for expenses or to the Expense Fund;

\$_____ with the Escrow Agent to effect the Refunding; and
Any balance remaining to the Debt Service Fund for the Bonds.

E. Bond Registrar. The Bond Registrar and Paying Agent for the Bonds is American National Bank and Trust Company of Chicago, Chicago, Illinois.

F. Escrow Agent. The Escrow Agent for the Bonds is American National Bank and Trust Company of Chicago, Chicago, Illinois.

G. No Conflicts. Please be further advised that we find and determine that no person holding any office of the City either by election or appointment, is in any manner

interested, either directly or indirectly, in his own name or in the name of any other person, associate, trust or corporation, in the Bond Purchase Contract with the Underwriters.

H. Records. Finally, please be advised that this Bond Order shall be entered into the records of the City and made available to all Aldermen at the next public meeting thereof.

Respectfully submitted this ____ day of _____ 1993.

Mayor
City of Evanston
Cook County, Illinois

Comptroller
City of Evanston
Cook County, Illinois

ACKNOWLEDGMENT OF FILING

Filed in the office of the City Clerk of the City of Evanston, Cook County, Illinois this ____ day of _____ 1993.

City Clerk
City of Evanston
Cook County, Illinois

[SEAL]

EXHIBIT BO-A
REFUNDED BONDS

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

AVAILABILITY OF BOND ORDER

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Evanston, Cook County, Illinois (the "*City*"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council of the City (the "*City Council*") thereof.

I do further certify that I made available to all Aldermen on the City Council at the regular meeting of the City Council held on the _____ day of _____ 1993, a Bond Order, as such term is defined in Ordinance Number 69-0-93 and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

which Bond Order is responsive to such Ordinance; a true, correct and complete copy of which said Bond Order as provided at said meeting being attached hereto.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this _____ day of _____ 1993.

City Clerk
City of Evanston
Cook County, Illinois

[SEAL]

**FINANCIAL ADVISOR'S
CERTIFICATE RE: BOND SALE**

I, the undersigned, do hereby certify that I am an officer of R. V. Norene & Associates, Inc., Chicago, Illinois (the "*Financial Advisor*"), and as such officer I do further certify as follows:

1. The Financial Advisor is the duly appointed financial advisor to the City of Evanston, Cook County, Illinois (the "*City*"), in connection with the issuance of \$_____ General Obligation Corporate Purpose Bonds, Series 1993, of the City (the "*Bonds*").

2. The Bonds have been sold to First Chicago Capital Markets, Inc. (the "*Underwriters*"), and the City is to receive \$_____, being 99.25% of the original aggregate principal amount (not including any original issue discount) of the Bonds, plus accrued interest from the sale of the Bonds.

3. The original issue discount on the Bonds is _____% of the original aggregate principal amount.

4. The Bonds were sold to the Underwriters by the City after arm's-length negotiations. We advised the City in such negotiations. In our opinion, the terms of the Bonds are fair and reasonable in view of current conditions in the bond market.

5. The net present value debt service savings to the City from the issuance of the Bonds is \$_____, which is not less than the lesser of (a) \$1,000,000 or (b) 3.50% of the aggregate principal amount of the Prior Bonds which are in fact refunded as part of the Refunding.

6. All of the limitations and conditions regarding the sale of the Bonds to the Underwriters set forth in the ordinance authorizing the issuance of the Bonds have as of this date been met.

IN WITNESS WHEREOF I hereunto affix our name and my signature this ____ day of _____ 1993.

R.V. NORENE & ASSOCIATES, INC.

By: _____

Title: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

DIRECTION FOR ABATEMENT OF TAXES

TO: THE COUNTY CLERK OF THE COUNTY OF COOK, ILLINOIS, GREETINGS:

Please take note of the advice and terms on the attached *Bond Order*, dated _____, 1993, of the undersigned signatory officials of the City of Evanston, Cook County, Illinois. Terms used herein are by reference to the Bond Order.

YOU ARE ACCORDINGLY ORDERED AND DIRECTED to abate from the taxes levied in the Bond Ordinance that amount representing the reduction in taxes as referred to in the Bond Order.

IN WITNESS WHEREOF we hereunto affix our official signatures this ____ day of _____ 1993.

Mayor
City of Evanston
Cook County, Illinois

Comptroller
City of Evanston
Cook County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting County Clerk of The County of Cook, Illinois, and as such officer I do further certify that on the _____ day of _____ 1993, there was filed in my office as County Clerk a BOND ORDER and a DIRECTION FOR ABATEMENT OF TAXES, as attached hereto, signed by the Mayor of the City of Evanston, Cook County, Illinois, and by the Comptroller thereof, and that said Bond Order and Direction for Abatement of Taxes have been placed on file in and appears in the records of my office.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the County, Illinois, this _____ day of _____ 1993.

County Clerk of
The County of Cook, Illinois

[SEAL]



Exhibit A

FORM OF BOND PURCHASE AGREEMENT

_____, 1992

City of Evanston

First Chicago Capital Markets, Inc. ("FCCM" or the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Agreement") with the City of Evanston, Cook County, Illinois (the "City") which, upon the execution of this Agreement by the City as hereinafter provided, will become a binding agreement between the City and FCCM.

1. Purchase and Sale of the Bonds. In reliance upon the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, FCCM agrees to purchase from the City, and the City agrees to sell to FCCM \$_____ principal amount of the General Obligation Corporate Purpose Bonds, Series 1992A (the "Bonds"), at a purchase price equal to \$_____ (plus accrued interest from the dated date to the date of delivery) in accordance with the provisions of an Ordinance adopted by the City Council on _____, 1992 (the "Ordinance"). FCCM agrees to make a bona fide offering of the Bonds at the initial public offering prices or yields set forth on the cover page of the Official Statement (as hereinafter defined).

2. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants that:

(a) The City hereby authorizes and ratifies the Preliminary Official Statement dated _____, 1992, the final Official Statement to be delivered as described in Section 4(c) hereof (the "Official Statement") and the information contained therein to be used in connection with the offer and sale of the Bonds by the Underwriter.

(b) The Preliminary Official Statement is, and at the time of its delivery to the Underwriter the Official Statement will be, and at the Closing Date the Official Statement will be, accurate in all material respects; and the Official Statement, as of such date or dates, will not, and the Preliminary Official Statement, as of its date, did not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they are or were made, not misleading.

(c) The Bonds are authorized by virtue of the Ordinance.

(d) No action, suit, inquiry, investigation or other proceeding is pending, or to the knowledge of the City, threatened, in or before any court, governmental agency, authority, body or arbitrator in any way affecting the existence of the City or the title of any official of the City (including any member of the City Council) to his or her office, or seeking to restrain, enjoin or challenge the issuance, sale or delivery of the Bonds, or the collection of tax receipts or other available moneys of the City to pay principal of or interest on the Bonds, or in any way contesting or affecting the validity or enforceability of this Agreement, the Ordinance or the Bonds or contesting in any way the completeness or accuracy of the Official Statement or the powers or authority of the City with respect to this Agreement, the Ordinance, the Bonds or the exemption of interest on the Bonds from Federal income taxation.

3. Delivery of the Bonds. Payment of the purchase price for the Bonds as set forth in Section 1 hereof shall be made by wire transfer in immediately available funds drawn to the order of the City at 10:00 a.m., Chicago time, on _____, 1992 (the "Closing Date"), at the offices of Chapman and Cutler, Attorneys, Chicago, Illinois or at such other time or place as the Underwriter and the City determine, against delivery of the Bonds in permanent form duly executed, and delivery of the other instruments and documents required to be delivered hereunder to the Underwriter.

4. Additional Covenants of the City.

(a) Unless (1) the amount of savings produced from this financing is unacceptable to the City or (2) the Underwriter fails to fulfill any of its obligations, covenants or representations hereunder, then if the obligations of the Underwriter under this Agreement shall be terminated for any reason by the City, the City will reimburse the Underwriter for all reasonable out-of-pocket expenses incurred by them.

(b) The City will not amend or supplement the Official Statement without the consent of the Underwriter.

(c) The Preliminary Official Statement is deemed by the City to be in "nearly final form" for purposes of Rule 15c2-12 of the Securities and Exchange Commission. In accordance with Rule 15c2-12, the City agrees that copies of the Official Statement, in an amount sufficient to provide one copy to each initial bond purchaser, will be delivered to the Underwriter within seven business days of the City's acceptance of this Agreement.

5. Conditions of the Obligations of the Underwriter. The obligation of the

5. Conditions of the Obligations of the Underwriter. The obligation of the Underwriter to purchase and pay for the Bonds will be subject to the accuracy, completeness and correctness on the date hereof and at all times hereafter up to and including the Closing Date of the representations, warranties and covenants on the part of the City herein, to the accuracy of the statements of the officials of the City made pursuant to the provisions hereof, to the performance by the City of its obligations hereunder and to the following additional conditions precedent:

(a) The Bonds, this Agreement, the Escrow Agreement, the Ordinance and the Official Statement shall have been duly authorized and executed or adopted by the City; all necessary action of the City relating to this Agreement, the Escrow Agreement, the Bonds, the Ordinance and the Official Statement shall be in full force and effect and shall not have been amended, modified or supplemented; and there shall have been taken in connection with the issuance of the Bonds and with the transactions contemplated hereby and thereby all such actions as, in the opinion of Chapman and Cutler, Bond Counsel, are necessary and appropriate.

(b) Subsequent to the date of this Agreement and on and prior to the Closing Date:

(i) The marketability of the Bonds or the contemplated offering price thereof shall not, in the opinion of the Underwriter, have been materially adversely affected by an amendment to the Constitution of the United States of America, the State of Illinois, or any Federal or Illinois legislation, pending or effective, or by any decision of any Federal or Illinois court or by any order, ruling or regulation (final, temporary or proposed) of the Treasury Department of the United States of America, the Internal Revenue Service or other Federal or Illinois authority or regulatory body, affecting the status of the City, its property or income, the City's securities (including the Bonds) or the interest thereon, or any tax exemption with respect to the City's securities (including the Bonds), or the interest thereon, granted or authorized by the Internal Revenue Code of 1986, as amended.

(ii) No stop order, ruling, regulation or official statement by, or on behalf of, any governmental agency having jurisdiction shall have been issued or made to the effect that the issuance, offering or sale of the obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of Federal or Illinois securities laws.

(iii) No legislation shall have been enacted by the Congress of the United States of America, no decision by a court of the United States of America shall have been rendered, and the Securities and Exchange Commission shall have taken no action to the effect that the obligations of the general character of the Bonds, or the Bonds, are not exempt from registration or qualification under requirements of the Federal securities laws.

(iv) No additional material restrictions not in force as of the date hereof shall have been imposed upon the trading in securities generally by any governmental authority or by any national securities exchange.

(v) No rating of any of the City's securities (including the Bonds) shall have been downgraded or withdrawn by a national rating service, the effect of which, in the opinion of the Underwriter, is to materially adversely affect the market price of the Bonds or the Underwriter's ability to underwrite the Bonds.

(vi) None of the following events shall have occurred: (A) the engagement by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak of hostilities or local, national or international calamity, crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial and securities markets of the United States of America being such as, in the opinion of the Underwriter, would materially adversely affect the ability of the Underwriter to market the Bonds; (B) a general suspension of trading on the New York Stock Exchange, the American Stock Exchange or other national securities exchange or any similar impediment in the markets for securities of the general character of the Bonds; or (C) the declaration of a banking moratorium either by Federal, New York State or Illinois authorities shall have occurred which, in the opinion of the Underwriter, requires an amendment or supplement to the Official Statement.

(vii) Nothing shall have come to the attention of the Underwriter giving it reason to believe that the Official Statement is incomplete or inaccurate in any material respect for the purposes for which it is intended.

(c) At the Closing Date, no litigation shall be pending, or to the knowledge of the City, threatened, in any court, nor any proceeding before or by any governmental authority, body or arbitrator shall be pending, or, to the knowledge of the City, threatened: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds or the payment, collection or application of the proceeds thereof or the tax receipts or other moneys pledged or to be pledged under the Ordinance for the payment of the Bonds; (ii) in any way questioning or affecting the validity of the Bonds or any provisions of this Agreement, the Escrow Agreement, the Ordinance, or any proceedings taken by the City or the Underwriter with respect to any of the foregoing; (iii) questioning the City's creation, organization or existence or the titles to office of any of its officers or its power to engage in any of the transactions contemplated by this Agreement or the Ordinance or (iv) questioning the exemption of interest on the Bonds from Federal income taxation.

If any of the conditions specified in this Section have not been fulfilled when and as required by the Agreement, or if any of the opinions, instruments, letters, legal opinions, documents, proceedings or certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Underwriter, this Agreement and all obligations of the Underwriter hereunder may be cancelled by the Underwriter at, or at any time prior to, the Closing Date. Notice of such cancellation shall be given to the City in writing, or by telecopier confirmed in writing.

6. Certain Costs and Expenses

(a) The Underwriter shall be under no obligation to pay, and the City shall pay, all expenses incident to the performance of the City's obligations hereunder, including but not limited to: (i) the cost of the preparation and printing of the Ordinance and the Official Statement in preliminary and final form (including any amendments or supplements thereto); (ii) the cost of the preparation, printing and delivery to the Underwriter of the Bonds (including any temporary Bonds); (iii) the fees and disbursements of Chapman and Cutler, Bond Counsel, the City's accountants and financial advisers, the Escrow Agent, and of any other experts, accountants or consultants retained in connection with the issuance and sale of the Bonds; (iv) rating agency fees; (v) premium for municipal bond insurance; and (vi) any other expenses not enumerated in the paragraph immediately below incurred in connection with the issuance of the Bonds.

(b) The Underwriter shall pay: (i) the cost of the preparation and printing of this Agreement; (ii) all advertising expenses in connection with the public offering of the Bonds; and (iii) all other expenses incurred by them (which the City is not obligated to pay under this Agreement) in connection with the public offering and distribution of the Bonds.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, including, without limitation, those laws applicable to contracts made and to be performed in that State.

8. Survival of Certain Representations and Obligations. The respective agreements, representations, warranties, covenants and other statements of the City and its officers and of the Underwriter set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation or statement as to the results thereof made by or on behalf of the Underwriter, the City or any of their officers or controlling persons and will survive delivery of and payment for the Bonds.

9. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors, officers and controlling persons, and no other person will have any right or obligation hereunder.

10. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11. Notice. All communications hereunder will be in writing and if sent to the Underwriters will be mailed, delivered or telegraphed and confirmed to First Chicago Capital Markets, Inc., One First National Plaza, Suite 0826, Chicago, Illinois 60670, Attention: Public Finance Department or if sent to the City will be mailed, delivered or telegraphed and confirmed to the address set forth above.

12. Effective Date. This Agreement shall become effective upon the execution of the acceptance hereof by an authorized official of the City and shall be valid and enforceable as of the time of such acceptance.

FIRST CHICAGO CAPITAL MARKETS, INC.

Accepted and Agreed:
as of the date first
above written

By _____
Vice President
Chicago, Illinois

CITY OF EVANSTON CITY
COOK COUNTY, ILLINOIS



EXHIBIT B

ESCROW AGREEMENT

This Escrow Agreement, dated as of _____, 1993, but actually executed and delivered the date last hereinbelow written, by and between the City of Evanston, Cook County, Illinois, and American National Bank and Trust Company of Chicago, a national banking association, with principal offices located in the City of Chicago, Illinois, not individually but in the capacity as hereinafter described, for and in consideration of mutual covenants set forth:

W I T N E S S E T H:

ARTICLE I

DEFINITIONS

The following words and terms used in this Agreement shall have the following meanings unless the context or use clearly indicates another or different meaning.

"Aggregate Payment Requirement" means the aggregate payment requirement intended to be met from the Escrow Account under this Agreement; and, more particularly, means the sum of the payment of all interest on and principal of and redemption premium (as applicable) on the Prior Bonds from the date hereof through the respective Call Date for each series of the Prior Bonds.

"Agreement" means this Escrow Agreement dated as of _____, 1993.

"Bond Ordinance" means the ordinance passed by the City Council on _____, 1993, numbered _____ and entitled:

AN ORDINANCE providing for the issuance of not to exceed \$38,000,000 General Obligation Corporate Purpose Bonds, Series 1993, of the City of Evanston, Cook County, Illinois, and

providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

authorizing the Bonds.

"Bond Registrar" means the bond registrar for the Prior Bonds, namely, American National Bank and Trust Company of Chicago.

"Bonds" means the General Obligation Corporate Purpose Bonds, Series 1993, of the City, dated _____, 1993, a part of the proceeds of which are to be used for the refunding of the Prior Bonds.

"Call Date" means, with respect to each series of the Prior Bonds, the earliest date of redemption, as follows:

REFUNDED BONDS SERIES	CALL DATE
Series 1986	January 1, 1997
Series 1987	June 1, 1997
Series 1988	December 1, 1996
Series 1989	December 1, 1996
Series 1990	December 1, 1997

"City" means the City of Evanston, Cook County, Illinois.

"City Council" means the City Council which is the governing body of the City.

"Comptroller" means the Comptroller of the City.

"Defeasance Report" means the report of Jerry L. Lacy, certified public accountant, Cave Creek, Arizona, attached hereto as *Exhibit A*, that the principal of, interest on and profit realized from the Government Obligations, when received, and the beginning deposit on demand held hereunder will be sufficient at all times to pay the Aggregate Payment Requirement.

"Escrow Account" means the trust fund created under the terms of this Agreement with the Escrow Agent and comprised of the Government Obligations and a certain beginning deposit as more fully described in 2.02 hereof.

"Escrow Agent" means American National Bank and Trust Company of Chicago, a national banking association, with principal offices located in the City of Chicago, Illinois, not individually but in the capacity for the uses and purposes hereinafter mentioned, or any successor thereto.

"Government Obligations" means direct obligations of the United States of America (being United States Bills, Notes, Bonds or STRPS or SLGS) deposited hereunder.

"Paying Agent" means the paying agent on the Prior Bonds, namely, American National Bank and Trust Company of Chicago.

"Prior Bonds" means the bonds described as follows:

A. Corporate Purpose Bonds, Series 1986

\$9,160,000 Series 1986 Bonds, issued on August 19, 1986; bearing a dated date of August 1, 1986; of which \$7,585,000 are still outstanding, due serially on January 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	1,225,000	6.40
1994	1,225,000	6.60
1995	1,245,000	6.75
1996	740,000	6.90
1997	750,000	7.00
1998	535,000	7.00
1999	350,000	7.00
2000	340,000	7.00
2001	340,000	7.00
2002	330,000	7.00
2003	155,000	7.00
2004	150,000	7.00
2005	145,000	7.00
2006	55,000	7.00

of which bonds, those due on or after January 1, 1998 (the "1986 Prior Bonds"), are redeemable on January 1, 1997 (or any interest payment date thereafter) at the redemption price of par plus accrued interest.

B. Corporate Purpose Bonds, Series 1987

\$10,030,000 Series 1987 Bonds, issued on October 14, 1987; bearing a dated date of October 1, 1987; of which \$8,945,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	345,000	8.50
1994	365,000	8.50
1995	385,000	7.75
1996	405,000	6.80
1997	435,000	7.00
1998	420,000	7.10
1999	450,000	7.30
2000	480,000	7.40
2001	515,000	7.50
2002	550,000	7.60
2003	590,000	7.70
2004	630,000	7.75
2005	675,000	7.75
2006	720,000	7.75
2007	780,000	7.75
2008	580,000	7.75
2009	620,000	7.75

of which bonds, those due on or after December 1, 1998 (the "1987 Prior Bonds"), are redeemable on June 1, 1997 (or any interest payment date thereafter) at the redemption price of par plus a premium of 2% of the principal amount plus accrued interest.

C. Corporate Purpose Bonds, Series 1988

\$2,650,000 Series 1988 Bonds, issued on September 13, 1988; bearing a dated date of September 1, 1988; of which \$2,500,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	50,000	8.50
1994	50,000	8.50
1995	235,000	7.75
1996	275,000	6.50
1997	290,000	6.60
1998	300,000	6.70
1999	300,000	6.80
2000	250,000	6.90
2001	250,000	7.00
2002	250,000	7.10
2003	250,000	7.10

of which bonds, those due on or after December 1, 1997 (the "1988 Prior Bonds"), are redeemable on December 1, 1996 (or any interest payment date thereafter) at the redemption price of par plus a premium of 1.50% of the principal amount plus accrued interest.

D. Corporate Purpose Bonds, Series 1989

\$6,235,000 Series 1989 Bonds, issued on October 2, 1989; bearing a dated date of October 1, 1989; of which \$5,725,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	225,000	6.70
1994	225,000	6.70
1995	250,000	6.70
1996	275,000	6.70
1997	275,000	6.70
1998	300,000	6.70
1999	300,000	6.70
2000	275,000	6.70
2001	300,000	6.70
2002	325,000	6.70
2003	350,000	6.70
2004	375,000	6.70
2005	400,000	6.70
2006	425,000	6.75
2007	450,000	6.80
2008	475,000	6.80
2009	500,000	6.80

of which bonds, those due on or after December 1, 1997 (the "1989 Prior Bonds"), are redeemable on December 1, 1996 (or any date thereafter) at the redemption price of par plus a premium of 0.75% of the principal amount plus accrued interest.

E. Corporate Purpose Bonds, Series 1990

\$15,155,000 Series 1990 Bonds, issued on October 24, 1990; bearing a dated date of October 1, 1990; of which \$14,925,000 are still outstanding, due serially on December 1 of the years and in the amounts and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)
1993	180,000	8.250
1994	770,000	8.250
1995	765,000	7.400
1996	825,000	6.500
1997	885,000	6.875
1998	915,000	6.875
1999	935,000	6.875
2000	1,015,000	6.875
2001	900,000	6.875
2002	970,000	7.000
2003	1,040,000	7.000
2004	1,095,000	7.000
2005	1,200,000	7.000
2006	1,275,000	7.125
2007	1,380,000	7.125
2008	410,000	7.125
2009	175,000	7.125
2010	190,000	7.125

of which bonds, those due on or after December 1, 1998 (the "1990 Prior Bonds"), are redeemable on December 1, 1997 (or any date thereafter) at the redemption price of par plus a premium of 0.75% of the principal amount plus accrued interest.

"SLGS" means U.S. Treasury Obligations of the State and Local Government Series.

ARTICLE II

CREATION OF ESCROW

2.01. The Prior Bonds are hereby refunded, to and including the respective Call Date for each series, by the deposit with the Escrow Agent of moneys sufficient to purchase the Government Obligations described in 2.02 hereof, which Government Obligations (together with the beginning deposit of funds as described herein) will provide all moneys necessary to pay the Aggregate Payment Requirement.

2.02. The City has deposited with the Escrow Agent at the execution and delivery of this Escrow Agreement the sum of \$_____ derived from proceeds of the Bonds

("Proceeds") and the sum of \$_____ derived from funds of the City on hand and lawfully available for the purpose ("City Funds"). The Proceeds and the City Funds have been used to acquire the Government Obligations and to establish a beginning cash balance ("Beginning Cash").

The Escrow Agent now holds the Government Obligations and the Beginning Cash as follows:

SLGS TYPE	DATED	DUE DATE	AMOUNT (\$)	RATE (%)
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ARTICLE III

COVENANTS OF ESCROW AGENT

The Escrow Agent covenants and agrees with the City as follows:

3.01. The Escrow Agent will hold the Government Obligations and all interest, income and profit derived therefrom and all uninvested cash in a segregated and separate trust fund account for the sole and exclusive benefit of the City and of the holders and registered owners of the Prior Bonds and the Bonds, all to the purposes for which escrowed.

3.02. The Beginning Cash in the Escrow Account shall remain uninvested and be applied to the payment of first interest due therefrom. Thereafter, from time to time at each interest or principal payment date, certain ending balances may exist. The Escrow Agent agrees, without further order or direction whatever, to reinvest such ending balances in accordance with the terms of this section.

[Investment directions here.]

The Escrow Agent expressly recognizes that all SLGS, under current regulations of issuance, must be subscribed for not less than 15 days prior to date of issuance, and undertakes to file such subscriptions in a timely manner so as to effect immediate reinvestment of the ending balances.

The Escrow Agent acknowledges that the schedule of amounts available for reinvestment appears in the cash flow tables as such appear in the schedules and columns of the Defeasance Report.

3.03. The Escrow Agent shall hold all balances not invested or reinvested as hereinabove described and on deposit in the Escrow Account on demand and in trust for the purposes hereof and shall secure same in accordance with applicable Illinois law for the securing of public funds.

3.04. The Escrow Agent will take no action in the investment or securing of the proceeds of the Government Obligations which would cause the Bonds or the Prior Bonds to be classified as "arbitrage bonds" under applicable sections of the Internal Revenue Code, and all lawful regulations promulgated thereunder; *provided*, it shall be under no duty to affirmatively inquire whether the Government Obligations as deposited are properly invested under said section; and, *provided, further*, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

3.05. The Escrow Agent will promptly collect the principal of, interest on and income and profit from the Government Obligations and promptly apply the same solely and only to pay the Aggregate Payment Requirement.

3.06. The Escrow Agent will remit to the Paying Agent for the benefit of the Prior Bonds, in good funds on or before each interest or principal payment date (Call Date), moneys sufficient timely to pay the Aggregate Payment Requirement, as set out in the Defeasance Report, and each such remittance shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

3.07. The Escrow Agent will make no payment of fees, due or to become due, of the Bond Registrar or the Paying Agent.

3.08. The costs and expenses of the Escrow Agent will be paid by the City from funds other than those deposited hereunder. The Escrow Agent shall have no lien or right of set-off of any kind on the Escrow Account and shall look solely to the City and its other funds for payment. The Escrow Agent shall charge such fees for its services as are reasonable and usual for like services rendered by similar institutions.

3.09. The Escrow Agent has all the powers and duties herein set forth with no liability in connection with any act or omission to act hereunder, except for its own negligence or willful breach of trust, and shall be under no obligation to institute any suit or action or other proceeding under this Agreement or to enter any appearance in any suit, action or proceeding in which it may be defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall be deemed to have failed to take any such action, unless and until it shall have been indemnified by the City to its satisfaction against any and all costs and expenses, outlays, counsel fees and other disbursements, including its own reasonable fees, and if any judgment, decree or recovery be obtained by the Escrow

Agent, payment of all sums due it, as aforesaid, shall be a first charge against the amount of any such judgment, decree or recovery.

3.10. The Escrow Agent may in good faith buy, sell or hold and deal in any of the Bonds or Prior Bonds.

3.11. The Prior Bonds are hereby called for redemption on the respective Call Dates for each series of Prior Bonds at the redemption price therefor, stated again as follows:

SERIES	AMOUNT (\$)	CALL DATE	PREMIUM (%)	PREMIUM (\$)	TOTAL (\$)
1986	2,400,000	1/1/97	0.00	-0-	2,400,000
1987	7,010,000	6/1/97	2.00	140,200	7,150,200
1988	1,890,000	12/1/96	1.50	28,350	1,918,350
1989	4,750,000	12/1/96	0.75	35,625	4,785,625
1990	9,065,000	12/1/97	0.75	67,987.50	9,132,987.50

The form and time of the giving of the notice of redemption shall be as specified in 3.12 hereof.

3.12. A. *Time, Form, Manner.* The time, manner and form of giving notice of the call for redemption of the Prior Bonds shall be as follows:

1. *Time and Manner:*

Notice of redemption of the Prior Bonds shall be given by registered or certified mail, mailed not less than 30 nor more than 60 days prior to the redemption date, to each registered owner of a bond or bonds to be redeemed, at the address appearing in the bond register for such bonds, or at such other address as may have been furnished in writing by a registered owner to the Bond Registrar.

All notices of redemption shall state the name of the Prior Bonds to be redeemed and at least the information as follows:

- (a) the redemption date;
- (b) the redemption price;

- (c) the principal amount of Prior Bonds to be redeemed;
- (d) that on the redemption date, the redemption price of each of the Prior Bonds to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said redemption date; and
- (e) the place or places where the bonds to be redeemed are to be surrendered for payment of the redemption price, which shall be the principal corporate trust office of the Bond Registrar.

2. *Form:*

NOTICE OF REDEMPTION
CORPORATE PURPOSE BONDS
SERIES 19__
DATED _____ 1, 19__
OF THE
CITY OF EVANSTON, COOK COUNTY, ILLINOIS

Notice is hereby given to the registered owners and holders of the bonds named in the above caption, maturing on _____ 1 of the years 19__ to ____, inclusive, that the aforesaid City has called all of said bonds, in the aggregate principal amount of \$_____, for redemption and payment prior to maturity and said bonds will be paid and redeemed on _____ 1, _____. The redemption price is _____% of the amount redeemed plus accrued interest to the redemption date. Such interest is payable to the record owner of the redeemed bonds as of the regular record date.

The aforesaid bonds will be redeemed upon presentation and surrender at the principal corporate trust offices of American National Bank and Trust Company of Chicago, Chicago, Illinois, as bond registrar and paying agent for said bonds.

On the redemption date, said bonds will become due and payable at the redemption price, and interest in respect of such bonds shall cease to accrue from and after the redemption date.

By order of the City Council of the City of Evanston, Cook County, Illinois, dated the
____ day of _____, 19__.

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO

Bond Registrar and Paying Agent

Authorized Officer

B. *Additional Redemption Duties.* The Escrow Agent shall act as agent for the City in performing all acts, giving or causing to be given all notices, and providing such directions to the Bond Register or the Paying Agent, or both, to effect the payment and redemption of the Prior Bonds as aforesaid. The Escrow Agent acknowledges receipt of a certified copy of each ordinance of the City authorizing and providing for each of the series of the Prior Bonds.

C. *Additional Duties and Notice.* The Escrow Agent shall give or cause the Bond Registrar or the Paying Agent, or both, as appropriate, to give such further notices of redemption as may be required by any applicable rule of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Comptroller of the Currency, or any other agency or person having appropriate jurisdiction; but the giving of any such notice shall be directory only, and any failure or defect with respect to such notice shall not invalidate or diminish in any way the validity of the redemption of the Prior Bonds as provided herein upon the giving of official notice of redemption.

3.13. The Escrow Agent will submit to the Comptroller a statement within 30 days after June 1 and December 1 of each year, commencing December 1, 1993, itemizing all

moneys received by it and all payments made by it under the provisions of this Agreement during the six month period ending on such June 1 or December 1.

3.14. If at any time it shall appear to the Escrow Agent that the available proceeds of the Government Obligations and funds on deposit in the Escrow Account will not be sufficient to make any payment (whether principal, interest or premium) due to the holders or registered owners of any of the Prior Bonds, as and to the extent provided herein, the Escrow Agent shall notify the City not less than 15 days prior to such date, and the City agrees that it will from any funds lawfully available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur.

ARTICLE IV

COVENANTS OF CITY

The City covenants and agrees with the Escrow Agent as follows:

4.01. The Escrow Agent shall have no responsibility or liability whatsoever for (a) any of the recitals of the City herein, (b) the performance of or compliance with any covenant, condition, term or provision of the Bond Ordinance, and (c) any undertaking or statement of the City hereunder or under said Bond Ordinance.

4.02. To the fullest extent it is required under the terms of the Prior Bonds, the City will promptly and without delay remit to the Escrow Agent, within ten days after receipt of its written request, such sum or sums of money as are necessary to make the payments required under 3.14 hereof and to fully pay and discharge any obligation or obligations or charges, fees or expenses incurred by the Escrow Agent in carrying out any of the duties, terms or provisions of this Agreement. The City will promptly pay all Paying Agent and Bond Registrar fees.

4.03. The City does hereby waive any right to pay at maturity or redeem on any other date than as herein specified any of the Prior Bonds.

ARTICLE V

AMENDMENTS AND IRREVOCABILITY OF AGREEMENT

5.01. This Agreement may be amended or supplemented to provide that the Government Obligations or any portion thereof may be sold or redeemed, and moneys derived therefrom invested, reinvested (but only in other direct full faith and credit obligations of the U.S. Treasury which are not redeemable by the Treasury prior to maturity) or disbursed in any manner provided (any such amendment, supplement, direction to sell or redeem or invest, reinvest or disburse to be referred to as a "*Subsequent Action*"), upon submission to the Escrow Agent of each of the following:

A. Certified copy of proceedings of the City Council of the City authorizing the Subsequent Action and copy of the document effecting the Subsequent Action signed by duly designated officers of the City.

B. An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds that the Subsequent Action will not cause the interest on the Bonds or any of the Prior Bonds to become includible in the gross income of the owners for federal income tax purposes and not exempt from federal income taxes of such owners under the laws of the United States of America providing for taxation of income as and to the extent contemplated when such bonds were issued and that the Subsequent Action does not materially adversely affect the legal rights of the registered owners or holders of the Bonds or any of the Prior Bonds.

C. An opinion of a firm of nationally recognized independent certified public accountants that the amounts, which will consist of funds or receipts from direct full faith and credit obligations of the United States of America, not subject to redemption prior to maturity, all of which shall be held hereunder, available or to be available for payment of the Prior Bonds will remain sufficient after the Subsequent Action to pay when due the Aggregate Payment Requirement then remaining to be paid.

5.02. The City and the Escrow Agent may amend or add to the terms of this Agreement to correct errors, clarify ambiguities or insert inadvertently omitted material but only if any such correction, clarification or insertion has absolutely no adverse impact on the holders or registered owners of the Bonds or any of the Prior Bonds. The City may supplement this Agreement by providing for notice prior to any amendment to such parties as it may name in any such supplement, which will be effective upon filing with the Escrow Agent.

5.03. Except as provided in 5.01 and 5.02 hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement.

5.04. Except as provided in 5.01 and 5.02 hereof, all of the rights, powers, duties and obligations of the City hereunder shall be irrevocable and shall not be subject to amendment by the City and shall be binding on any successor to the officials now comprising the City Council of the City during the term of this Agreement.

5.05. Except as provided in 5.01 and 5.02 hereof, all of the rights, powers, duties and obligations of the Comptroller hereunder shall be irrevocable and shall not be subject to

amendment by the Comptroller and shall be binding on any successor to said official now in office during the term of this Agreement.

5.06. In the event the Prior Bonds, with the consent and approval of the City, are rerated by any nationally known service which rates securities such as the Prior Bonds based upon the additional security provided by this Agreement, then the City and the Escrow Agent will provide such reasonable prior notice of any further amendment to this Agreement as may be requested by such service pursuant to its rerating.

ARTICLE VI

NOTICE

6.01. All notices and communications to the City and the City Council shall be addressed in writing to:

City Clerk
City of Evanston
2100 Ridge Avenue
Evanston, Illinois 60201

or at such other address as is furnished from time to time by the City.

6.02. All notices and communications to the Escrow Agent shall be addressed in writing to:

American National Bank and Trust Company
of Chicago
Corporate Trust Division
30 North LaSalle Street
Chicago, Illinois 60690

or at such other address as is furnished from time to time by the Escrow Agent.

6.03. All notices and communications to the Comptroller shall be addressed in writing to:

City Comptroller
City of Evanston
2100 Ridge Avenue
Evanston, Illinois 60201

or at such other address as is furnished from time to time by the Comptroller.

ARTICLE VII

RESIGNATION OF ESCROW AGENT

The Escrow Agent may at any time resign as Escrow Agent under this Agreement by giving 30 days written notice to the City, and such resignation shall take effect upon the appointment of a successor Escrow Agent by the City. The City may select as successor Escrow Agent any financial institution with capital, surplus and undivided profits of at least \$50,000,000 and located within the City of Chicago, Illinois, or in the Borough of Manhattan of the City of New York, New York, and which is authorized to maintain trust accounts for corporations in Illinois under applicable law.

ARTICLE VIII

TERMINATION OF AGREEMENT

Upon the final disbursement for the payment of the Prior Bonds as hereinabove provided for, the Escrow Agent will transfer any balance remaining in the Escrow Account to the Comptroller with due notice thereof mailed to the City, and thereupon this Agreement shall terminate.

IN WITNESS WHEREOF the City has caused this Agreement to be signed in its name by its Mayor, to be attested by the City Clerk under its corporate seal hereunto affixed; and the Escrow Agent, not individually, but in the capacity as hereinabove described, has caused this Agreement to be signed in its corporate name by one of its _____ and to be attested by one of its _____ under its corporate seal hereunto affixed, all this ____ day of _____ 1993.

CITY OF EVANSTON
COOK COUNTY, ILLINOIS

By _____
Mayor

ATTEST:

City Clerk

[SEAL]

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO

By _____
Its

ATTEST:

Its

[SEAL]

The foregoing Escrow Agreement has been received and acknowledged by me as of the date last written.

Comptroller
City of Evanston
Cook County, Illinois