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STATE OF NEVADA  
COUNTY OF WASHOE

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: **02/16/2008 - 02/22/2008**, for exact publication dates please see last line of Proof of Publication below.

Signed: *Delora J. DiCarano*

**FEB 22 2008**

Subscribed and sworn to before me  
LINDA ANDERSON  
Notary Public - State of Nevada  
Appointment Recorded in Washoe County  
No: 08-5430-2 - Expires January 15, 2012

*Linda Anderson*

**Proof of Publication**

NOTICE OF ADOPTION WASHOE COUNTY ORDINANCE NO. 1361 NOTICE IS HEREBY GIVEN THAT: Bill No. 1542, Ordinance No.1361 entitled: AN ORDINANCE DESIGNATED AS THE "2008 SUBORDINATE REVENUE BOND ORDINANCE"; AUTHORIZING AND DIRECTING THE ISSUANCE OF WASHOE COUNTY, NEVADA, SUBORDINATE LIEN CAR RENTAL FEE CAPITAL APPRECIATION REVENUE BONDS (MINOR LEAGUE BASEBALL STADIUM PROJECT), SERIES 2008 IN THE MAXIMUM INITIAL PRINCIPAL AMOUNT OF \$11,000,000 SECURED BY PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE SECURITY THEREFOR, THE SALE THEREOF; PROVIDING FOR ADOPTION AS IF AN EMERGENCY EXISTS; AND OTHER DETAILS IN CONNECTION THEREWITH. PUBLIC NOTICE IS HEREBY GIVEN that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection and distribution at the office of the County Clerk of Washoe County, at her office in the County Courthouse in Reno, Nevada, 75 Court Street, Reno, Washoe County, Nevada; and can be found on the County Clerk's website, [www.washoecounty.us/clerks](http://www.washoecounty.us/clerks). Such Ordinance was proposed, passed and adopted at a regular meeting of the Washoe County Board of County Commissioners on February 12, 2008, by the

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following vote of the Board of County Commissioners: Those Voting Aye: Jim Galloway, Bonnie Weber, Robert M. Larkin, David Humke, Kitty Jung Those Voting Nay: None Those Absent: None This ordinance shall be in full force and effect from and after February 22, 2008, i.e., the date of the second publication of such ordinance by its title only. IN WITNESS WHEREOF, The Board of County Commissioners of Washoe County, Nevada, has caused this ordinance to be published by title only. AMY HARVEY, Washoe County Clerk and Clerk of the Board of County Commissioners No. 530383 - Feb. 16, 22, 2008

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Summary -- An ordinance authorizing the issuance of the Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bond (Minor League Baseball Stadium Project) Series 2008, and otherwise concerning the subordinate bonds and the car rental fees pledged for its payment.

BILL NO. 1542  
ORDINANCE NO. 1361

(of Washoe County, Nevada)

**AN ORDINANCE DESIGNATED AS THE "2008 SUBORDINATE REVENUE BOND ORDINANCE"; AUTHORIZING AND DIRECTING THE ISSUANCE OF WASHOE COUNTY, NEVADA, SUBORDINATE LIEN CAR RENTAL FEE CAPITAL APPRECIATION REVENUE BONDS (MINOR LEAGUE BASEBALL STADIUM PROJECT), SERIES 2008 IN THE MAXIMUM INITIAL PRINCIPAL AMOUNT OF \$11,000,000 SECURED BY PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE SECURITY THEREFOR, THE SALE THEREOF; PROVIDING FOR ADOPTION AS IF AN EMERGENCY EXISTS; AND OTHER DETAILS IN CONNECTION THEREWITH.**

**WHEREAS**, the County of Washoe, in the State of Nevada (the "County" or the "Issuer," and the "State," respectively), is a county incorporated and operating under the laws of the State; and

**WHEREAS**, pursuant to Nevada Revised Statutes ("NRS") Sections 244A.011 through 244A.065 (the "County Bond Law"), and NRS Sections 244A.800 through 244A.830, as amended by chapter 322, Statutes of Nevada 2007 (as amended, the "Project Act"), NRS chapter 350 and all laws amendatory thereof, which includes the Local Government Securities Laws, being Sections 350.500 through 350.720, and all laws amendatory thereof (the "Bond Act"), the Board of County Commissioners of the County (the "Board") is authorized to acquire, improve, equip, operate and maintain, within the County, a minor league baseball stadium project as defined in NRS Section 244A.0344 (the "Project"); and

**WHEREAS**, pursuant to the Project Act, the County adopted a resolution on September 28, 2007 determining that the following criteria were met before October 1, 2007:

(a) An agreement has been entered into with a minor league baseball team to play its home games at a baseball stadium that will be acquired, leased, improved, equipped, operated and maintained within the County;

(b) If relocation of the minor league baseball team is required, approval for relocation of the team by the relevant league has been obtained;

(c) The site for the minor league baseball stadium has been acquired or leased; and

(d) Any approval required for the construction or improvement of the minor league baseball stadium has been obtained; and

**WHEREAS**, pursuant to the County Bond Law and the Project Act, the Board, on behalf of the County, is authorized and empowered to issue the "Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008 (the "Bonds") in the maximum initial principal amount of \$11,000,000 which shall be issued as a single bond (the "Bond") to defray the cost of the Project, in the manner and on the conditions provided in the County Bond Law, the Project Act and the Bond Act; and

**WHEREAS**, for the purpose of defraying a part of the cost of the Project, the Board deems it necessary to issue the Bond payable solely from Pledged Revenues (as defined herein); and

**WHEREAS**, the Board hereby determines that it is necessary and advisable that the County incur a bonded indebtedness by issuing the Bonds pursuant to the County Bond Law, the Project Act and the Bond Act; and

**WHEREAS**, the Bond will be sold to one investor who shall certify that such investor has a net worth of \$500,000 or more and is purchasing the Bond for investment and not for resale in accordance with NRS 350.155; and

**WHEREAS**, the Board, on the behalf and in the name of the County, does determine and does hereby declare that the Bond be sold upon a negotiated basis at private sale to a single investor (herein the "Purchaser") specified in the Certificate of the Finance Director (as defined herein), and authorizes the County Manager as the chief administrative officer of the County (the "County Manager"), or in her absence, the Finance Director as the chief financial officer of the County (the "Finance Director") to accept the offer from the Purchaser for the purchase of the Bond, for a price consisting of the maximum initial principal amount thereof (not to exceed \$11,000,000), or such lesser amount as shall represent the aggregate initial principal amount advanced by the Purchaser, plus a premium or less a discount (not to exceed 9 percent of the initial principal amount of the Bond), all as specified by the Finance Director, or in his absence, the County Manager, in a certificate dated on or before the date of delivery of the Bond (the "Certificate of the Finance Director"), which price does not result in an effective interest rate on the Bond in excess of 3% over the Index of Revenue Bonds most recently published in The Bond Buyer prior to the time the negotiated offer from the Purchaser is accepted for the Bond; and

**WHEREAS**, the Board hereby elects to have the provisions of chapter 348 of NRS (the "Supplemental Bond Act") apply to the Bond; and

**WHEREAS**, the Board has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bond in the County Bond Law, the Bond Act, the Project Act, the Supplemental Bond Act, and in any other relevant act of the State or the



federal government has been met, and pursuant to Section 350.708 of the Bond Act such determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary and gross abuse of discretion; and

**WHEREAS**, the Board has determined and does hereby declare:

- (a) This Ordinance pertains to the sale, issuance and payment of the Bond;
- (e) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of Section 350.579 of the Bond Act; and
- (f) This Ordinance may accordingly be adopted as if an emergency exists and may become effective at any time when an emergency ordinance of the County may go into effect.

**WHEREAS**, the Board intends to issue its “Washoe County, Nevada, Senior Car Rental Fee Revenue Bonds (Minor League Baseball Stadium Project), Series 2008” in the principal amount not to exceed \$22,000,000 (the “2008 Senior Bonds” ) at or near the time of issuance of the Bonds and intends that such 2008 Senior Bonds and any other Senior Securities shall have lien on the Pledged Revenues superior and prior to the lien thereon of the Bond and any other Parity Securities; and

**WHEREAS**, other than as set forth above, the County has never pledged nor in any way hypothecated the Pledged Revenues to the payment of any Outstanding bonds or obligations, with the result that the proceeds of the Pledged Revenues may now be pledged lawfully and irrevocably to the Bond, all as herein provided.

**NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA, DO ORDAIN:**

## ARTICLE I

### SHORT TITLE, DEFINITIONS, INTERPRETATION, RATIFICATION AND EFFECTIVE DATE

Section 101. Short Title. This ordinance shall be known and may be cited as the “2008 Subordinate Revenue Bond Ordinance” (the “Ordinance”).

Section 102. Meaning and Construction.

A. Definitions. The following terms, except where the context by clear implication otherwise requires, shall have the specified meanings for all purposes of this Ordinance:

(1) “Accreted Value” means, with respect to any Capital Appreciation Bond, the principal amount thereof plus the interest accrued thereon from its delivery date, compounded at the interest rate thereof on the Compounding Date specified therein. With respect to any Capital Appreciation Bonds, the Accreted Value at any date to which reference is made shall be the amount set forth in the Accreted Value Table as of such date, if such date is a Compounding Date, and if not, shall be determined by straight-line interpolation, as calculated by the Trustee, with reference to such Accreted Value Table.

(2) “Accreted Value Table” means the table designated as such and to which reference is made in any Capital Appreciation Bond and incorporated therein.

(3) The term “acquire” or “acquisition” means the opening, laying out, establishment, purchase, construction, securing, installation, reconstruction, lease, gift, grant from the Federal Government, the State, any body corporate and politic therein, any corporation, or any other Person, the endowment, bequest, devise, condemnation, transfer, assignment, option to purchase, other contract, or other acquirement, or any combination thereof, of any properties pertaining to the Facilities, or an interest therein, or any other properties herein designated.

(4) “Acquisition Account” means the special account designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008, Project Acquisition Account” created in Section 401 hereof.

(5) “Board” or “Governing Body” means the Board of County Commissioners of Washoe County, in the State of Nevada, or its successor in functions, if any.

(6) “Bond Act” means NRS 350.500 through 350.720, and all laws amendatory thereof, and designated in section 350.500 thereof as the Local Government Securities Law.

(7) “Bond Fund” means the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project) Series 2008, Interest and Bond Retirement Fund,” created by Section 401 hereof.

(8) “Bond Requirements” means the principal of, any prior redemption premiums due, if any, in connection with, and the interest on the Bonds and any Parity Securities payable from the Pledged Revenues, or such part of such securities as may be designated.

(9) “Bond Year” for the purposes of this Ordinance means the twelve (12) months commencing on the second day of July of any calendar year and ending on the first day of July of the next succeeding calendar year.

(10) “Bond” or “Bonds” means the securities issued hereunder and designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008 issued as a single bond.

(11) “Capital Appreciation Bonds” means the portion of the Bonds designated in the Purchase Contract as Capital Appreciation Bonds, the interest on which is compounded and not scheduled to be paid until maturity or prior redemption thereof.

(12) “Car Rental Fee Ordinance” means Ordinance No. 1224 adopted by the Board on January 13, 2004, and also cited as Washoe County Code Sections 25.600 to 25.640, inclusive, as amended from time to time.

(13) “Chair” means the de jure or de facto Chair of the Board, or her or his successor in functions, if any.

(14) “Clerk” or “County Clerk” means the de jure or de facto county clerk of the County, or his or her successor in functions, if any.

(15) “commercial bank” or “Insured Bank” means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation and of the Federal Reserve System, is located within the United States, and has a capital and surplus of \$10,000,000 or more, including, without limitation, any “trust bank” as herein defined.

(16) “Comparable Bond Year” means, in connection with any Fiscal Year, the Bond Year which commences in the Fiscal Year. For example, for the Fiscal Year commencing on the first day of July, 2008, the Comparable Bond Year commences on the second day of July, 2008, and ends on the first day of July, 2009.

(17) “Compounding Date” means the date on which principal and interest on any Capital Appreciation Bond is compounded, as specified in such Capital Appreciation Bond.

(18) “Cost of the Project,” or any phrase of similar import, means all or any part designated by the Governing Body of the costs of the Project, or interest in the Project being acquired, which cost, at the option of the Governing Body (except as limited by law) may include all or any part of the incidental costs pertaining to the Project, including, without limitation:

(a) Preliminary expenses advanced by the County from funds available for use therefor or any other source, or advanced by any city or town with the approval of the County from funds available therefor or from any other source, or advanced by the State or the Federal Government, with the approval of the County (or any combination thereof);

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates of costs, and other preliminaries;

(c) The costs of premiums on builders’ risk insurance and performance bonds, or a reasonably allocable share thereof;

(d) The costs of appraising, printing, estimates, advice, services of engineers, architects, financial consultants, attorneys at law, clerical help, or other agents or employees;

(e) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of the Bonds and any other securities pertaining to the Project, and the bank fees and expenses;

(f) The costs of contingencies;

(g) The costs of the capitalization with the proceeds of the Bonds of any interest on the Bonds for any period not exceeding the period estimated by the Governing Body to effect the Project plus one (1) year, of any discount on the Bonds, and of any

reserves for the payment of the Bond Requirements of the Bonds, of any replacement expenses, and of any other cost of the issuance of the Bonds;

(h) The costs of amending any ordinance, resolution or other instrument authorizing the issuance of or otherwise pertaining to outstanding securities payable from any Pledged Revenues;

(i) The costs of funding any short-term loans, construction loans and other temporary loans of not exceeding ten (10) years pertaining to the Project and of the incidental expenses incurred in connection with such loans;

(j) The costs of any properties, rights, easements or other interests in properties, of any licenses, privileges, agreements and franchises;

(k) The costs of demolishing, removing or relocating any buildings, structures or other facilities on land acquired for the Project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated; and

(l) All other expenses necessary or desirable and pertaining to the Project, as estimated or otherwise ascertained by the Governing Body, including the costs of the Redevelopment Agency of the City of Reno, Nevada, and the County pursuant to Section 3.2 of the Development Agreement.

(19) “Costs of Issuance Account” means the special account designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project) Series 2008, Costs of Issuance Account” created in Section 401 hereof.

(20) “County” or “Issuer” means the County of Washoe, in the State of Nevada, and constituting a political subdivision thereof, or any successor municipal corporation; and where the context so indicates, either such term means the geographical area comprising the County of Washoe.

(21) “County Finance Director” or “Finance Director” means the de jure or de facto chief financial officer of the County, or his or her successor in functions, if any.

(22) “County Treasurer” or “Treasurer” means the de jure or de facto county treasurer of the County, or his or her successor in functions, if any.

(23) “Department of Taxation” or “Department” means the Nevada Department of Taxation created by section 11, chapter 748, Statutes of Nevada 1975.

(24) "Development Agreement" means the Development Agreement for Expenditure and Distribution of Rental Car Fees for a Minor League Baseball Stadium Project dated as of September 28, 2007 among the County, the City of Reno, Nevada, the Redevelopment Agency of the City of Reno, Nevada, SK Baseball, LLC and Nevada Land LLC, as such agreement may be amended from time to time.

(25) "Events of Default" means the events stated in Section 1003 hereof.

(26) "Facilities" means the properties comprising the Project, consisting of all properties real, personal, mixed, or otherwise, now owned or hereafter acquired by the County, the State, and any other political subdivision of the State (other than the County), through purchase, construction, or otherwise, and used in connection with the Project and the Project Act, and in any way pertaining thereto.

(27) "Federal Government" means the United States, or any agency, instrumentality or corporation thereof.

(28) "Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of or the timely payment of the principal of and interest on which securities are unconditionally guaranteed by, the United States of America.

(29) "Final Compounded Amount" means the Accreted Value of a Capital Appreciation Bond on its maturity date.

(30) "Fiscal Year" means the twelve (12) months commencing on the first day of July of any calendar year and ending on the last day of June of the next succeeding calendar year.

(31) "Governing Body" means the Board.

(32) "hereby," "herein," "hereinabove," "hereinafter," "hereinbefore," "hereof," "hereto," "hereunder" and any similar term refer to this Ordinance and not solely to the particular portion thereof in which such word is used; "heretofore" means before the adoption of this Ordinance; and "hereafter" means after the adoption of this Ordinance.

(33) "holder" or "owner" or any similar term, when used in connection with any Bonds, or any other designated securities, means the Person in possession and the apparent owner of the designated item, if such obligation is registered to bearer or is not

registered, and the term means the registered owner of any Bond or other security which is fully registered for payment as to both principal, Accreted Value and interest otherwise than to bearer.

(34) “improve” or “improvement” means the extension, widening, lengthening, betterment, alteration, reconstruction or other major improvement, or any combination thereof, of any properties pertaining to the Facilities, or an interest therein, or any other properties herein designated; but the term does not mean renovation, reconditioning, patching, general maintenance or other minor repair.

(35) “Independent Accountant” means any certified public accountant, or firm of such certified public accountants, as from time to time determined by the Governing Body, duly licensed to practice and practicing as such under the laws of the State, appointed and compensated by the Governing Body on behalf and in the name of the County:

(a) Who is, in fact, independent and not under the domination of the County;

(b) Who does not have any substantial interest, direct or indirect, with the County, and

(c) Who is not connected with the County as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the County.

(36) “Initial Amount” means the aggregate principal amount of the Bond on the date of issuance and each date of delivery of an advance of principal under the Bond thereof to the original purchaser thereof.

(37) “Instrument” means this Ordinance; and the terms “instrument of the Governing Body,” “amendatory instrument,” “supplemental instrument,” or any phrase of similar import mean any resolution or ordinance adopted by the Governing Body on behalf of the County.

(38) “I.R.C.” or “Tax Code” means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

(39) “Issuer” means the County.

(40) The term “newspaper” means a newspaper printed in the English language, published at least once each calendar week.

(41) “Outstanding” when used with reference to the Bonds or any other designated securities and as of any particular date means all the Bonds or any such other securities payable from the Pledged Revenues in any manner theretofore or thereupon being executed and delivered:

(a) Except any Bond or other security canceled by the County or otherwise on the County’s behalf, at or before such date;

(b) Except any Bond or other security for the payment of the redemption of which cash at least equal to the Bond Requirements to the date of maturity or the Redemption Date, shall have theretofore been deposited with a trust bank in escrow or in trust for that purpose and which is treated as discharged, as provided in Section 901 hereof; and

(c) Except any Bond in lieu of or in substitution for which another bond shall have been duly executed and delivered.

(42) “Parity Securities” means any bonds or securities payable from the Pledged Revenues on a parity with the Bond herein authorized to be issued.

(43) “Person” means a corporation, firm, other body corporate (including the Federal Government, the State, or any other body corporate and politic other than the County), partnership, limited liability company, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

(44) “Pledged Revenues” means all proceeds received by the County pursuant to NRS 244A.820(1)(b) from proceeds of the fee imposed pursuant to NRS 244A.810 and the Car Rental Fee Ordinance and other than the operation and maintenance expenses of the State deducted prior to receipt by the County, the County shall not deduct any operation and maintenance expenses. The Pledged Revenues means all or a portion of the Pledged Revenues. “Pledged Revenues” includes income derived from any additional sources if the Board is authorized to include and elects to include the additional sources in “Pledged Revenues” for the remaining term of the Bonds.

(45) “Project” means acquisition, improvement, equipment, operation and maintenance, within the County, of a minor league baseball stadium project as defined in NRS Section 244A.0344.

(46) “Project Act” means NRS Sections 244A.800 through 244A.830, as amended by chapter 322, Statutes of Nevada 2007, as amended from time to time.



(47) “Rebate Account” means the account designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project) Series 2008, Rebate Account” created in Section 506 hereof.

(48) “redemption date” means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from Pledged Revenues in any notice of prior redemption or otherwise fixed and designated by the County.

(49) “Regular Record Date” has the meaning specified in Section 302 hereof.

(50) “Revenue Fund” means the special account designated as the “Washoe County, Nevada, Car Rental Fee Revenue Fund” in Section 502 hereof.

(51) “2008 Senior Bonds” means “Washoe County, Nevada, Senior Lien Car Rental Fee Revenue Bonds (Minor League Baseball Stadium Project), Series 2008”.

(52) “Senior Securities” means the 2008 Senior Bonds and any additional refunding bonds or refunding securities payable from the Pledged Revenues and senior to the lien thereon of the bonds herein authorized to be issued.

(53) “Special Record Date” has the meaning specified in Section 302 hereof.

(54) “State” means the State of Nevada; and where the context so indicates, “State” means the geographical area comprising the State of Nevada.

(55) “Subordinate Securities” means bonds or securities payable from the Pledged Revenues and subordinate and junior to the lien thereon of the Bonds.

(56) “Supplemental Bond Act” means NRS 348.010 through 348.450.

(57) “trust bank” means a “commercial bank,” as defined herein, which bank is authorized to exercise and is exercising trust powers, and also means any branch of the Federal Reserve Bank.

(58) “Trustee” means the trustee, registrar and paying agent, (initially, U.S. Bank National Association) for the Bonds which acts as agent of the County for the registration and transfer of Bonds and is required to keep records for the registration and transfer of Bonds, pursuant to Section 305 hereof, and the defined term includes any successor trust bank as trustee, registrar and paying agent appointed as provided herein.

B. Construction. This Ordinance, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(1) Words in the singular number include the plural, and words in the plural include the singular.

(2) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender refer to any gender.

(3) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs of this Ordinance so numbered or otherwise so designated.

(4) The titles applied to articles, sections, subsections, paragraphs and subparagraphs in this Ordinance are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope of any provisions of this Ordinance.

(5) Any securities held by the County shall not be deemed Outstanding for the purpose of redemption or for the purpose of consents hereunder or for any other purpose provided herein.

Section 103. Successors. Whenever the County or the Governing Body is named or is referred to, such provisions shall be deemed to include any successors of the County or the Governing Body, respectively, whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of and other provisions for the benefit of the County or the Governing Body contained herein shall bind and inure to the benefit of any such successors and shall bind and inure to the benefit of any officer, board, district, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the County or the Governing Body or of their respective successors, if any, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

Section 104. Parties Interested Herein. Nothing herein expressed or implied is intended or shall be construed to confer any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof upon or to give such to any person, other than the County, the Governing Body and the owners of the Bond and such holders of any other securities

payable from the Pledged Revenues pertaining to such securities when reference is expressly made thereto. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the County shall be for the sole and exclusive benefit of the County, the Governing Body, the Trustee and any owner of the Bond and any holder of any such other security in the event of such a reference.

Section 105. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Governing Body, and the officers of the County, and otherwise taken by the County directed:

A. Project. Toward the Project, and

B. Bonds. Toward the sale and delivery of the Bonds for that purpose, be, and the same hereby is, ratified, approved and confirmed.

Section 106. Ordinance Irrepealable. After any of the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the holder or holders of the Bonds; and this Ordinance (subject to the provisions of Section 901 and Article XI hereof), if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, as herein provided, except as herein otherwise expressly provided.

Section 107. Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 108. Repealer. All bylaws, orders and other instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or other instrument, or part thereof, heretofore repealed.

Section 109. Effective Date and Publication. The Governing Body has expressed in the preambles to this Ordinance that it pertains to the sale, issuance and payment of the Bonds and accordingly may be adopted as if an emergency now exists, pursuant to NRS 350.579. Consequently, final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication as hereinafter provided. After this Ordinance is signed by the Chair and attested and sealed by the Clerk, it shall be published by title only, together with

the names of the commissioners voting for or against its passage, and with a statement that typewritten copies are available for inspection by all interested parties at the office of the Clerk, such publication to be made in the Reno Gazette Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two (2) weeks by two (2) insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

(of Washoe County, Nevada)

**AN ORDINANCE DESIGNATED AS THE "2008 SUBORDINATE REVENUE BOND ORDINANCE"; AUTHORIZING AND DIRECTING THE ISSUANCE OF WASHOE COUNTY, NEVADA, SUBORDINATE LIEN CAR RENTAL FEE CAPITAL APPRECIATION REVENUE BONDS (MINOR LEAGUE BASEBALL STADIUM PROJECT), SERIES 2008 IN THE MAXIMUM INITIAL PRINCIPAL AMOUNT OF \$11,000,000 SECURED BY PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE SECURITY THEREFOR, THE SALE THEREOF; PROVIDING FOR ADOPTION AS IF AN EMERGENCY EXISTS; AND OTHER DETAILS IN CONNECTION THEREWITH.**

**PUBLIC NOTICE IS HEREBY GIVEN** that typewritten copies of the above numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk of Washoe County, Nevada, at her office in the Washoe County Courthouse, Reno, Nevada; and that such ordinance was proposed by Commissioner \_\_\_\_\_ on February 12, 2008, and was passed at a meeting held on February 12, 2008, by the following vote of the Board of County Commissioners:

Those Voting Aye: Jim Galloway  
Robert Larkin  
Dave Humke  
Bonnie Weber  
Kitty Jung

Those Voting Nay: \_\_\_\_\_

Those Absent: \_\_\_\_\_

Those Abstaining: \_\_\_\_\_

The ordinance shall be in full force and effect from and after the 23rd day of the month of February of the year 2008 *i.e.*, the date of the second publication of such ordinance by title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this ordinance to be published twice by title only.

DATED on this February 12, 2008.

/s/ Robert Larkin  
Chair  
Board of County Commissioners  
Washoe County, Nevada

Attest:

/s/ Amy Harvey  
County Clerk

(End of Form of Publication)

## ARTICLE II

### GOVERNING BODY'S DETERMINATIONS, AUTHORITY FOR AND AUTHORIZATION OF PROJECT, NECESSITY OF PROJECT AND BONDS, PROJECT COST, AND OBLIGATION OF COUNTY

Section 201. Authority for Ordinance. This Ordinance is adopted pursuant to the Project Act, the Bond Act, and the Supplemental Bond Act; and the County determines:

A. Compliance with Project Bond and Supplemental Bond Acts. The provisions of this Ordinance are necessary to carry out the purposes of the County in accordance with the Project Act, the Bond Act, and the Supplemental Bond Act; and

B. Approval. The total cost of the Project (to the extent heretofore determined and prepared) is approved.

Section 202. Life of Improvements. The Governing Body determines:

A. Estimated Life. The estimated life or estimated period of usefulness of the improvements is not less than 50 years from the date of the Bonds; and

B. Bond Term. The Bonds will mature at times not exceeding such estimated life or estimated period of usefulness.

Section 203. Necessity of Project and Bonds. It is necessary and in the best interest of the County and its inhabitants that the County undertake the Project and issue the Bonds.

Section 204. Authorization of Project. The Governing Body, on behalf of the County, determines to better, enlarge, extend and otherwise improve the Facilities by effecting the Project and the Project is hereby so authorized.

Section 205. Estimated Cost of Project. The Cost of the Project is estimated to be an amount at least equal to the amount received from the sale of the Bonds and the 2008 Senior Bonds, together with costs defrayed or to be defrayed by any source other than the proceeds of the Bonds and the 2008 Senior Bonds.

Section 206. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of the Ordinance shall be deemed to be and shall constitute a contract between the County and the owners from time to time of the Bonds.

Section 207. Bonds Equally Secured. The covenants and agreements of the County herein set forth shall be for the equal benefit, protection and security of the owners of any and all of the Outstanding Bonds all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction, except as otherwise expressly provided in or pursuant to this Ordinance.

Section 208. Special Obligations. The Bond as to all Bond Requirements, shall be payable and collectible solely out of the Pledged Revenues, which Pledged Revenues are hereby so pledged and the Bond shall have a lien on the Pledged Revenues which is subordinate and after the lien thereon of the Outstanding Senior Securities; the owner or owners thereof may not look to any general or other fund for the payment of such Bond Requirements, except the special funds herein pledged; the Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation; and the Bonds shall not be considered or held to be general obligations of the County but shall constitute its special obligations.

Section 209. Character of Agreement. None of the covenants, agreements, representations, and warranties contained herein or in the Bonds, in the absence of any breach thereof, shall ever impose or be construed as imposing any liability, obligation, or charge against the County (except the special funds pledged) or its general credit, payable out of its general fund or out of any funds derived from taxation other than the Pledged Revenues.

Section 210. Modifications of Project. The County reserves the right to make alterations, amendments, additions to, and deletions from the Project prior to the withdrawal of all moneys accounted for in the Acquisition Account.

Section 211. No Pledge of Property. The payment of the Bonds is not secured by any encumbrance, mortgage or other pledge of property of the County, except for its Pledged Revenues and any other moneys pledged for the payment of the Bonds. No property of the County, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 212. No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Ordinance against any individual member of the Governing Body or any officer or other agent of the County, past, present or future, either directly or indirectly through



the Governing Body or the County, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

### ARTICLE III

#### AUTHORIZATION, TERMS, EXECUTION, REGISTRATION, USE OF DEPOSITORY, AND ISSUANCE OF BONDS

Section 301. Authorization of Bond. The "Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008," in the maximum Initial Amount set forth in the Certificate of the Finance Director (not to exceed \$11,000,000), or such lesser principal amount as shall represent the aggregate Initial Amount advanced by the owners of the Bond, payable as to all the Bond Requirements solely out of the Pledged Revenues after the payment of the Senior Securities, are hereby authorized to be issued, pursuant to the Project Act, the Bond Act, and the Supplemental Bond Act. The County pledges irrevocably, but not necessarily exclusively, such revenues to the payment of the Bond Requirements of the Bond, the proceeds thereof to be used (except as herein otherwise expressly provided) solely to defray the cost of the Project.

Section 302. Bond Details. The Bond shall be issued in fully registered form, i.e., registered as to principal, Accreted Value and interest. The Bond shall be dated as of the date of delivery of the Bond. The Bond shall be issued as a single Bond in denominations of \$5,000 of the Final Compounded Amount, with respect to Capital Appreciation Bonds and any integral multiple thereof (provided that no Capital Appreciation Bond may be in a denomination which exceeds the Accreted Value due on any maturity date). The Bond and any advances thereunder shall be delivered and be redeemed in even increments of \$5,000 (of the Final Compounded Amount on the final maturity date) calculated on the applicable date of delivery or payment. Each advance of the Initial Amount under the Bond shall accrue interest compounded semi-annually (on the basis of a 360-day year of twelve 30-day months) at the rates set forth in the Certificate of the Finance Director from the date of each such advance until their respective fixed maturity dates, payable on December 1 of the fixed maturity dates which shall commence on December 1, 2012, except that Bonds which are reissued upon transfer, exchange or other replacement shall accrue compounded interest at the rates set forth in the Certificate of the Finance Director from the most recent interest payment date to which interest has been paid or compounded or duly provided for, or if no interest has been paid or compounded, from the date of the Bonds or the date of the advance. Interest shall accrue on the Initial Amount of the Bond

advanced but shall not be payable until maturity. The Accreted Value of the Bond and installments thereof on December 1 of each year shall be as set forth in the Accreted Value Table designated and set forth in the Certificate of the Finance Director. The Accreted Value of the Bond and installments thereof on any date other than December 1 of any year shall be calculated by the Trustee using the Accreted Value Table or if the date is not on the Accreted Value Table, using straight line interpolation using the two closest dates, which calculation will be binding absent manifest error. The Initial Amount advanced under the Bond shall mature in installments on the dates and in the amounts as set forth in the Certificate of the Finance Director (not to exceed 50 years). Notwithstanding the foregoing, the obligation of the County as represented by the Bond shall be the maximum Initial Amount of \$11,000,000 or such lesser amount as shall represent the aggregate Initial Amount advanced by the owners of the Bond to the County, as shown on the advance panel appended to the Bond which may be evidenced by a request for advance executed by the County Manager or the Finance Director; provided that any advances of the Initial Amount over \$10,000,000 shall be advanced with the prior written consent of the County and the owner of the Bond, which consent in either case may be withheld for any reason. The County Manager or the Finance Director is hereby authorized to request advances of the Initial Amount under the Bond from the registered owners of the Bond. Upon delivery of a request for advance to the registered owners of the Bond and the Trustee, the registered owners of the Bond shall advance money under the Bond within 30 days of the request for principal advance and upon receipt of the requested principal advance, the County shall notify the Trustee and the Trustee shall make a notation on the Principal Advance Panel appended to the Bond and provide such Principal Advance Panel to the registered owners of the Bond to be included with the Bond and make a notation of the amount and date of such advance in the registration records of the Trustee with respect to the Bond. The registration records of the Trustee with respect to the date and amount of each principal advance shall be conclusive absent manifest error.

The Accreted Value of any Bond shall be payable to the registered owner thereof as shown on the registration records kept by the Trustee upon final maturity thereof and upon presentation and surrender at the office of the Trustee or at such other office as designated by the Trustee. If any Bond shall not be paid upon presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the Accreted Value is paid in full. Payment of interest on any Bond and installments of Accreted Value on the Bond

shall be made to the registered owner thereof by check or draft mailed by the Trustee on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), to the registered owner thereof at his address as shown on the registration records kept by the Trustee at the close of business on the 15th day of the calendar month next preceding such interest payment date (the "Regular Record Date"); but any such interest and Accrete Value, if any, not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on a special record date for the payment of any such defaulted interest (a "Special Record Date"). Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the Bonds not less than ten (10) days prior thereto by first-class mail to each such registered owner as shown on the Trustee's registration records on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Trustee may make payments of interest or Accreted Value on any Bond by such alternative means as may be mutually agreed to between the owner of such Bond and the Trustee (provided, however, that the County shall not be required to make funds available to the Trustee prior to the due dates of interest and principal, respectively). All such payments shall be made in lawful money of the United States of America.

Section 303. Prior Redemption.

A. Optional Redemption. The Bond shall be subject to redemption prior to its respective maturities, at the option of the County, in whole or in part, from such maturities selected by the Finance Director and by any amount within a maturity on any date, at a price equal to the Accreted Value of each Bond so redeemed on such redemption date.

B. Partial Redemption. If any Bond is in a denomination larger than \$5,000 of the Final Compounded Amount, with respect to Capital Appreciation Bonds, a portion of such Bond (\$5,000 of the Final Compounded Amount, with respect to Capital Appreciation Bonds or any integral multiple thereof provided that no Capital Appreciation Bond may be in a denomination which exceeds the Accreted Value due on any maturity date) may be redeemed pursuant to subsection A or D hereof, in which case the Trustee shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed

portion thereof. In the case of a partial redemption of Bonds of a single maturity pursuant to subsection A or D hereof, the Trustee shall select the Bonds to be redeemed by lot at such time as directed by the Finance Director (but at least 10 days prior to the Redemption Date), and if such selection is more than 60 days before a Redemption Date, shall direct the Trustee to appropriately identify the Bonds so called for redemption by stamping them at the time any Bond so selected for redemption is presented to the Trustee for stamping or transfer or exchange, or by such other method of identification as is deemed adequate by the Trustee and any Bond or Bonds issued in exchange for, or to replace, any Bond so called for prior redemption shall likewise be stamped or otherwise identified. In the case of a partial redemption of any Bond of a single maturity pursuant to subsection B hereof, the Trustee shall select the Bonds to be redeemed by lot between 60 and 10 days prior to the Redemption Date. In the event of a partial redemption under subsection A or subsection D of this Section, the Trustee shall select portions of the Bond to be redeemed in ascending order of maturing installments or required sinking fund installments of Accreted Value.

C. Mandatory Sinking Fund Redemption. The Bonds maturing on the dates set forth in the Certificate of the Finance Director (the "Term Bonds") are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the Accreted Value thereof on the redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the Bond Fund on or before the dates set forth in the Certificate of the Finance Director, a sum which, together with other moneys available in the Bond Fund, is sufficient to redeem on the dates set forth in the Certificate of the Finance Director at a price equivalent to the Accreted Value of the Term Bonds such amount scheduled for redemption on the redemption date. The remaining Accreted Value of Term Bonds shall be paid upon presentation and surrender at maturity unless redeemed pursuant to optional redemption prior to maturity.

Not more than sixty days nor less than thirty days prior to the sinking fund payment dates for the Term Bonds, the Trustee shall proceed to select for redemption (by lot in such manner as the Trustee may determine) from all Outstanding Term Bonds, the Accreted Value of the Term Bonds equal to the aggregate Accreted Value of the Term Bonds redeemable with the required sinking fund payments, and shall call such Term Bonds or portions thereof for redemption from the sinking fund on the next payment date, and may give notice of such call as provided in Section 303(E) of this Ordinance.

At the option of the County to be exercised by delivery of a written certificate to the Trustee not less than sixty days next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation Term Bonds, or portions thereof (\$5,000 of the Final Compounded Amount, with respect to Capital Appreciation Bonds or any integral multiple thereof) in an aggregate principal amount desired by the County or, (ii) specify the Accreted Value of Term Bonds, or portions thereof (\$5,000 of the Final Compounded Amount, with respect to Capital Appreciation Bonds or any integral multiple thereof) which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Trustee and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond or portions thereof so delivered or previously redeemed shall be credited by the Trustee at 100% of the Accreted Value thereof against the obligation of the County on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the County determines. In the event the County shall avail itself of the provisions of clause (i) of the first sentence of this paragraph, the certificate required by the first sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be cancelled.

D. Mandatory Redemption from Excess Pledged Revenues. The Bond shall be subject to mandatory redemption from excess Pledged Revenues as provided in Section 510(B) hereof prior to its respective maturities, in whole or in part, on December 1, at a price equal to the Accreted Value of each Bond so redeemed on such redemption date and credited against the scheduled sinking fund maturities in ascending order of maturity.

E. Redemption Notice. Redemption shall be made by the Trustee without notice to the registered owner of any Bond all or a part of which is called for prior redemption at the address as it last appears on the registration records kept by the Trustee. The Trustee may provide notice but is not required to provide notice of prior redemption; provided, however, the Trustee is required on or before the date of any redemption of the Bond or any portion thereof pursuant to this Section 303, to provide written notice to the owners of the Bond to be redeemed of the calculation of the amount due upon redemption on such redemption date. The notice may identify the Bond or portions thereof to be redeemed, specify the Redemption Date, and may state that on such date the principal amount thereof will become due and payable at the Trustee (accrued interest to the Redemption Date being payable by mail or as otherwise provided in this

Ordinance), and that after such Redemption Date interest will cease to accrue. The notice of prior redemption may further state that on such date there will become and will be due and payable upon the Bond so to be redeemed at the office of the Trustee (designated by name) or at such other office as is designated by the Trustee, the Accreted Value thereof to the Redemption Date, and that from and after such date compounding interest will cease to accrue. Notice having been given in the manner hereinabove provided, the Bond or portions thereof so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the Trustee or at such other office as is designated by the Trustee, the County will pay the Bond or portions thereof so called for redemption. Any portion of the Bond redeemed prior to their respective maturities by call for prior redemption (or otherwise) shall not be reissued and shall be canceled the same as any portion thereof redeemed at or after maturity.

Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Trustee of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 304. Negotiability. Subject to Section 306 hereof and to the registration and payment provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purposes of the Uniform Commercial Code -- Investment Securities, and each registered owner shall possess all rights enjoyed by registered owners of negotiable instruments under the Uniform Commercial Code -- Investment Securities.

Section 305. Registration, Transfer and Exchange of Bonds.

A. Records for the registration and transfer of the Bonds shall be kept by the Trustee. Upon the surrender for transfer of any Bond at the Trustee, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing, the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity bearing a number or numbers not previously assigned. Bonds may be exchanged at the Trustee for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations, as provided in Section 302 hereof. The

Trustee shall authenticate and deliver the Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing number or numbers not previously assigned. Such transfers and exchanges of the Bonds shall be without charge to the owner or any transferee, but the Trustee shall require the payment by the owner of any Bond requesting exchange or transfer, of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. The person in whose name any Bond shall be registered, in the registration records kept by the Trustee, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof (except to the extent otherwise provided in Section 302 hereof with respect to interest payments) and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitation provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

C. If any Bond shall be lost, stolen, destroyed or mutilated, the Trustee shall, upon receipt of such evidence, information or indemnity relating thereto as it or the County may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Trustee may direct that such Bond be paid by the Trustee in lieu of replacement.

D. Whenever any Bond shall be surrendered to the Trustee upon payment thereof, or to the Trustee for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Trustee, and counterparts of a certificate of such cancellation shall be furnished by the Trustee to the County.

Section 306. Initial Purchase; Limitations on Transfer.

A. Notwithstanding anything herein to the contrary, the Bond shall be initially issued and subsequently transferred only to a "qualified institutional buyer" as defined in Regulation 230.144a of the Securities Act of 1933 ("QIB") or an "accredited investor" as defined in Rule 501(a)(1) of Regulation D promulgated under the Securities Act of 1933. In addition, the



Purchaser shall certify upon initial issuance and prior to any transfer, the transferee shall certify to the County and the Trustee:

(a) The Purchaser or such transferee has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations of a nature similar to the Bond to be able to evaluate the risks and merits of the investment represented by the purchase of the Bond.

(b) The Purchaser or such transferee has a net worth of \$1,000,000 or more, is purchasing the Bond for its own account and not for resale or with a view to, or for sale in connection with, any distribution of the Bond or any part thereof.

(c) The Purchaser or such transferee has not offered to sell, solicited offers to buy, or agreed to sell the Bond or any part thereof, and has no present intention of reselling or otherwise disposing of the Bond or any interest therein.

(d) As a sophisticated investor, the Purchaser or such transferee has made its own credit inquiry and analysis with respect to the County, the Pledged Revenues and the Bond, and has made an independent credit decision based upon such inquiry and analysis.

(e) The County has furnished to the Purchaser or the transferee all the information which the transferee has requested of the County as a result of its having attached significance thereto in making its investment decision with respect to the Bond, and has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the County and the Bond.

(f) The Purchaser or such transferee is able and willing to bear the economic risk of the purchase and ownership of the Bond.

(g) The Purchaser or such transferee is a "qualified institutional buyer" as defined in Regulation 230.144A of the Securities Act of 1933 or is an "accredited investor" pursuant to Regulation D (17 CFR Section 230.501(a)).

(h) The Purchaser or such transferee understands that the Bond  
(i) is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws or regulations of any state, and has not been otherwise registered with any federal or state securities agency or commission

(ii) will not be listed on any stock or other securities exchange, (iii) will not carry a rating from any rating service, and (iv) may not be readily marketable.

(i) The Purchaser or such transferee agrees and acknowledges that the Bond may be transferred or sold in whole but not in part as provided in paragraph (j) below and that except for such a sale in whole pursuant to paragraph (j), Purchaser or transferee shall not certificate, participate, sell or otherwise transfer interests in all or any part of the Bond.

(j) The Purchaser or such transferee agrees and acknowledges that the Bond cannot be transferred or sold unless (1) the Bond is subsequently registered under the then applicable laws including those referred to in paragraph (h) above or an exemption from such registration is available, (2) the transferee or buyer delivers a certification substantially containing the provisions of this paragraph and the preceding paragraphs (a) through (i) and (3) the Bond is issued in certificated form only and the Bond shall remain in certificated form only and may not be deposited in any securities depository; provided, however, that a transfer by operation of death of a trustee of the Purchaser to the trustee's estate will not be deemed to violate this Section 306.

The Trustee is only required to receive an executed certificate from the Purchaser or a transferee under this Section 306 and the Trustee is not required to independently verify the accuracy of any certification made by the Purchaser or any transferee under this Section 306.

Section 307. Execution of Bond. The Bond shall be executed as follows:

A. Filings with Secretary of State. Pursuant to NRS 350.638 and to the act cited as the Uniform Facsimile Signatures of Public Officials Act, designated as chapter 351 of NRS and to the Supplemental Bond Act and prior to the execution of any Bonds by facsimile signature, the Chair, the Treasurer and the Clerk shall each file with the Secretary of State of the State of Nevada his or her manual signature certified under oath.

B. Manner of Execution. The Bond shall be signed and executed in the name of and on behalf of the County with the manual or the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chair and shall be countersigned, manually subscribed and executed by the Treasurer; the Bond shall be authenticated with the manual or the printed, engraved, stamped or otherwise placed thereon facsimile of the official seal of the County; and the Bond shall be signed, executed and attested with such a manual or a facsimile of the signature of the Clerk.

C. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided, has been duly manually executed by the Trustee. The Trustee's certificate of authentication shall be deemed to have been duly executed by it if it is manually signed by an authorized officer or employee of the Trustee, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bond delivered pursuant to this Ordinance, the Trustee shall be deemed to have assented to all of the provisions of this Ordinance.

Section 308. Use of Predecessor's Signature. The Bond bearing the signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the County, notwithstanding that before the delivery thereof and the payment therefor any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Chair, the Treasurer and the Clerk, at the time of the execution of the Bonds and of the signature certificate, may adopt as and for his or her own facsimile signature the facsimile signature of his predecessor in office in the event that such facsimile signature appears upon any of the Bond.

Section 309. Incontestable Recital in Bond. Pursuant to NRS 350.628, the Bond shall recite that it is issued pursuant to the Bond Act, which recital shall be conclusive evidence of the validity of the Bond and the regularity of their issuance.

Section 310. State Tax Exemption. Pursuant to NRS 350.710, the Bond, its transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 311. Bond Execution. The Chair, the Treasurer and the Clerk are authorized and directed to prepare and to execute the Bond as herein provided.

Section 312. Trustee's Registration. In a separate book or electronic records, the Trustee shall maintain the registration records of the County for the Bonds showing the name and address of the registered owner of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond and its interest rate, principal amount and Bond number and its prefix, if any.

Section 313. Bond Delivery. After such registration, the Trustee shall cause the Bond to be delivered to the Purchaser, upon due payment being made in accordance with the terms of their sale.

Section 314. Causes for Reissuance. In case any Outstanding Bond shall be lost, apparently destroyed, or wrongfully taken, it may be reissued, at the discretion of the County, in the form and tenor of the lost, destroyed or taken Bond as provided in section 104.8405 of the Uniform Commercial Code--Investment Securities, as from time to time amended, and all laws supplemental thereto.

Section 315. Other Reissuance. Nothing contained in the provisions of Section 314 hereof shall be construed as prohibiting the County from reissuing, pursuant to other provisions herein, in the Project Act or the Bond Act, or otherwise, upon such terms and conditions as the Governing Body may determine, any Outstanding Bond which shall not have become lost, apparently destroyed, or wrongfully taken.

Section 316. Bond Form. Subject to the provisions of this Ordinance, the Bond shall be in substantially the following form, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**THIS BOND SHALL BE TRANSFERRED ONLY TO A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN REGULATION 230.144A OF THE SECURITIES ACT OF 1933 ("QIB") OR AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a)(1) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.**

WASHOE COUNTY, NEVADA  
SUBORDINATE LIEN CAR RENTAL FEE CAPITAL APPRECIATION REVENUE BOND  
(MINOR LEAGUE BASEBALL STADIUM PROJECT), SERIES 2008

NO. R \_\_\_\_\_

<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Dated As Of</u>
___ per annum	December 1, ___	_____, 2008

REGISTERED OWNER:

MAXIMUM INITIAL PRINCIPAL AMOUNT: \$11,000,000  
 MAXIMUM FINAL COMPOUNDED AMOUNT AT MATURITY: \_\_\_\_\_ DOLLARS  
 MAXIMUM ORIGINAL PRINCIPAL AMOUNT PER \$5,000 VALUE AT MATURITY: \_\_\_\_\_ DOLLARS

The County of Washoe, in the State of Nevada (herein the "County" and the "State," respectively), for value received hereby promises to pay to the registered owner above specified solely from the special funds provided therefor, as hereinafter set forth, the maximum Initial Principal Amount specified above, or such lesser amount as shall be advanced hereunder, on the Maturity Date specified above and to pay interest compounded thereon on June 1 and December 1 of each year commencing on December 1, 2012, at the Interest Rate per annum specified above, until the Final Compounded Amount is paid or payment has been provided therefor. This Bond will bear or accrete interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this Bond. The Final Compounded Amount on this Bond is payable upon presentation and surrender thereof at the principal office designated by the County's registrar, paying agent and trustee (the "Trustee"), presently U.S. Bank National Association or such other office as designated by the Trustee. Installments of maturing principal and accreted interest on this Bond shall be paid by check or draft mailed on or before each payment date (or if such date is not a business day, on the next succeeding business day) to the registered owner hereof at the address appearing on the registration records of the County maintained by the Trustee or by electronic funds transfer or such other means acceptable to the registered owner hereof and the Trustee.

The County shall pay amortized installments in an amount which shall be sufficient to fully pay the Initial Amount advanced hereunder plus compounded interest thereon

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within fifty (50) years from the date of this Bond. Advances of the Initial Amount of this Bond may be made until November 1, 2009. On November 1, 2009, the Finance Director of the County shall prepare or cause to be prepared an amortization schedule showing installments of the Final Compounded Amounts due under this Bond, which schedule shall be provided to the Trustee and attached hereto as Exhibit A and made a part of this Bond.

The Final Compounded Amounts due on this Bond will be paid on each payment date (or, if such payment date is not a business day, on the next succeeding business day), by check or draft mailed to the person in whose name this Bond is registered (the "registered owner") in the registration records of the County maintained by the Trustee and at the address appearing thereon at the close of business on the 15<sup>th</sup> day of the calendar month next preceding such payment date (the "Regular Record Date"). If, upon presentation at maturity, payment of this Bond is not made as herein provided, interest shall continue to compound at the same rate specified above until the Final Compounded Amount hereof is paid in full. The Final Compounded Amount (the "Bond Requirements") shall be payable in lawful money of the United States of America. The Accreted Value on December 1 of each year shall be as set forth in the Accreted Value Table attached hereto and made a part hereof. The Accreted Value on any date other than December 1 of any year shall be calculated by the Trustee using straight line interpolation, which calculation is binding absent manifest error. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date for the payment of any due but unpaid interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the due but unpaid interest, and notice of the Special Record Date shall be given to the registered owners of the Bond (the "Bond") not less than ten days prior thereto. The Bond is issued pursuant to an ordinance authorizing such Bond and designated in Section 101 thereof as the 2008 Subordinate Revenue Bond Ordinance (herein the "Bond Ordinance"). A copy of the Bond Ordinance is on file for public inspection in the office of the Clerk of the County in Reno, Nevada.

The Bond is subject to redemption prior to their respective maturities as set forth in the Certificate of the Finance Director and the Bond Ordinance.

The Bond is issuable solely as fully registered Bonds in denominations of \$5,000 of the Final Compounded Amount or any integral multiple thereof and are exchangeable for fully registered Bond of the same maturity in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Trustee (and paying agent), but only in the manner, subject to the limitations, and on payment of the charges provided in the Bond Ordinance.

This Bond must be registered in the name of the owner as to both Initial Amount and interest on the registration records kept by the Trustee in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Bond Ordinance. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Trustee by the registered owner or his attorney duly authorized in writing.

This Bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration records kept by the Trustee upon surrender of this Bond together with a duly executed written instrument of transfer in the form of transfer certification attached to this Bond and otherwise satisfactory to the Trustee and as set forth in the Bond Ordinance. Upon such transfer a new fully registered Bond of the same aggregate Initial Amount and maturities in installments will be issued to the transferee in exchange for this Bond, subject to such terms and conditions as set forth in the Bond Ordinance.

The County and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Bond Ordinance with respect to the Regular and Special Record Dates for the payment of interest) and for all other purposes and neither the County nor the Trustee shall be affected by notice to the contrary.

The Bonds do not constitute a debt or an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be general obligations of the County, and are payable and collectible solely out of the income and revenue derived by the County and distributed to the County pursuant to NRS 244A.820(1)(b) from proceeds of the fee imposed pursuant to NRS 244A.810 and the Car Rental Fee Ordinance (as defined in the Bond Ordinance) is so pledged (the "Pledged Revenues"); and the owner hereof may not look to any general or other fund for the payment of the Bond Requirements of this obligation except the special funds pledged therefor.

Payment of the Bond Requirements of the Bonds shall be made solely from and as security for such payment there are irrevocably pledged, pursuant to the Ordinance, a special account identified as the "Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008, Interest and Bond Retirement Fund" into which account the County covenants to pay, respectively, from the Pledged Revenues, sums sufficient to pay when due the Bond Requirements of the Bonds.

The Bonds are equitably and ratably secured by a lien on such Pledged Revenues, and the Bonds constitute an irrevocable lien (but not an exclusive lien) upon such Pledged Revenues, subordinate to the lien thereon of the 2008 Senior Bonds (as defined in the Bond Ordinance). Bonds and other securities, in addition to the Bonds, subject to expressed conditions, may be issued and made payable from such Pledged Revenues having a lien thereon superior and prior to the lien, including the 2008 Senior Bonds or, subject to additional expressed conditions, having a lien thereon on a parity with the lien of the Bonds, in accordance with the provisions of the Bond Ordinance.

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

Reference is made to the Bond Ordinance and any and all modifications and amendments thereof and supplements thereto, to the Car Rental Fee Ordinance therein designated, to the contract pertaining to such ordinance between the State and the County, Nevada Revised Statutes ("NRS") Sections 244A.011 through 244A.065 (the "County Bond

Law”), and NRS Sections 244A.800 through 244A.830, as amended by chapter 322, Statutes of Nevada 2007 and all laws amendatory thereof (as amended, herein the “Project Act”), to the Local Government Securities Law, now cited as NRS 350.500 through 350.720, and all laws amendatory thereof (herein the “Bond Act”), to the Supplemental Bond Act now cited as NRS 348.010 through 348.450 (herein the “Supplemental Bond Act”) and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bond, the accounts, funds or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the owners of the Bond with respect thereto, the terms and conditions upon which the Bond are issued, and a statement of rights, duties, immunities and obligations of the County, and other rights and remedies of the owners of the Bond.

The Bond is issued pursuant to the Bond Act and pursuant to NRS 350.628, this recital is conclusive evidence of the validity of the Bond and the regularity of their issuance; and pursuant to NRS 350.710, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS or the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

To the extent and in the respects permitted by the Bond Ordinance, the provisions of the Bond Ordinance or any instrument amendatory thereof or supplemental thereto may be modified or amended by action of the County taken in the manner and subject to the conditions and exceptions prescribed in the Bond Ordinance. The pledge of Pledged Revenues and other obligations of the County under the Bond Ordinance may be discharged at or prior to the respective maturities of the Bond upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the County in the issuance of this Bond, and that it is issued pursuant to and in strict conformity with the Constitution and laws of the State, particularly the terms and provisions of the Project Act, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Bond Ordinance, against any individual member of the board of county commissioners of the County, or any officer or other agent of the County, past, present or future, either directly or indirectly through such governing body or the County, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the endorsement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specifically waived and released.

This Bond shall not be valid or obligatory for any purpose until the Trustee shall have manually signed the certificate of authentication hereon.



IN WITNESS WHEREOF, the County has caused this Bond to be signed and executed in its name and upon its behalf with the manual or facsimile signature of the Chair of its Board of County Commissioners, and to be countersigned, manually subscribed and executed with the manual or facsimile signature of its County Treasurer; has caused the manual or facsimile of the seal of the County to be affixed hereon; has caused this Bond to be signed, executed and attested with the manual or facsimile signature of its County Clerk; all as of \_\_\_\_\_, 2008.

COUNTY OF WASHOE, NEVADA

By (Manual or Facsimile Signature)  
Chair  
Board of County Commissioners

Countersigned:

(MANUAL IMPRESSION  
OR FACSIMILE SEAL)

(Manual or Facsimile Signature)  
County Treasurer

Attest:

(Manual or Facsimile Signature)  
County Clerk

(End of Form of Bond)

Exhibit A  
(Accreted Value Table)

(Form of Trustee's Certificate of Authentication for Bonds)

Date of authentication  
and registration: \_\_\_\_\_

This is one of the Bonds described in the within mentioned Bond Ordinance, and  
this Bond has been duly registered on the registration records kept by the undersigned as Trustee  
for such Bonds.

U.S. BANK NATIONAL ASSOCIATION  
as Trustee

By \_\_\_\_\_ (Manual Signature)  
Authorized Officer

(End of Form of Trustee's Certificate or Authentication for Bonds)

[Form of Advance Panel]

**ADVANCES OF INITIAL AMOUNT**

(Upon the date of each advance, the Trustee shall execute this panel, retain a copy in the  
Trustee's registration records and provide a copy to the Owner of the Bond to be included with  
the Bond)

<u>Date</u>	<u>Amount</u>	<u>Signature of Trustee</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

[End of Form of Advance Panel]

(Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County, in accordance with the terms of the Bond Ordinance authorizing the issuance of this Bond.

Date of Prepayment	Principal Prepaid	Signature of Authorized Representative of Trustee
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(End of Form of Prepayment Panel)

**FORM OF INITIAL AMOUNT ADVANCE REQUEST**

Date: \_\_\_\_\_, 20\_\_

[Trustee]

[Owner of the Bond]

Re: Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital  
Appreciation Revenue Bond (Minor League Baseball Stadium  
Project), Series 2008

Ladies and Gentlemen:

The undersigned hereby requests that \_\_\_\_\_, as the initial Purchaser and owner of the Bond, make an advance of the Initial Amount under the above-captioned Bond in the Initial Amount of \$\_\_\_\_\_ to the order of the undersigned Washoe County, Nevada (the "County") on or before \_\_\_\_\_, \_\_\_\_\_, which is at least thirty days after the date of this request.

The undersigned hereby certifies and warrants that:

1. The aggregate of the Initial Amount of advances requested from \_\_\_\_\_ (the "Purchaser") under the above-referenced Bond, including the advance requested in this letter, do not exceed the maximum Initial Amount of the Bond of \$11,000,000; provided that any advances of the Initial Amount over \$11,000,000 shall be advanced with the prior written consent of the County and the owner of the Bond, which consent in either case may be withheld for any reason.

2. All representations and warranties of the County contained in the Bond and the documents accompanying the Bond, including, without limitation, the Federal Tax Exemption Certificate dated \_\_\_\_\_, 2008, remain true and correct on this date as if made on this date. No law has been adopted which would in any way adversely affect the County's authority to obtain and repay this advance. The County covenants to advise you immediately if any such law is adopted; and

3. Upon receipt of this executed advance request and confirmation by the County Manager or the Finance Director of receipt of the funds requested hereunder, the Trustee is hereby directed to execute the Principal Advance Panel appended to the Bond and deliver the Principal Advance Panel to the Purchaser to attach to the Bond in physical form.

4. The Purchaser is requested to deposit the amount advanced into the following account:

[insert account information for Project Account]

Account # \_\_\_\_\_.

Respectfully submitted,  
WASHOE COUNTY, NEVADA

By: \_\_\_\_\_

(Must be County Manager or County Finance  
Director)

[Form of Transfer Certification]

Washoe County, Nevada  
County Administration Complex  
1001 East Ninth Street  
Reno, Nevada 89520

The undersigned, as an authorized representative of \_\_\_\_\_ (the "Transferee"), as Transferee from \_\_\_\_\_, as required by Section \_\_\_\_\_ of that certain Ordinance adopted by the Board of County Commissioners of Washoe County, Nevada on February 12, 2008, as the same may be amended or supplemented from time to time (the "Ordinance", to which reference is made for the definition of capitalized terms not otherwise defined herein), authorizing the issuance of the Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bond (Minor League Baseball Stadium Project), Series 2008 (the "Bond"), hereby certifies to the County and the Trustee as follows:

- (a) Such Transferee has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations of a nature similar to the Bond to be able to evaluate the risks and merits of the investment represented by the purchase of the Bond.
- (b) Such Transferee has a net worth of \$1,000,000 or more, is purchasing the Bond for its own account and not for resale or with a view to, or for sale in connection with, any distribution of the Bond or any part thereof.
- (c) Such Transferee has not offered to sell, solicited offers to buy, or agreed to sell the Bond or any part thereof, and has no present intention of reselling or otherwise disposing of the Bond or any interest therein.
- (d) As a sophisticated investor, such Transferee has made its own credit inquiry and analysis with respect to the County, the Pledged Revenues and the Bond, and has made an independent credit decision based upon such inquiry and analysis.
- (e) The County has furnished to the Transferee all the information which the Transferee has requested of the County as a result of its having attached significance thereto in making its investment decision with respect to the Bond, and has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the County and the Bond.
- (f) Such Transferee is able and willing to bear the economic risk of the purchase and ownership of the Bond.

- (g) Such Transferee is a "qualified institutional buyer" as defined in Regulation 230.144A of the Securities Act of 1933 or is an "accredited investor" pursuant to Regulation D (17 CFR Section 230.501(a)).
- (h) Such Transferee understands that the Bond (i) is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws or regulations of any state, and has not been otherwise registered with any federal or state securities agency or commission (ii) will not be listed on any stock or other securities exchange, (iii) will not carry a rating from any rating service, and (iv) may not be readily marketable.
- (i) Such Transferee agrees and acknowledges that the Bond may be transferred or sold in whole but not in part as provided in paragraph (j) below and that except for such a sale in whole pursuant to paragraph (j), Transferee shall not certificate, participate, sell or otherwise transfer interests in all or any part of the Bond.
- (j) Such Transferee agrees and acknowledges that the Bond cannot be transferred or sold unless (1) the Bond is subsequently registered under the then applicable laws including those referred to in paragraph (h) above or an exemption from such registration is available, (2) the transferee or buyer delivers a certification substantially containing the provisions of this paragraph and the preceding paragraphs (a) through (i) and (3) the Bond is issued in certificated form only and the Bond shall remain in certificated form only and may not be deposited in any securities depository.

Dated: \_\_\_\_\_, 2008.

[name of Transferee]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ARTICLE IV

### USE OF BOND PROCEEDS

Section 401. Disposition of Bond Proceeds. The proceeds advanced under this Bond, upon their receipt from time to time, shall be accounted for in the following manner and priority and are hereby pledged therefor:

A. Bond Fund. First, to the extent not needed for the Project, there shall be credited to the separate account hereby created by this Ordinance and designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008 Interest and Bond Retirement Fund” (the “Bond Fund”) to be held by the Trustee all moneys received, if any, as accrued interest on the Bond from its date to the date or respective dates of its delivery to the Purchaser or the dates of advances of principal to apply on the payment of interest on the Bond as the same becomes due after their delivery, in accordance with subsection B, Section 505 hereof.

B. Costs of Issuance Account. Second, there shall be deposited from the proceeds of the Bond (or other available moneys of the County) into the separate account hereby created by this Ordinance and designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008, Costs of Issuance Account” (the “Costs of Issuance Account”) to be held by the Finance Director, an amount sufficient to pay the costs of issuance of the Bond. After completion of the Project, or after adequate provision is made therefor, any unexpended balance of Bond proceeds in the Costs of Issuance Account shall be deposited in the Bond Fund to be used to pay the principal of and interest on the Bond.

C. Acquisition Account. Third, the balance of the proceeds derived from the sale of the Bond and advanced from time to time, except as herein otherwise expressly provided, shall be credited to a separate account hereby created and designated as the “Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008, Project Acquisition Account” (the “Acquisition Account”) to be held by the Redevelopment Agency of the City of Reno, Nevada pursuant to the Development Agreement. After completion of the Project, or after adequate provision is made therefor, any unexpended balance of Bond proceeds in the Acquisition Account shall be deposited in the Bond Fund to be used to pay the Accreted Value of and interest on the Bond.



Section 402. Moneys for Project. All moneys received and held by or on behalf of the County for the Project by the Redevelopment Agency of the City of Reno, Nevada pursuant to the Development Agreement, from all sources, shall be deposited in the Acquisition Account, including, without limitation, the Bond proceeds deposited therein pursuant to subsection D, Section 401 hereof. The moneys in the Acquisition Account, except as herein otherwise expressly provided, shall be used and paid out solely for the purpose of defraying the Cost of the Project.

Section 403. Application of Acquisition Account. Moneys, except as herein otherwise expressly provided, shall be withdrawn from the Acquisition Account for the Project only upon filing requisitions as set forth in the Development Agreement.

Section 404. Completion of Project. When the Project shall have been completed in accordance with the relevant plans and specifications and all amounts due therefor, including all proper incidental expenses, shall have been paid, or for which full provision shall have been made, the Trustee, upon the receipt from the Redevelopment Agency of the City of Reno, Nevada, of a certificate so stating the completion of the Project, shall cause to be transferred to the Bond Fund, after transfer from the Acquisition Account held by the Redevelopment Agency of the City of Reno, Nevada, for the payment of the Bond Requirements of the Bond, all surplus moneys remaining in the Acquisition Account, if any, except for any moneys designated in the resolution to be retained to pay any unpaid accrued costs or contingent obligations. Nothing herein contained:

A. Periodic Transfers. Prevents the County from causing to be transferred from the Acquisition Account to the Bond Fund at any time prior to the termination of the Acquisition Account any moneys which the Redevelopment Agency of the City of Reno by certificate and the Finance Director determine will not be necessary for the Project; or

B. Limitations Upon Transfers. Requires the transfer to the Bond Fund of any surplus moneys (other than Bond proceeds) received as grants, appropriations or gifts, the use of which moneys is limited by grantor or donor to the construction of capital improvements or otherwise so that such surplus moneys (other than Bond proceeds) may not be properly transferred to the Bond Fund under the terms of such grants, appropriations or gifts.

Section 405. Purchaser Not Responsible. The validity of the Bond shall not be dependent on or be affected by the validity or regularity of any proceedings relating to the

Project. The Purchaser of the Bond, any associate thereof, and any subsequent holder of any Bond shall in no manner be responsible for the application or disposal by the County or by any of its officers, agents and employees of the moneys derived from the sale of the Bond or of any other moneys herein designated.

Section 406. Lien on Bond Proceeds. Until and unless the proceeds of the Bond in the Acquisition Account are applied as hereinabove provided and used to defray the Cost of the Project from time to time, the Bond proceeds in the Acquisition Account shall be subject to a lien thereon and pledge thereof for the benefit solely of the holder of the Bond.

## ARTICLE V

### ADMINISTRATION OF AND ACCOUNTING FOR PLEDGED REVENUES

Section 501. Pledge Securing Bonds. The Pledged Revenues and all moneys and securities paid (or to be paid) to or held (or to be held) in any account under Article V of this Ordinance (except the Rebate Fund) and under Section 401 hereof, are hereby pledged to secure the payment of the Bond Requirements of the Outstanding Bond, except as provided in Section 406 hereof; and this pledge shall be valid and binding so far as the Bond are concerned from and after the date of the first delivery of any Bond, and the moneys, as received by the County and hereby pledged, shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing, or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the County, except for the Outstanding Parity Securities hereafter issued, the liens of which on the Pledged Revenues are on a parity with the lien thereon of the Bond and except for the Senior Securities, the liens of which on the Pledged Revenues are superior and prior to the lien thereon of the Bond; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County (except as herein otherwise provided), irrespective of whether such parties have notice thereof.

Section 502. Revenue Fund Deposits. So long as any of the Bonds shall be Outstanding, as to any Bond Requirements, the entire Pledged Revenues, shall continue to be set aside upon the receipt of such revenues by the County and transferred to the special fund heretofore created by the County and designated as the "Washoe County, Nevada, Car Rental Fee Revenue Fund" (the "Revenue Fund") held by the Trustee.

Section 503. Administration of Revenue Fund. So long as the Bond hereby authorized shall be Outstanding, as to any Bond Requirements, payments shall be made from the Revenue Fund as provided in Sections 504 through 510 hereof.

Section 504. First Charges. First, as a first charge on the Revenue Fund, the following transfers shall be made for the payment of Outstanding Senior Securities hereinafter designated in the following order:

A. Bond Fund for Senior Securities. First, there shall continue to be credited to the bond funds for any Outstanding Senior Securities the following:

(1) At any time moneys are available, to pay to pay interest due but not paid when due and to pay principal due but not paid when due on any Outstanding Senior Securities, except to the extent any other moneys are available therefor.

(2) Monthly, to the extent available, commencing on the date of delivery of the Bonds and thereafter on the first day of each month, one-sixth, or more to the extent available, of the interest on the Outstanding Senior Securities due on the next interest payment date, except to the extent any other moneys are available therefor.

(3) Monthly, to the extent available, commencing on the date of delivery of the Bonds and thereafter on the first day of each month, one-twelfth, or more to the extent available, of the amount necessary to pay the next maturing installment of principal of the Outstanding Senior Securities, except to the extent any other moneys are available therefor.

B. Reserve Fund for Senior Securities. Any moneys remaining in the Revenue Fund shall be used by the County for any payments required to be made to debt service reserve funds for any Outstanding Senior Securities.

C. Rebate Account for Senior Securities. Any moneys remaining in the Revenue Fund shall be used by the County for any payments required to be made to rebate accounts for any Outstanding Senior Securities.

Section 505. Bond Fund for Bond and Parity Securities.

Second, on December 1 of each year commencing on December 1, 2012, after the payments required under Section 504 have been made, the Bond Requirements then due on the Outstanding Bond and any Outstanding Parity Securities, except to the extent any other moneys are available therefor, shall be credited to the Bond Fund from Pledged Revenues in the Revenue Fund allocable in accordance with generally accepted accounting principles to the Fiscal Year immediately preceding such December 1. The moneys credited to the Bond Fund shall be used to pay the Bond Requirements of the Bond and any Outstanding Parity Securities, as the same become due, or to the extent any Bond Requirements are past due, amounts credited to the Bond Fund pursuant to this Section 505 (from Pledged Revenues in the Revenue Fund allocable in accordance with generally accepted accounting principles to the Fiscal Year immediately preceding such December 1) shall be used first to pay past due principal and interest then to pay principal and interest then due on such December 1.

Section 506. Rebate Account. Third, after the payments hereinabove required to be made by Sections 504 and 505 hereof are made and concurrently with the payments required to be made to rebate accounts for any Outstanding Parity Securities, the County shall deposit Pledged Revenues into the "Washoe County, Nevada, Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project), Series 2008, Rebate Account" (the "Rebate Account") as required under Section 148 of the Tax Code and regulations promulgated thereunder and shall apply such funds to the extent required to comply with the covenant in Section 823 hereof to make payments to the United States. Any moneys in such account not needed for such purpose shall be transferred to the Revenue Fund. Payments into similar rebate accounts for Parity Securities shall be made concurrently with payments into the Rebate Account.

Section 507. Termination of Deposits. No payment need be made into the Bond Fund, if the amount in the Bond Fund totals a sum at least equal to the entire amount of the Outstanding Bond and any Outstanding Parity Securities as to all Bond Requirements to their respective maturities or to any redemption date on which the County shall have exercised or shall have obligated itself to exercise its option to redeem prior to their respective maturities the Outstanding Bond or any such Outstanding Parity Securities thereafter maturing, and both accrued and not accrued, in which case moneys in the Bond Fund in an amount, except for any interest or other gain to accrue from any investment of moneys in Federal Securities from the time of any such deposit to the time or respective times the proceeds of any such investment shall be needed for such payment, at least equal to such Bond Requirements, shall be used together with any such gain from investments solely to pay such Bond Requirements as the same become due; and any moneys in excess thereof in the Bond Fund and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the Governing Body.

Section 508. Defraying Delinquencies. The moneys in the Bond Fund shall be used solely and only for the purpose of paying the Bond Requirements of the Bond and any Outstanding Parity Securities; and also any moneys in the Bond Fund in excess of the Bond Requirements, both accrued and not accrued, to the respective maturities or designated Redemption Date of the Outstanding Bonds and any such Outstanding Parity Securities may be used as herein provided.

Section 509. Fees of Trustee. Fourth, and subject to the provisions hereinabove in this Article V, but subsequent to the payments required by Sections 504, 505 and 506 hereof, as provided in Article VII hereof, any moneys remaining in the Revenue Fund may be used by the County for the payment of the fees and expenses of the Trustee.

Section 510. Use of Remaining Revenues. After the transfers hereinabove required to be made by Sections 504 through 509 hereof are made, any remaining Pledged Revenues in the Revenue Fund shall be used in the following order:

A. On December 1, 2008, any Pledged Revenues in the Revenue Fund allocable in accordance with generally accepted accounting principles to the Fiscal Year ending June 30, 2008 (provided that the Pledged Revenues for the Fiscal Year ending June 30, 2008 were sufficient to make any payments required to be made by Sections 504, 505, 506 and 509 hereof during such Fiscal Year) shall be transferred to the Redevelopment Agency of the City of Reno, Nevada as set forth in Section 3.2 of the Development Agreement to acquire, lease, improve, equip, operate and maintain the Project;

B. On December 1 of each year commencing on December 1, 2009, any Pledged Revenues in the Revenue Fund allocable in accordance with generally accepted accounting principles to the Fiscal Year immediately preceding such December 1 (the "Fiscal Year Pledged Revenues") shall be used to prepay and redeem the Bond and any Parity Securities pursuant to Section 303(D); provided that the Fiscal Year Pledged Revenues were sufficient to make any payments required to be made by Sections 504, 505, 506 and 509 during such prior Fiscal Year and pay any deficiencies in such payments for any prior Fiscal Year; and further provided that all payments required by Sections 504, 505, 506 and 509 due on or before December 1 of the then current Fiscal Year have been made;

C. After the Bond and any Parity Securities are no longer Outstanding, all or a portion of the Fiscal Year Pledged Revenues may be used, as directed by the Finance Director:

(1) on December 1 of each year to prepay and redeem the Outstanding Senior Securities as provided in the ordinances authorizing Senior Securities; provided that the Fiscal Year Pledged Revenues were sufficient to make any payments required to be made by Sections 504, 505, 506 and 509 hereof during such prior Fiscal Year and pay any deficiencies in such payments for any prior Fiscal Year; and further provided that all payments required by

Sections 504, 505, 506 and 509 due on or before December 1 of the then current Fiscal Year have been made; and

(2) on December 1 to acquire, lease, improve, equip, operate and maintain the Project by transfer to the Redevelopment Agency of the City of Reno, Nevada as set forth in Section 3.2 of the Development Agreement; and

D. After the Senior Securities, the Bond and any Parity Securities are no longer Outstanding, may be transferred to the Redevelopment Agency of the City of Reno, Nevada as set forth in Section 3.2 of the Development Agreement to acquire, lease, improve, equip, operate and maintain the Project.

After the Senior Securities, the Bond and any Parity Securities are no longer Outstanding, nothing in this Ordinance requires or authorizes the County or the Trustee on behalf of the County to ever transfer monies to the Redevelopment Agency of the City of Reno sooner than ninety (90) business days after those monies are received from the State or after the Bond is issued.

## ARTICLE VI

### GENERAL ADMINISTRATION

Section 601. Administration of Accounts. The special accounts designated in Articles IV and V hereof shall be administered as provided in this Article VI.

Section 602. Places and Times of Deposits. Each of such special accounts shall be maintained as a book account and kept separate from all other accounts as a trust account solely for the purpose herein designated therefor, and the moneys accounted for in such special Bond accounts shall be deposited in one bank account or more in an Insured Bank or Insured Banks as determined and designated by the Governing Body (except as otherwise expressly stated herein). Nothing herein shall prevent the commingling of moneys accounted for in any two (2) or more book accounts pertaining to the Pledged Revenues or to any such fund and any other funds of the County (each of which funds consists of a self-balancing group of accounts and constitutes an independent fiscal and accounting entity) in any bank account or any investment in Federal Securities hereunder. Each such bank account shall be continuously secured to the fullest extent required or permitted by the laws of the State for the securing of public funds and shall be irrevocable and not withdrawable by anyone for any purpose other than the respective designated purposes. Each periodic payment shall be credited to the proper account not later than the date therefor herein designated, except that when any such date shall be a Saturday, a Sunday or a legal holiday, then such payment shall be made on or before the next preceding secular day.

Section 603. Investment of Moneys. Any moneys in any such account, and not needed for immediate use, may be invested or reinvested by the Trustee, the County or the Redevelopment Agency of the City of Reno, as applicable, in securities permitted under State law. The Trustee shall make such investments as directed in writing by the Finance Director.

Section 604. Investment of Acquisition Account. The Redevelopment Agency of the City of Reno may invest or reinvest any moneys accounted for in the Acquisition Account in accordance with the provisions of this Ordinance.

Section 605. Required and Permissive Investments. The Trustee shall have no obligation to make any investment or reinvestment hereunder, unless any moneys on hand and accounted for in any one account exceeds \$5,000 and at least \$5,000 therein will not be needed for a period of not less than sixty (60) days. In such event the Trustee shall invest or reinvest in



Federal Securities not less than substantially all the amount which will not be needed during such sixty-day period, except for any moneys on deposit in an interest-bearing account in any Insured Bank, regardless whether such moneys are evidenced by certificate of deposit or otherwise, pursuant to Sections 603 and 608 hereof. The Trustee may invest or reinvest any moneys on hand at any time as provided in Section 603 hereof even though the Trustee is not obligated to do so.

Section 606. Accounting for Investments. The Federal Securities so purchased as an investment or reinvestment of moneys in any such account shall be deemed at all times to be a part of the account and held in trust therefor. Except as herein otherwise provided, any interest or other gain in any account from any investments and reinvestments in Federal Securities and from any deposits of moneys in any Insured Bank pursuant to this article shall be credited to the account, and any loss in any account resulting from any such investments and reinvestments in Federal Securities and from any such deposits in any Insured Bank shall be charged or debited to the account. No loss or profit in any account on any investments or reinvestments in Federal Securities or any certificates of deposit shall be deemed to take place as a result of fluctuations in the market quotations of the investments, reinvestments or certificates prior to the sale or maturity thereof. In the computation of the amount in any account for any purpose hereunder, except as herein otherwise expressly provided, Federal Securities and certificates of deposit shall be valued at the cost thereof (including any amount paid as accrued interest at the time of the purchase of the obligation) and other bank deposits shall be valued at the amounts deposited, exclusive of any accrued interest or any other gain to the County until such gain is realized by the presentation for payment, or otherwise. The expenses of purchase, safekeeping, sale and all other expenses incident to any investment or reinvestment of moneys pursuant to this article VI shall be accounted for as expenses of the Trustee as permitted by Section 509 hereof.

Section 607. Redemption or Sale of Federal Securities. The Trustee shall present for redemption at maturity or sale on the prevailing market at the best price obtainable any Federal Securities and certificates of deposit so purchased as an investment or reinvestment of moneys in any account whenever it shall be necessary so to do in order to provide moneys to meet any withdrawal, payment or transfer from such account. Neither the Trustee nor any officer of the County shall be liable or responsible for any loss resulting from any such

investment or reinvestment made in accordance with this Ordinance. The Trustee shall promptly notify the Finance Director and the Governing Body of any gain or loss in any account in the form of an account statement.

Section 608. Character of Funds. The moneys in any account herein authorized shall consist either of lawful money of the United States or Federal Securities, or both such money and such securities. Moneys deposited in a demand or time deposit account in or evidenced by a certificate of deposit of any Insured Bank, pursuant to Section 602 hereof, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 609. Accelerated Payments. Nothing contained in Article V hereof prevents the accumulation in any account herein designated of any monetary requirements at a faster rate than the rate or minimum rate, as the case may be, provided in Article V; but no payment shall be accelerated if such acceleration shall cause the Governing Body to default in the payment of any obligation of the County pertaining to the Pledged Revenues. Nothing herein contained requires in connection with the Pledged Revenues received in any Fiscal Year the accumulation of monetary requirements in any account for the payment in the Comparable Bond Year of Bond Requirements due in connection with any series of bonds or other securities payable from the Pledged Revenues and heretofore, herein or hereafter authorized, in excess of such Bond Requirements due in such Comparable Bond Year, or of any reserves required to be accumulated and maintained therefor, and of any existing deficiencies, and payable from such account, as the case may be, except as may be otherwise provided herein.

Section 610. Payment of Bond Requirements. The moneys credited to any account designated in Article V hereof for the payment of the Bond Requirements due in connection with any series of bonds or other securities payable from the Pledged Revenues and heretofore, herein or hereafter authorized shall be used, without requisition, voucher, warrant or further order or authority (other than is contained herein) or any other preliminaries, to pay promptly the Bond Requirements payable from such account as such securities become due, upon the respective redemption dates, if any, on which the County is obligated to pay such securities, or upon the respective interest payment and bond maturity dates of such securities, as provided therefor herein or otherwise, except to the extent any other moneys are available therefor, including, without limitation, moneys accounted for in the Bond Fund.

Section 611. Payment of Redemption Premiums. Notwithstanding any other provision herein, this Ordinance requires the accumulation in any account designated in Article V hereof for the payment of any series of bonds or other securities payable from the Pledged Revenues of amounts sufficient to pay not only the principal thereof and interest thereon, but also the prior redemption premiums due in connection therewith, as the same become due, whenever the County shall have exercised or shall have obligated itself to exercise a prior redemption option pertaining thereto, except to the extent provision is otherwise made therefor, if any prior redemption premium is due in connection therewith. In such event moneys shall be deposited into such account in due season for the payment of all such Bond Requirements without default as the same become due.

## ARTICLE VII

### SECURITIES LIENS AND ADDITIONAL SECURITIES

Section 701. Lien on the Pledged Revenues for the Bond. The Bond authorized herein constitutes an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues, on a parity with any Parity Securities hereafter issued and subordinate and junior to the lien thereon of the 2008 Senior Bonds and any other Senior Bonds issued hereafter.

Section 702. Equality of Bond. The Bond authorized to be issued hereunder and any parity securities heretofore or hereafter authorized to be issued and from time to time Outstanding, are equitably and ratably secured by a lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such securities, it being the intention of the Governing Body that there shall be no priority among the Bond and any such parity securities regardless of the fact that they may be actually issued and delivered at different times.

Section 703. Subordinate Securities Prohibited. Nothing herein contained permits the County from issuing Subordinate Securities payable from the Pledged Revenues and having a lien thereon subordinate, inferior and junior to the lien thereon of the Bond.

Section 704. Parity Securities Permitted. The County may issue Parity Securities, including refunding bonds and securities, however, nothing herein contained permits the County to issue additional bonds or other additional securities (other than refunding Parity Securities) payable from the Pledged Revenues and having a lien thereon on a parity with the lien thereon of the Bond without the consent of the owners of 100% of the Bond and the County; provided that so long as the Bond is Outstanding, the application of excess Pledged Revenues pursuant to Section 510(B) shall be used only to prepay and redeem the Bond.

Section 705. Refunding Senior Securities Permitted. The County may issue the 2008 Senior Bonds and Senior Securities constituting refunding bonds or refunding securities as set forth herein and in the ordinance authorizing the issuance of the 2008 Senior Bonds, however, nothing herein contained permits the County to issue additional bonds or other additional securities (other than the 2008 Senior Bonds and refunding Senior Securities) payable from the Pledged Revenues and having a lien thereon prior and superior to the lien thereon of the Bond.

Section 706. Issuance of Refunding Securities. At any time after the Bond, or any part thereof, are issued and remain Outstanding, if the Governing Body shall find it desirable to refund any Outstanding Bond or other Outstanding securities payable from and constituting a lien upon the Pledged Revenues, such Bond or other securities, or any part thereof, may be refunded (but only with the consent of the owner or owners of all such Outstanding securities unless the Bond or other securities at the time or times of their required surrender for payment shall then mature or shall be then callable for prior redemption for refunding purposes at the County's option upon proper call), regardless whether the priority of the lien for the payment of the refunding securities on the Pledged Revenues is changed (except as provided in Sections 707 through 711 hereof).

Section 707. Partial Refundings. No partial refundings of the Bond shall be permitted without the prior written consent of the owners of 100% of the Bond.

Section 708. Limitations Upon Refundings. Any refunding bonds or other refunding securities payable from the Pledged Revenues shall be issued with such details as the Governing Body may by instrument provide, subject to the provisions of Section 711 hereof, and subject to the inclusion of any such rights and privileges designated in Section 709 hereof, but without any impairment of any contractual obligation imposed upon the County by any proceedings authorizing the issuance of any unrefunded portion of such Outstanding securities of any one or more issues (including but not necessarily limited to the Bond).

Section 709. Protection of Securities Not Refunded. If only a part of the Outstanding Bond is refunded, then such securities may not be refunded without the consent of the holder or holders of the unrefunded portion of such securities:

A. Requirements Not Increased. Unless the refunding bonds or other refunding securities do not increase for any Bond Year the aggregate principal and interest requirements evidenced by such refunding securities and by the Outstanding securities not refunded on and prior to the last maturity date of such unrefunded securities, and the lien of any refunding bonds or other refunding securities on the Pledged Revenues is not raised to a higher priority than the lien thereon of the Bond or other securities thereby refunded; and

B. Default and Earnings Test. Unless at the time of adoption of the supplemental instrument authorizing the issuance of the additional securities as provided in

Section 711 hereof, the County shall not be in default in making any payments required by Article V hereof.

Section 710. Payment Dates of Additional Securities. Any additional Senior Securities issued in compliance with the terms hereof shall bear interest, be payable as to interest semi-annually on June 1 and December 1 on such dates and in such manner, and mature on December 1, as provided in the ordinance authorizing their issuance.

Any additional Parity Securities (including but not necessarily limited to any funding or refunding securities) issued in compliance with the terms hereof shall bear or accrete interest, be payable as to interest on December 1, and mature on December 1, as provided in the ordinance authorizing their issuance.

Section 711. Supplemental Instrument. Additional bonds or other additional securities payable from the Pledged Revenues shall be issued only after authorization thereof by a supplemental instrument of the Governing Body stating the purpose or purposes of the issuance of such additional securities, directing the application of the proceeds thereof to such purpose or purposes, directing the execution thereof, and fixing and determining the date, principal amount, maturity or maturities, designation and numbers thereof, the maximum rate or the rate or rates of interest to be borne thereby, payment dates, maturity date or dates, any prior redemption privileges of the County with respect thereto and any other provisions thereof in accordance with this Ordinance. All additional securities shall bear such date, shall bear such numbers and series designation, letters or symbols prefixed to their numbers distinguishing them from each other security, shall be payable at such place or places, may be subject to redemption prior to maturity on such terms and conditions, and shall bear interest at such rate or at such different or varying rates per annum, as may be fixed by instrument or other document of the Governing Body.

## ARTICLE VIII

### MISCELLANEOUS PROTECTIVE COVENANTS

Section 801. General. The County covenants and agrees with the owners of the Bond pertaining thereto and makes provisions which shall be a part of its contract with such owners to the effect and with the purpose set forth in the following provisions and sections of this Article.

Section 802. Performance of Duties. The County, acting by and through the Governing Body or otherwise, will faithfully and punctually perform or cause to be performed all duties with respect to the Pledged Revenues and the Facilities required by the Constitution and laws of the State and the various instruments of the County, including, without limitation, the proper segregation of the proceeds of the Bond and Pledged Revenues and their application to the respective accounts provided from time to time therefor.

Section 803. Contractual Obligations. The County shall perform all contractual obligations undertaken by it under the contract to purchase the Bond with the Purchaser and any other agreements relating to the Bond, the Pledged Revenues and the Project (or any combination thereof) with all other Persons.

Section 804. Further Assurances. At any and all times the County shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents, and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Pledged Revenues, and other moneys and accounts hereby pledged or assigned, or intended so to be, or which the County may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Ordinance and to comply with the Project Act and the Bond Act. The County, acting by and through the Governing Body, or otherwise, shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Revenues and other moneys and accounts pledged hereunder and all the rights of every holder of any Bond hereunder against all claims and demands of all Persons whomsoever.

Section 805. Conditions Precedent. Upon the date of issuance of any 2008 Bond, all conditions, acts and things required by the Federal or State Constitution or Federal or State statutes to exist, to have happened, and to have been performed precedent to or in the

issuance of the Bond shall exist, have happened, and have been performed; and the Bond, together with all other obligations of the County shall not contravene any debt or other limitation prescribed by the State Constitution or statutes.

Section 806. Rules, Regulations and Other Details. The County, acting by and through the Governing Body, shall establish and enforce reasonable rules and regulations governing the Pledged Revenues. All compensation, salaries, fees and other charges paid by it in connection with the Pledged Revenues shall be reasonable. The County shall observe and perform all of the terms and conditions contained in the Project Act and the Bond Act and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Pledged Revenues or to the County.

Section 807. Payment of Governmental Charges. The County shall pay or cause to be paid all taxes and assessments or other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Pledged Revenues, when the same shall become due, and shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to any part of the Pledged Revenues, except for any period during which the same is being contested in good faith by proper legal proceedings. The County shall not create or suffer to be created any lien or charge upon the Pledged Revenues, except the pledge and lien created by this Ordinance for the payment of the Bond Requirements due in connection with the Bond, and except as herein otherwise permitted.

Section 808. Protection of Security. The County, the officers, agents and employees of the County, and the Governing Body shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bond Requirements of the securities payable from the Pledged Revenues according to the terms of such securities. No contract shall be entered into nor any other action taken by which the rights of any holder of any Bond or any other security payable from the Pledged Revenues might be impaired or diminished.

Section 809. Accumulation of Interest Claims. In order to prevent any accumulation of claims for interest after maturity, the County shall not directly or indirectly extend or assent to the extension of the time for the payment of any claim for interest on any of the Bond or any other securities payable from the Pledged Revenues; and the County shall not directly or indirectly be a party to or approve any arrangements for any such extension or for the purpose of keeping any of such claims for interest. If the time for the payment of any such



installment of interest is extended in contravention of the foregoing provisions, such installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or the security of this Ordinance, except upon the prior payment in full of the principal and Final Compounded Amount of the Bond and any other securities then Outstanding and of all matured interest on such securities the payment of which has not been extended.

Section 810. Prompt Payment of Bond. The County shall promptly pay the Bond Requirements of the Bond issued hereunder and secured hereby at the place, on the dates, and in the manner specified herein and in the Bond according to the true intent and meaning hereof.

Section 811. Use of Bond Fund. The Bond Fund shall be used solely and only and the moneys credited to such account are hereby pledged for the purpose of paying the Bond Requirements of the Bond and any Parity Securities hereafter authorized, except for those moneys in the Bond Fund as are in excess of such Bond Requirements, both accrued and not accrued, to their respective maturities or any other due dates (subject to the provisions concerning surplus moneys in Sections 507, 508 and 606 hereof).

Section 812. Additional Securities. The County shall not hereafter issue any Parity Securities or Senior Securities payable from the Pledged Revenues so long as any Bond herein authorized is Outstanding, unless such additional Parity Securities or Senior Securities are issued in conformance with the provisions of Articles V and VII hereof and any ordinance authorizing the issuance of the 2008 Senior Bonds.

Section 813. Other Liens. Other than as provided by this Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

Section 814. Corporate Existence. The County shall maintain its corporate identity and existence so long as the Bond issued hereunder remains Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities, duties and immunities of the County and is obligated by law to levy and collect or cause to be levied and collected the Pledged Revenues herein provided without adversely affecting to any substantial degree the privileges and rights of any holder of any Outstanding Bond at any time.

Section 815. Fidelity Bonds. Each official of the County or other person, including the Trustee, having custody of any Pledged Revenues or of any other moneys pertaining thereto, including, without limitation, Bond proceeds, or responsible for the handling of such moneys, shall be bonded at all times in an amount of at least \$500,000, which bond shall be conditioned upon the proper application of such funds (but need not necessarily be limited thereto). The costs of each such bond or a reasonably allocated share of the costs of any such blanket bond may be considered and paid as expenses of the Trustee pursuant to Section 510 hereof if the Trustee must be so bonded and if any official of the County must be so bonded, such costs may be considered an expense of the County and paid as if such expenses were expenses of the Trustee pursuant to Section 510.

Section 816. Collection of Pledged Revenues. While the Bond or any portion thereof remains Outstanding and unpaid, the County shall cause Pledged Revenues to be collected as provided in this Ordinance, in the Car Rental Fee Ordinance and in the Project Act, except as otherwise provided in this Ordinance, such ordinance and such acts.

Section 817. Collection of Pledged Revenues. The County shall cause all proceeds of the Pledged Revenues to be collected as soon as reasonable, shall prescribe and enforce rules and regulations for the payment thereof, and shall provide methods of collection, by the Department, or otherwise, and penalties, to the end that the Pledged Revenues shall be adequate to meet the requirements hereof.

Section 818. Records. So long as any of the Bond and any other securities payable from the Pledged Revenues remain Outstanding, proper records and accounts will be kept by the County, separate and apart from other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues upon their receipt by the County from the State or otherwise. Such records shall include (but not necessarily be limited to) monthly or quarterly records showing:

A. Pledged Revenues. The Pledged Revenues, to the extent of their receipt by the County,

B. Classification. The revenues received from the Pledged Revenues by classes of customers, to the extent it is practicable to show such information,

C. Securities Payments. A detailed statement of amounts credited to various accounts for the payment of Bond and any other securities payable from the Pledged Revenues, and reserves therefor, including, without limitation, the Bond Fund; and

D. Other Withdrawals. The amounts of any other withdrawals from the proceeds of the Pledged Revenues to the extent reflected by reports from the State to the County and by other records of the County. All requisitions, requests, certificates, opinions and other documents received by any Person on behalf of the County in connection with the Pledged Revenues under the provisions of this Ordinance shall be retained in his possession or in the County's official records.

Section 819. Rights Concerning Records. Any owner of any of the Bond or any other securities payable from the Pledged Revenues or any duly authorized agent or agents of such owner, or the owners of the Bond shall have the right at all reasonable times to inspect all records, accounts and data of the County relating thereto, concerning the Pledged Revenues, and to make copies of such records, accounts and data.

Section 820. Audits Required. The County, within ninety (90) days following the close of the Fiscal Year, shall order an audit for the Fiscal Year of such books and accounts to be made forthwith by an Independent Accountant, and shall order an audit report showing the receipts and disbursements for each account of the County pertaining to the Pledged Revenues, and such audit report will be available for inspection by the owners of the Bond, or any owner of any of the securities payable from the Pledged Revenues. Nothing herein contained requires an audit of any records and accounts of the Department.

Section 821. Contents of Audit Reports. Each such audit report, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

A. Statement. A statement in detail of the income and expenditures concerning the Pledged Revenues for the audit period, including, without limitation, a statement of Pledged Revenues (at least to the extent of their receipt by the County);

B. Balance Sheet. A balance sheet as of the end of such Fiscal Year, including without limitation, the amounts on hand, both cash and investments, in each of the accounts created by the various instruments and other proceedings authorizing the issuance of Outstanding Bond and other securities payable from the Pledged Revenues;

C. Accountant's Comment. The accountant's comment regarding the County's methods of operation and accounting practice and the manner in which the County has carried out the requirements of this Ordinance and any other instrument and other proceedings authorizing the issuance of Outstanding Bond or other Outstanding securities payable from the Pledged Revenues, as the accountant deems appropriate; and

D. Recapitulation. A recapitulation of each account created by the various ordinances, and any other proceedings authorizing the issuance of Outstanding Bond and any other Outstanding securities payable from the Pledged Revenues, into which account are put moneys derived from the Pledged Revenues, any sale of Federal Securities or Federal Securities, and any sale of such Outstanding Bond and any other such Outstanding securities of the County, or any other properties thereof, such analysis to show the balance in such account at beginning of the audit period, the deposits and withdrawals during such period, and the balance at the end of such period.

Section 822. Distribution of Audit Reports. The County agrees to furnish within nine months following the end of each Fiscal Year, a copy of its audited financial statements to the registered owners of the Bond upon request by the registered owners of the Bond. A copy of each such report shall be kept on file in the records of the County for public inspection.

Section 823. Tax Covenant. The County covenants for the benefit of the owners of the Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, any other funds of the County or any facilities financed or refinanced with the proceeds of the Bond if such action or omission (i) would cause the interest on the Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code or (ii) would cause interest on the Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bond until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

## ARTICLE IX

### MISCELLANEOUS

Section 901. Defeasance. When all Bond Requirements of any Bond have been duly paid, the pledge and lien and all obligations hereunder as to that Bond shall thereby be discharged and the Bond shall no longer be deemed to be Outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment when the County has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested to meet all Bond Requirements of the Bond, as the same become due to the final maturity of the Bond or upon any prior redemption date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option. The Federal Securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and such bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule.

Section 902. Delegated Powers. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation:

A. Printing Bond. The printing of the Bond, including, without limitation, if requested by the Purchaser;

B. Final Certificates. The execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia, to:

(1) The signing of the Bond and the delivery of the Bond to the Purchaser,

(2) The tenure and identity of the officials of the Governing Body and of the County,

(3) The exemption of interest on the Bond from federal income taxation,

(4) The delivery of the Bonds and the receipt of the initial advance under the Bond as the purchase price, and

(5) If it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof;

C. Information. The assembly and dissemination of financial and other information concerning the County and the Bond;

D. Certificate of the Finance Director. The completion and execution of the Certificate of the Finance Director by the Finance Director in substantially the form on file with the Clerk, with such amendments as consented to by the Finance Director;

E. Bond Issuance. The execution of the Certificate of the Finance Director and the sale and issuance of the Bond pursuant to the provisions of this Ordinance and to any supplemental instrument.

Section 903. Statute of Limitations. No action or suit based upon any Bond, or other obligation of the County shall be commenced after it is barred by any statute of limitations pertaining thereto. Any trust or fiduciary relationship between the County and the owner of any Bond or other obligee regarding any such obligation shall be conclusively presumed to have been repudiated on the maturity date or other due date thereof unless the Bond is presented for payment or demand before the expiration of the applicable limitation period. Any moneys from whatever source derived remaining in any account reserved, pledged or otherwise held for the payment of any such obligation, action or suit shall revert to the Revenue Fund, unless the Governing Body shall otherwise provide by Instrument of the County. Nothing hereby contained prevents the payment of any such obligation after any action or suit for its collection has been barred if the Governing Body deems it in the best interests of the public so to do and orders such payment to be made.

Section 904. Evidence of Bondowners. Any request, consent or other instrument which the Ordinance may require or may permit to be signed and to be executed by the owner of any Bond may be in one or more instruments of similar tenor and shall be signed or shall be executed by each such owner in person or by his attorney appointed in writing. Proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any Person of the Bond, shall be sufficient for any purpose of this Ordinance (except as otherwise herein expressly provided) if made in the following manner:

A. Proof of Execution. The fact and the date of the execution by any owner of any Bond or his attorney of such instrument may be provided by the certificate, which need

not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the Clerk or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the individual signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; the authority of the individual or individuals executing any such instrument on behalf of a corporate owner of any Bond may be established without further proof if such instrument is signed by an individual purporting to be the president or vice president of such corporation with a corporate seal affixed and attested by an individual purporting to be its secretary or an assistant secretary; and the authority of any Person or Persons executing any such instrument in any fiduciary or representative capacity may be established without further proof if such instrument is signed by a Person or Persons purporting to act in such fiduciary or representative capacity; and

B. Proof of Holdings. The amount of the Bond owned by any Person executing any instrument as an owner of the Bond and the numbers, date and other identification thereof, together with the date of his holding the Bond, may be proved by reference to the registration records kept by the Trustee; but the Clerk may nevertheless in his discretion require further or other proof in cases where he deems the same advisable.

Section 905. Warranty Upon Issuance of Bond. The Bond, when duly executed and delivered for the purpose provided in this Ordinance, shall constitute a warranty by and on behalf of the County for the benefit of each and every future holder of the Bond that the Bond has been issued for a valuable consideration in full conformity with law.

Section 906. Immunities of Purchaser. The Purchaser and any associate thereof are under no obligation to any owner of the Bond for any action that they may or may not take or in respect of anything that they may or may not do by reason of any information contained in any reports or other documents received by them under the provisions of this Ordinance. The immunities and exemptions from liability of the Purchaser and any associate thereof hereunder extend to their partners, directors, successors, employees and agents.

Section 907. Prior Contracts. Nothing herein contained impairs the County's obligation of contracts with any Person in connection with the County, including, without limitation, the Pledged Revenues, this Ordinance, the ordinance authorizing the issuance of the 2008 Senior Bonds, the Facilities, and the Project (or any combination thereof). If any provision

herein is inconsistent with any provision in any existing contract pertaining to the County in such a manner as to effect prejudicially and materially the rights and privileges thereunder, so long as such contract shall remain viable and in effect such provision therein shall control such inconsistent provision herein and the latter provision shall be subject and subordinate to such provision in such existing contract.

Section 908. Replacement of Trustee. If the Trustee initially appointed hereunder shall resign, or if the Board, on the behalf and in the name of the County, shall determine to replace the Trustee, the Board for the County may, upon notice mailed to each owner of any Bond at his address last shown on the registration records, appoint a successor Trustee. No resignation or dismissal of the Trustee may take effect until a successor is appointed. Every such successor Trustee shall be a trust bank with a minimum capitalization of \$10,000,000. It shall not be required that the same institution serve as both Trustee hereunder, but the Board shall have the right to have the same institution serve as both Trustee hereunder.

Any corporation or association into which the Trustee may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Trustee under this Ordinance, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this Ordinance to the contrary notwithstanding.

Section 909. Trustee's Conduct. Except as herein otherwise expressly provided, no provision of this Ordinance shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

A. Absence of Implied Duties. The Trustee shall not be liable except for the performance of such duties as are specifically set out in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Trustee, but the duties and obligations of the Trustee shall be determined solely by the express provisions of this Ordinance;

B. Reliance upon Ordinance. In the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness



of the opinions expressed therein, upon certificates, opinions or other instruments conforming to the requirements of this Ordinance;

C. No Liability for Mere Error of Judgment. The Trustee shall not be personally liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts or in the performance of an express duty;

D. Action Directed by Holders. The Trustee shall not be personally liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Ordinance, provided that before taking any action hereunder requested by the Holders of any Outstanding Bonds, the Trustee may require that it be furnished indemnity satisfactory to it for extraordinary fees and for the reimbursement of all expenses, including fees and expenses of its counsel, to which it may be put and to protect it against all liability, except liability which results from the negligence or willful misconduct of the Trustee, by reason of any action so taken by the Trustee;

E. Incurrence of Personal Liabilities. The Trustee shall not be required to advance or expend or use its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not assured to it by the security afforded it by the terms of this Ordinance or by other reasonable security or indemnity;

F. Limited Liability Concerning Bonds. The Trustee shall not be under any responsibility or duty with respect to the disposition by the City of the Bonds or the application by the City of the proceeds thereof or of any moneys paid to the City under any of the provisions hereof; and

G. Cost of Execution or Enforcement of Trusts. The Trustee shall not be under any obligation to take any action toward the execution or enforcement of the trusts created by this Ordinance which, in the opinion of the Trustee, will likely involve it in expense or liability, unless one or more of the Holders of Bonds shall, as often as required by the Trustee,

furnish to the Trustee security and indemnity satisfactory to the Trustee against such expense or liability.

H. Prioritization of Fiduciary Obligations. If at any time an Event of Default has occurred or is occurring or such event has occurred which has caused a conflict to arise between the Trustee's role as trustee for the 2006A Bonds and the trustee's role as Trustee for the 2006B Bonds, the Trustee shall prioritize its fiduciary obligations by first protecting the interests of the 2006A Bondholders and then protecting the interests of the 2006B Bondholders. If the Trustee is unable to resolve any such conflicts that may arise, the Trustee shall resign (or be removed by the City or the applicable Bondholders) as trustee for the 2006A Bondholders or as trustee for the 2006B Bondholders.

Section 910. Property Held in Trust. All moneys and securities held by the Trustee at any time pursuant to the terms of this Ordinance shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of this Ordinance.

Section 911. Basic Duties of Trustee. The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Ordinance and to exercise such of the rights and powers vested in it by this Ordinance, and to use the same degree of care and skill in their exercise, as a reasonably prudent person would exercise or use under the circumstances in the conduct of the affairs of others, except as herein otherwise expressly provided.

## ARTICLE X

### PRIVILEGES, RIGHTS AND REMEDIES

Section 1001. Bondowner's Remedies. Each owner of any Bond shall be entitled to all of the privileges, rights and remedies provided herein, in the Project Act, the Bond Act, the Supplemental Bond Act and this Ordinance, and as otherwise provided or permitted at law or in equity or by other statute, except as provided in Sections 209 through 212 hereof, but subject to the provisions herein concerning the Pledged Revenues and the proceeds of the Bond.

Section 1002. Right to Enforce Payment. Nothing in this article affects or impairs the right of any owner of any Bond issued hereunder to enforce the payment of the Bond Requirements of his Bond or the obligation of the County to pay the Bond Requirements of each Bond to the owner thereof at the time and the place expressed in the Bond.

Section 1003. Events of Default. Each of the following events is hereby declared an "event of default":

A. Incapable to Perform. The County shall for any reason be rendered incapable of fulfilling its obligations hereunder;

B. Nonperformance of Duties. The County shall have failed to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Pledged Revenues, or otherwise, including, without limitation, this Ordinance, and such failure shall continue for sixty (60) days after receipt of notice from the owners of at least ten percent (10%) in aggregate principal amount of the Bond then Outstanding.

C. Appointment of Receiver. An order or decree shall be entered by a court of competent jurisdiction with the consent or acquiescence of the County appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bond or if an order or decree having been entered without the consent or acquiescence of the County, shall not be vacated or discharged or stayed on appeal within sixty (60) days after entry; and

D. Default of Any Provision. The County shall make default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bond or in this Ordinance on its part to be performed, and if such default shall continue for sixty (60) days after written notice specifying such default and

requiring the same to be remedied shall have been given to the County by the owners of at least ten percent (10%) in aggregate principal amount of the Bond then Outstanding. The nonpayment of the Bond Requirements of the Bond when due shall not constitute a default or an event of default hereunder.

Section 1004. Remedies for Default. Upon the happening and continuance of any of the events of default, as provided in Section 1003 hereof, then and in every case the owner or owners of not less than ten percent (10%) in aggregate principal amount of the Bond then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the County and its agents, officers and employees to protect and to enforce the rights of any owner of Bond under this Ordinance by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as such owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any holder of any Bond, or to require the County to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bond then Outstanding.

Section 1005. Receiver's Rights and Privileges. Any receiver appointed in any proceedings to protect the rights of such holders hereunder, the consent of any such appointment being hereby expressly granted by the County, may collect, receive and apply all Pledged Revenues arising after the appointment of such receiver in the same manner as the County itself might do.

Section 1006. Rights and Privileges Cumulative. The failure of any owner of any Outstanding Bond to proceed in any manner herein provided shall not relieve the County, its Governing Body, or any of its officers, agents or employees of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any such holder (or trustee hereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any owner shall not be deemed a waiver of any other right or privilege thereof.

Section 1007. Duties Upon Defaults. Upon the happening of any of the events of default as provided in Section 1003 hereof, the County, in addition, shall do and perform all proper acts on behalf of and for the owner of Bond to protect and to preserve the security created for the payment of their Bond.

Section 1008. Duties in Bankruptcy Proceedings. If any Person obligated to pay any fees derived from the Car Rental Fee Ordinance under any laws of the United States relating to bankruptcy, including, without limitation, any action under any law providing for corporate reorganization, it shall be the duty of the County, and its appropriate officers are hereby authorized and directed, to take all necessary steps for the benefit of the holder of the Bond in such proceedings, so including the filing of any claims for unpaid fees derived from the Car Rental Fee Ordinance and other payments to or otherwise arising from the breach of any of the covenants, terms or conditions of any instrument or obligation pertaining to the Pledged Revenues, except to the extent that the State acting by and through the Department or otherwise takes such action, unless the Governing Body by resolution or other instrument determines that the costs of such action are likely to exceed the amounts thereby recovered from such taxpayer.

Section 1009. Prejudicial Action Unnecessary. Nothing in this article requires the County to proceed as provided herein if the Governing Body determines in good faith and without any abuse of its discretion that if the County so proceeds it is more likely than not to incur a net loss rather than a net gain or such action is otherwise likely to affect materially and prejudicially the holders of the Outstanding Bond and any Outstanding parity securities.

## ARTICLE XI

### AMENDMENT OF ORDINANCE

Section 1101. Privilege of Amendments. This Ordinance may be amended or supplemented by instruments adopted by the Governing Body in accordance with the laws of the State, without receipt by the County of any additional consideration, but with the written consent of the holders of not less than sixty-six percent (66%) in aggregate principal amount of the Bond and any Parity Securities heretofore or hereafter issued and Outstanding at the time of the adoption of such amendatory or supplemental instrument, not including in any case any Bond or Parity Securities which may then be held or owned for the account of the County, but including such refunding securities as may be issued for the purpose of refunding the Bond issued hereunder or any parity securities if such refunding securities are not owned by the County.

Section 1102. Limitations Upon Amendments. No such instrument shall permit:

A. Changing Payment. A change in the maturity or in the terms of redemption of the principal of any Outstanding Bond or any parity securities or any installment of interest thereon; or

B. Reducing Return. A reduction in the principal amount of any Bond or any parity securities, the rate of interest thereon, or any prior redemption premium payable in connection' therewith, without the consent of the holder of the Bond or Parity Securities; or

C. Prior Lien. The creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by this Ordinance; or

D. Modifying Any Bond. A reduction of the principal amount or percentages or otherwise affecting the description of Bond or Parity Securities or the consent of the holders of which is required for any such modification or amendment; or

E. Priorities Between Bonds. The establishment of priorities as between the Bond and parity securities issued and Outstanding under the provisions of this Ordinance or another County ordinance; or

F. Partial Modification. The modifications of or otherwise prejudicially affecting the rights or privileges of the holders of less than all of the Bond and Parity Securities then Outstanding.

Section 1103. Notice of Amendment. Whenever the Governing Body proposes to amend or modify this Ordinance under the provisions of this article, it shall cause notice of the

proposed amendment to be mailed within thirty (30) days to the registered owners of the Bond and any parity securities, or to any successor thereof known to the Clerk. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the Clerk for public inspection.

A. Time for Amendment. Whenever at any time within one (1) year from the last date of the mailing of such notice there shall be filed in the office of the Clerk an instrument or instruments executed by the owners of at least sixty-six percent (66%) in aggregate principal amount of the Bond and Parity Securities then Outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in such notice and shall specifically consent to and approve the adoption of such instrument, thereupon, but not otherwise, the Governing Body may adopt such amendatory instrument and such instrument shall become effective.

Section 1104. Binding Consent to Amendment. If the owners of at least sixty-six percent (66%) in aggregate principal amount of the Bond and Parity Securities Outstanding, at the time of the adoption of such amendatory instrument, or the predecessors in title of such holders, shall have consented to and approved the adoption thereof as herein provided, no owner of any Bond or Parity Securities whether or not such owner shall have consented to or shall have revoked any consent as in this article provided, shall have any right or interest to object to the adoption of such amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the County from taking any action pursuant to the provisions thereof.

Section 1105. Time Consent Binding. Any consent given by the owner of a Bond or Parity Securities pursuant to the provisions of this article shall be irrevocable for a period of six (6) months from the date of the mailing of the notice above provided for and shall be conclusive and binding upon all future owners of the same Bond or Parity Securities during such period. Such consent may be revoked at any time after six (6) months from the last date of the mailing of such notice, by the holder who gave such consent or by a successor in title by filing notice of such revocation with the Clerk, but such revocation shall not be effective if the owners of not less than sixty-six percent (66%) in aggregate principal amount of the Bond and Parity Securities Outstanding have, prior to the attempted revocation, consented to and approved the amendatory instrument referred to in such revocation.

Section 1106. Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of this article, the terms and the provisions of this Ordinance or of any instrument amendatory thereof or supplemental thereto, the rights and the obligations of the County and of the owners of the Bond and Parity Securities thereunder may be modified or amended in any respect upon the adoption by the County and upon the filing with the Clerk of an instrument to that effect and with the consent of the owners of all the then Outstanding Bond and Parity Securities, such consent to be given as provided in Section 904 hereof; and no notice to owners of the Bond and Parity Securities, either by mailing or by publication, shall be required, nor shall the time of consent be limited except as may be provided in such consent.

Section 1107. Exclusion of County's Bonds. The Bond and Parity Securities owned or held by or for the account of the County shall not be deemed Outstanding and shall be excluded for the purpose of consent or of other action or of any calculation of Outstanding Bond and Parity Securities provided for in this article, and the County shall not be entitled with respect to such Bond and Parity Securities to give any consent or to take any other action provided for in this article. At the time of any consent or of other action taken under this article, the County shall furnish the Clerk a certificate of the Treasurer, upon which the County may rely, describing all Bond and Parity Securities so to be excluded.

Section 1108. Notation on Bond. The Bond and Parity Securities authenticated and delivered after the effective date of any action taken as in this article provided may bear a notation by endorsement or otherwise in form approved by the Governing Body as to such action; and if any such Bond or and Parity Securities so authenticated and delivered shall bear such notation, then upon demand of the owner of any Bond or and Parity Securities Outstanding at such effective date and upon presentation of his Bond or and Parity Securities for the purpose at the principal office of the Clerk, suitable notation shall be made on such Bond or and Parity Securities by the Clerk as to any such action. If the Governing Body shall so determine, new Bonds or Parity Securities so modified as in the opinion of the Governing Body to conform to such action shall be prepared, authenticated and delivered; and upon demand of the owner of any Bond or and Parity Securities then Outstanding, shall be exchanged without cost to such owner for Bonds or Parity Securities then Outstanding upon surrender of such Bonds or Parity Securities.



Section 1109. Proof of Instruments and Bond. The fact and date of execution of any instrument under the provisions of this article, the amount and number of the Bond or Parity Securities held by any Person executing such instrument, and the date of his holding the same may be proved as provided by Section 904 hereof.

Proposed on February 12, 2008.

Proposed by Commissioner Jung

Passed February 12, 2008.

Vote:

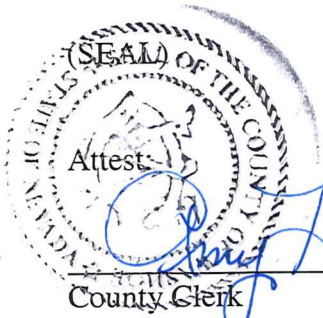
Jim Galloway  
Robert Larkin  
Dave Humke  
Bonnie Weber  
Kitty Jung

Aye:

Galloway-Larkin-Humke  
Weber-Jung  
none

Absent:

Robert M Larkin  
Chair of the Board



This Ordinance shall be in force and effect from and after the 23<sup>rd</sup> day of month of February of the year 2008.

STATE OF NEVADA                    )  
                                                  ) ss.  
WASHOE COUNTY                    )

I, Amy Harvey, the duly chosen, qualified and acting County Clerk of Washoe County (the "County"), in the State of Nevada (the "State"), does hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance adopted at a meeting of the Board of County Commissioners (the "Board") held on February 12, 2008; such copy of such ordinance contained in such minutes is a true, correct and compared copy of the original passed and adopted by the Board at the designated meeting and the original of such ordinance has been approved and authenticated by the signature of the Chair of the Board and myself as Clerk, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Board were present at such meeting and voted on the passage of such ordinance as set forth in the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting and excerpt from the agenda for the meeting relating to the resolution, as posted at least 3 working days in advance of the meeting at the Board's office, the County's website, and three other locations, i.e., at:

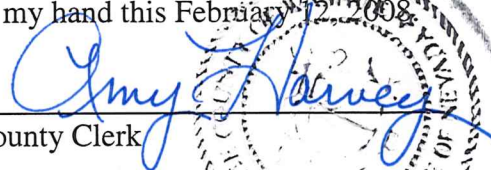
- (i) Washoe County Administration Complex  
1001 East Ninth Street  
Reno, Nevada
- (ii) Washoe County Courthouse  
75 Court Street  
Reno, Nevada
- (iii) Washoe County Library  
301 South Center Street  
Reno, Nevada

(iv) Justice Court  
630 Greenbrae Drive  
Sparks, Nevada

is attached as "Exhibit A."

5. At least three working days before such meeting, such notice was mailed to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in the same manner in which notice is required to be mailed to a member of the Board.

IN WITNESS WHEREOF, I have hereunto set my hand this February 12, 2008.

  
County Clerk

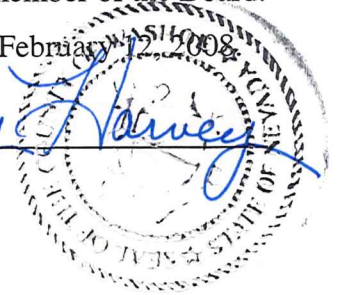


EXHIBIT A

(Attach Copy of Notice of February 12, 2008 Meeting)

**COUNTY COMMISSIONERS**

Bob Larkin, Chairman  
Bonnie Weber, Vice-Chairman  
Jim Galloway  
David Humke  
Kitty Jung

**COUNTY MANAGER**

Katy Singlaub

**ASSISTANT  
DISTRICT ATTORNEY**

Melanie Foster

**AGENDA**

**WASHOE COUNTY BOARD OF COMMISSIONERS**

**COMMISSION CHAMBERS - 1001 E. 9<sup>th</sup> Street, Reno, Nevada**

**February 12, 2008**

**2:00 p.m.**

**NOTE:** Items on the agenda without a time designation may not necessarily be considered in the order in which they appear on the agenda. Items may be moved to or from the Consent Agenda at the beginning of the Board Meeting or may be voted on in a block.

The Washoe County Commission Chambers are accessible to the disabled. If you require special arrangements for the meeting, call the County Manager's Office, 328-2000, 24-hours prior to the meeting.

**Public Comment** during the Commission Meeting on February 12, 2008 will be for all matters, both on and off the agenda, and be limited to two minutes per person. Additionally, public comment of two minutes per person will be heard during individual action items on the agenda. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment on that item at the Commission meeting.

The Chairman and Board of County Commissioners intend that their proceedings should demonstrate the highest levels of decorum, civic responsibility, efficiency and mutual respect between citizens and their government. The Board respects the right of citizens to present differing opinions and views, even criticism, but our democracy cannot function effectively in an environment of personal attacks, slander, threats of violence and willful disruption. To that end, the Nevada Open Meeting Law provides the authority for the Chair of a public body to maintain the decorum and to declare a recess if needed to remove any person who is disrupting the meeting, and notice is hereby provided of the intent of this body to preserve the decorum and remove anyone who disrupts the proceedings.

The County Commission can deliberate or take action only if a matter has been listed on an agenda properly posted prior to the meeting. During the public comment period, speakers may address matters listed or not listed on the published agenda. The Open Meeting Law does not expressly prohibit responses to public comments by the Commission. However, responses from Commissioners to unlisted public comment topics could become deliberation on a matter without notice to the public. On the advice of legal counsel and to ensure the public has notice of all matters the Commission will consider, Commissioners may choose not to respond to public comments, except to correct factual inaccuracies, ask for County staff action or to ask that a matter be listed on a future agenda. The Commission may do this either during the public comment item or during the following item: **"\*Commissioners'/Manager's Announcements, Requests for Information, Topics for Future Agendas and Statements Relating to Items Not on the Agenda"**.

21. Discussion and possible action on a request from Nevada Land LLC to fund the debt service reserve requirement in an amount not to exceed \$1.45 million dollars, in connection with the issuance of the senior lien car rental fee revenue bonds for the minor league baseball stadium project--Manager. (All Commission Districts.)
22. Introduction and adoption of an Ordinance designated as the "2008 Senior Public Sale Revenue Bond Ordinance"; authorizing and directing the issuance of Washoe County, Nevada, senior lien car rental fee revenue bonds (minor league baseball stadium project), Series 2008 in the maximum aggregate principal amount of \$22,000,000 secured by pledged revenues; providing the form, terms and conditions of the bonds, the security therefor, the sale thereof; providing for adoption as if an emergency exists; repealing Ordinance No. 1353; and other details in connection therewith--Manager.
23. Introduction and adoption of an Ordinance designated as the "2008 Subordinate to Public Sale Revenue Bond Ordinance"; authorizing and directing the issuance of Washoe County, Nevada, subordinate lien car rental fee capital appreciation revenue bonds (minor league baseball stadium project), Series 2008 in the maximum initial principal amount of \$11,000,000 secured by pledged revenues; providing the form, terms and conditions of the bonds, the security therefor, the sale thereof; providing for adoption as if an emergency exists; repealing Ordinance No. 1354; and other details in connection therewith--Manager.
24. Introduction and adoption of an Ordinance designated as the "2008 Senior Revenue Bond Ordinance"; authorizing and directing the issuance of Washoe County, Nevada, senior lien car rental fee revenue bonds (minor league baseball stadium project), Series 2008 in the maximum aggregate principal amount of \$22,000,000 secured by pledged revenues; providing the form, terms and conditions of the bonds, the security therefor, the sale thereof; providing for adoption as if an emergency exists; and other details in connection therewith--Manager.
25. Introduction and adoption of an Ordinance designated as the "2008 Subordinate Revenue Bond Ordinance"; authorizing and directing the issuance of Washoe County, Nevada, subordinate lien car rental fee capital appreciation revenue bonds (minor league baseball stadium project), Series 2008 in the maximum initial principal amount of \$11,000,000 secured by pledged revenues; providing the form, terms and conditions of the bonds, the security therefor, the sale thereof; providing for adoption as if an emergency exists; and other details in connection therewith--Manager.
26. Introduction and adoption of an Ordinance designated as the "2008 Revenue Bonds Ordinance"; authorizing and directing the issuance of Washoe County, Nevada, minor league baseball stadium project revenue bonds, Series 2008 in the maximum principal amount of \$10,000,000 secured by pledged revenues; providing the form, terms and conditions of the bonds, the security therefor, the sale thereof; providing for adoption as if an emergency exists; and other details in connection therewith--Manager.
27. Request to authorize the Judicial Retirement Plan as a retirement plan option for Justices of the Peace and direct the Human Resources Department to take any necessary actions to effectuate this option (requested by Justices of the Peace Finley, Graham, Lynch, Sferrazza and Tiras). Continued from January 8, 2008 Commission Meeting.

EXHIBIT B

(Attach Affidavit of Publication of Ordinance)



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STATE OF NEVADA  
COUNTY OF WASHOE

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: **02/16/2008 - 02/22/2008**, for exact publication dates please see last line of Proof of Publication below.

Subscribed and sworn to before me

Signed: \_\_\_\_\_

**Proof of Publication**

NOTICE OF ADOPTION WASHOE COUNTY ORDINANCE NO. 1361 NOTICE IS HEREBY GIVEN THAT: Bill No. 1542, Ordinance No.1361 entitled: AN ORDINANCE DESIGNATED AS THE (B2008 SUBORDINATE REVENUE BOND ORDINANCE (B; AUTHORIZING AND DIRECTING THE ISSUANCE OF WASHOE COUNTY, NEVADA, SUBORDINATE LIEN CAR RENTAL FEE CAPITAL APPRECIATION REVENUE BONDS (MINOR LEAGUE BASEBALL STADIUM PROJECT), SERIES 2008 IN THE MAXIMUM INITIAL PRINCIPAL AMOUNT OF \$11,000,000 SECURED BY PLEDGED REVENUES; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE SECURITY THEREOF, THE SALE THEREOF; PROVIDING FOR ADOPTION AS IF AN EMERGENCY EXISTS; AND OTHER DETAILS IN CONNECTION THEREWITH. PUBLIC NOTICE IS HEREBY GIVEN that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection and distribution at the office of the County Clerk of Washoe County, at her office in the County Courthouse in Reno, Nevada, 75 Court Street, Reno, Washoe County, Nevada; and can be found on the County Clerk's website, www.washoecounty.us/clerks. Such Ordinance was proposed, passed and adopted at a regular meeting of the Washoe County Board of County Commissioners on February 12, 2008, by the following vote of the Board of County Commissioners: Those Voting Aye: Jim Galloway, Bonnie Weber, Robert M. Larkin, David Humke, Kitty Jung Those Voting Nay: None Those Absent: None This ordinance shall be in full force and effect from and after February 22, 2008, i.e., the date of the second publication of such ordinance by its title only. IN WITNESS WHEREOF, The Board of County Commissioners of Washoe County, Nevada, has caused this ordinance to be published by title only. AMY HARVEY, Washoe County Clerk and Clerk of the Board of County Commissioners No. 530383 - Feb. 16, 22, 2008

**From:** Deller, Jaime T [mailto:JDeller@washoecounty.us]  
**Sent:** Monday, February 25, 2008 1:59 PM  
**To:** Parent, Nancy; rgj; Smith, Catherine D  
**Subject:** Affidavit of Publication

On 2/13 I sent you two Notice of Adoption to run the legal section on 2/16 and 2/22. It was for adoption of ordinances #1360 and #1361. Is there anyway you could send me an Affidavit of Publication electronically? I guess they are up against a deadline, and our comptroller's department is really slow in getting those to me.

Thanks for all your help.

JAIME DELLERA

Clerk's Office

Supervisor Board Records and Minutes

75 Court Street, #125

328-3411

328-3416 (fax)