

CERTIFICATE OF MEMBERSHIP

The undersigned, Clerk of Council of the City of Mason, Ohio, hereby certifies that the following were the officers and members of Council during the period proceedings were taken authorizing the issuance and sale of not to exceed \$26,000,000 Sewer System Refunding Bonds:

Mayor	Don Prince
City Manager	Eric Hansen
Finance Director	Joe Reigelsperger
Member of Council	David F. Nichols
Member of Council	Tony Bradburn
Member of Council	Rich Cox
Member of Council	Mike Gilb
Member of Council	Char Pelfrey
Member of Council	Christine Shimrock
Clerk of Council	Nancy M. Hickey
Law Director	Jeff Forbes

Director of Finance

TRANSCRIPT CERTIFICATE

The undersigned, Clerk of Council of said municipality, hereby certifies that the following is a true and complete transcript of all proceedings relating to the authorization and issuance of the above-identified bonds.

Clerk of Council

CITY OF MASON, OHIO

ORDINANCE NO. 2011 - 112

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$26,000,000 OF BONDS BY THE CITY OF MASON, OHIO, FOR REFUNDING THE SEWER SYSTEM REVENUE AND IMPROVEMENT BONDS SERIES 2004, AUTHORIZING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT, AUTHORIZING A BOND PURCHASE AGREEMENT AND AUTHORIZING AN ESCROW DEPOSIT AGREEMENT.

WHEREAS, the City has previously issued its \$38,105,000 Sewer System Revenue Refunding and Improvement Bonds, Series 2004 (the "Series 2004 Bonds"), of which \$30,540,000 remains outstanding and the City has determined it will be economically advantageous to advance refund a portion of the Series 2004 Bonds; and

WHEREAS, the fiscal officer of the City of Mason, Ohio (the "City") has heretofore estimated that the life of the hereinafter described improvement is at least five (5) years, and certified that the remaining maximum maturity of the bonds is seventeen (17) years; and

NOW, THEREFORE, the City of Mason, County of Warren, Ohio, hereby ordains:

SECTION 1. That this Council hereby declares it necessary to issue bonds of the City in the principal sum of not to exceed \$26,000,000 for the purposes of advance refunding a portion of the Series 2004 Bonds originally issued for the purposes of (i) advance refunding a portion of the Sewer System Mortgage Revenue Bonds dated September 1, 1994, originally issued to make certain improvements to the municipal sewer system (hereinafter sometimes called the "System"); (ii) constructing improvements to its municipal sewer system including acquisition, construction and installation of a new treatment plant (the "Improvements"); (iii) funding a debt service reserve account; and paying related costs, together with other permissible costs under the Uniform Public Securities Law, including the cost of printing the bonds, expense of delivery of the bonds, service charges of the paying agent and registrar, legal services and obtaining an approving legal opinion.

SECTION 2. That bonds of the City shall be issued in the principal sum of not to exceed \$26,000,000, for the purposes aforesaid. Said bonds shall be numbered from 1 upward, shall be dated as of such date as is selected by the City Manager or Finance Director, and shall bear interest at the rate or rates negotiated by the City Manager or Finance Director with the purchaser of the bonds named in Section 5 hereof without further action of this Council, but not to exceed five per centum (5.00%) per annum, until the principal sum is paid as set forth in the Bond Purchase Agreement as hereinafter authorized. Said bonds shall pay interest and mature on such dates, in such years, and in such principal amounts as are determined by the City Manager and Finance Director with the purchaser of the bonds without further action of this Council; provided that the maturity dates and times so determined shall be in compliance with the requirements

contained in Chapter 133 of the Ohio Revised Code. The final maturity of said bonds shall be no later than December 1, 2028.

The bonds shall be subject to mandatory and optional redemption by the City prior to maturity as set forth in the Bond Purchase Agreement, within the limitations set forth in Chapter 133 of the Ohio Revised Code, as are determined by the City Manager or Finance Director with the purchaser of the bonds without further action of the council.

SECTION 3. That said bonds shall be designated "Sewer System Refunding Bonds" and shall express upon their faces the purpose for which they are issued and that they are issued in pursuance of Chapter 133 of the Ohio Revised Code and this ordinance. The Bonds shall be executed by the City Manager, provided that the execution by said official may be by facsimile. The Bonds may but shall not be required to bear the seal of the City, or a facsimile thereof, and shall bear the manual authenticating signature of an authorized representative of the Paying Agent and Registrar, or such bank or trust company as is selected by the Finance Director to act, as paying agent, registrar and transfer agent (the "Paying Agent and Registrar") for the Bonds as set forth in the Bond Purchase Agreement. The principal amount of each bond shall be payable at the office of the Paying Agent and Registrar, and interest thereon shall be paid on each interest payment date to the person whose name appears on the record date (which shall be 15 days prior to each interest payment date) on the bond registration records as the registered holder thereof, by check or draft mailed to such registered holder at his address as it appears on such registration records.

The bonds shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The City and the Paying Agent and Registrar shall not be required to transfer any bond during the 15-day period preceding any interest payment date, and no such transfer shall be effective until entered upon the registration records maintained by the Paying Agent and Registrar. Upon such transfer, a new bond or bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The City and the Paying Agent and Registrar may deem and treat the registered holder of the bonds as the absolute owner thereof for all purposes, and neither the City nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

SECTION 4. That the Bonds shall be sold to RBC Capital Markets, LLC, Cincinnati, Ohio (the "Underwriter") at the price determined in the Bond Purchase Agreement, which is hereby authorized, and which shall be executed by the City Manager, which Bond Purchase Agreement shall set forth such award and sale, the other matters to be set forth therein referred to in this ordinance and such other matters as the City Manager determines are consistent with this ordinance. That the matters contained in the Bond Purchase Agreement are consistent with this ordinance shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such officer. The Bond Purchase Agreement shall be and is hereby incorporated herein by reference. The Finance Director or his designee is directed to make the necessary arrangements on behalf of the City to establish the date, location, procedure and conditions for the delivery of the Bonds to the purchaser of the Bonds and to take all steps necessary to effect due

authentication, delivery and perfection for the security of the Bonds under the terms hereof. It is hereby determined that the purchase price and the interest rates for the Bonds set forth in the Bond Purchase Agreement, and the manner of sale and the terms of the Bonds as provided in this ordinance and the Bond Purchase Agreement, are consistent with all legal requirements and will carry out the public purposes of the City, in accordance with Chapter 133, Ohio Revised Code. The City Manager is hereby authorized and directed to execute and deliver the Bond Purchase Agreement and any other agreement deemed necessary by the purchaser of the Bonds which agreement is approved by Peck, Shaffer & Williams LLP, as bond counsel to the City. The proceeds from the sale of said bonds, except the premium and accrued interest, if any, shall be used for the purpose aforesaid and for no other purpose; and any premium and accrued interest received from the sale shall be transferred to the Bond Retirement Fund to be applied to payment of the principal and interest on the Bonds in the manner provided by law.

All appropriate officers of the City are further authorized to make, execute, acknowledge and deliver such closing certificates, financing statements and other instruments or agreements as are, in the opinion of bond counsel, necessary to carry out the purposes of this ordinance.

SECTION 5. That the bonds shall be the full general obligations of the City and the full faith, credit and revenue of the City are hereby pledged for the prompt payment of the same. That during the period the bonds are to run, there shall be and is hereby levied on all the taxable property in the City, in addition to all other taxes, but within applicable limitations, a direct tax annually in an amount sufficient to pay the principal of and interest on the bonds when and as the same fall due.

Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from said tax levies hereby required shall be placed in a separate and distinct fund, which together with all interest collected on the same, shall be irrevocably pledged for the payment of the interest and principal of said bonds when and as the same fall due; provided, however, to the extent that other revenues are certified, collected and appropriated for payment of debt service, said tax need not be levied.

SECTION 6. That this Council, for and on behalf of the City, hereby covenants that it will restrict the use of the proceeds, if any, of the bonds hereby authorized in such manner and to such extent, if any, and take such other actions as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. The Finance Director or any other officer having responsibility with respect to the issuance of the bonds is authorized and directed to give an appropriate certificate on behalf of the City, on the date of delivery of the bonds for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder.

These bonds have not been designated “qualified tax-exempt obligations” for the purposes set forth in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 7. That the Finance Director is hereby authorized to apply, if he deems it appropriate, for a rating on the Bonds from either Standard & Poor’s Corporation or Moody’s Investors Service, and/or to purchase bond insurance, and to pay the fee or premium for said rating and/or insurance to the extent authorized by law and approved by bond counsel.

SECTION 8. The content, form and distribution of the Preliminary Official Statement or similar documents prepared in connection with the Bonds be and the same is hereby approved and ratified, and the execution and delivery of a final Official Statement, with such changes from the preliminary Official Statement as are approved by this Council and the Finance Director, is hereby authorized; and any official having charge with respect to the issuance of the Bonds is hereby authorized to execute on behalf of the City a certification with respect thereto.

SECTION 9. Any official having charge with respect to the issuance of the Bonds is hereby further authorized to execute on behalf of the City a Continuing Disclosure Certificate, in such form and containing such terms, covenants and conditions not inconsistent herewith, and to take such other actions as may be necessary to comply with the requirements of Securities and Exchange Commission Rule 15c2-12, as amended from time to time.

SECTION 10. In connection with the issuance of the Bonds and to serve the rights of the holders of the 2004 Bonds that are refunded hereby, the City Manager, on behalf of the City Council, is hereby authorized and directed to execute and deliver an Escrow Deposit Agreement with such bank or financial institution as is selected by the Finance Director to act as Escrow Trustee (the “Escrow Trustee”), which Escrow Deposit Agreement shall contain such terms as may be agreed upon by the District and the Escrow Trustee and as shall be approved by Bond Counsel.

SECTION 11. Any official having charge with respect to the issuance of the Bonds is hereby further authorized to take such actions as may be reasonably requested by the Underwriter in order to make the Bonds eligible for the services of the Depository Trust Company, New York, New York, including “book entry only” status if so requested by the underwriter.

SECTION 12. That the Clerk of Council is hereby directed to forward a certified copy of this ordinance to the County Auditor.

SECTION 13. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SECTION 14. That this ordinance shall take effect at the earliest date permitted by law after its passage.

ADOPTED: November 28, 2011.

Mayor

Attest: _____
Clerk of Council

CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and correct copy of Ordinance No. _____.

Clerk of Council

CERTIFICATE

The undersigned hereby certifies that a copy of the foregoing ordinance was certified this day to the County Auditor.

Clerk of Council

Dated: _____, 2011

RECEIPT

The undersigned hereby acknowledges receipt of a certified copy of the foregoing ordinance.

County Auditor

Dated: _____, 2011

EXTRACT FROM MINUTES OF MEETING

The Council of the City of Mason, County of Warren, Ohio, met in regular session, at 7:00 p.m., on the 28th day of November, 2011, at 6000 Mason-Montgomery Road, Mason, Ohio, with the following members present: Mike Gilb, Christine Shimrock, Rich Cox, Tony Bradburn, David Nichols, and Don Prince.

There was presented and read to Council Ordinance No. 112 entitled:

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$26,000,000 OF BONDS BY THE CITY OF MASON, OHIO, FOR REFUNDING THE SEWER SYSTEM REVENUE AND IMPROVEMENT BONDS SERIES 2004, AUTHORIZING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT, AUTHORIZING A BOND PURCHASE AGREEMENT AND AUTHORIZING AN ESCROW DEPOSIT AGREEMENT.

Mr. Nichols moved to suspend the rule requiring each ordinance or resolution to be read on three different days. Mr. Cox seconded the motion and, the roll being called upon the question, the vote resulted as follows: 6 YEAS.

Mr. Bradburn then moved that Ordinance No. 112 be adopted. Ms. Shimrock seconded the motion and, the roll being called upon the question, the vote resulted as follows: 6 YEAS.

The ordinance was declared passed November 28, 2011.

CERTIFICATE

The undersigned, clerk of council of said municipality, hereby certifies that the foregoing is a true and correct extract from the minutes of a meeting of the council of said municipality, held on the ____ day of _____, 2011, to the extent pertinent to consideration and adoption of the above-entitled legislation.

Clerk of Council

CERTIFICATE AS TO MAXIMUM MATURITY OF BONDS

Based upon information provided by and in response to the request of the City Council of the City of Mason, Ohio, the Finance Director of the City of Mason, being the fiscal officer of the City of Mason within the meaning of Section 133.01 of the Uniform Public Securities Law of the Ohio Revised Code, hereby certifies to the City Council that the estimated life of the project to be funded with the proceeds of the sale of not to exceed \$26,000,000 of bonds, for the purposes of advance refunding a portion of the Series 2004 Bonds originally issued for the purposes of (i) advance refunding a portion of the Sewer System Mortgage Revenue Bonds dated September 1, 1994, originally issued to make certain improvements to the municipal sewer system (hereinafter sometimes called the "System"); (ii) constructing improvements to its municipal sewer system including acquisition, construction and installation of a new treatment plant (the "Improvements"); (iii) funding a debt service reserve account, and paying certain costs related to the issuance of the bonds, is at least five (5) years and that the remaining maximum maturity of said bonds is eight (8) years.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2011.

Finance Director