ORDINANCE NO.: 2019-158
June 12, 2019

ORDINANCE

An ordinance authorizing the issuance of (i) One Million Dollars ($1,000,000) of Gas Utility Revenue Bonds, Series 2019A and (ii) One Million Dollars ($1,000,000) of Gas Utility Revenue Bonds, Series 2019B, of the Town of Madisonville, State of Louisiana, prescribing the form, fixing the details and providing for the payment thereof, confirming the sale thereof and entering into certain other covenants and agreements in connection with the security and payment of said Bonds, and providing for other matters in connection with the issuance of the Bonds.

WHEREAS, the Town of Madisonville, State of Louisiana (the "Issuer"), now owns and operates a natural gas utility system (the "System"), and wishes to construct and acquire extensions, improvements and replacements to and for the System;

WHEREAS, pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1430) it is now the wish of this Mayor and Council to issue (i) $1,000,000 of Gas Utility Revenue Bonds, Series 2019A (the "Series 2019A Bonds") and (ii) $1,000,000 of Gas Utility Revenue Bonds, Series 2019B (the "Series 2019B Bonds"), said Series 2019A Bonds and Series 2019B Bonds being hereinafter collectively referred to as the "Bonds", the Bonds to be secured by and payable solely from the income and revenues derived or to be derived from the operation of the System; and

WHEREAS, the Issuer has no outstanding indebtedness payable from the income and revenues to be derived from the operation of the System except its outstanding (i) Gas Utility Revenue Bonds, Series 2006A, issued in the principal amount of $1,057,000, (ii) Gas Utility Revenue Bonds, Series 2006B, issued in the principal amount of $743,000, said Series 2006A and Series 2006B Bonds being issued pursuant to an ordinance adopted on May 18, 2006, as amended and supplemented by an ordinance adopted on June 29, 2006, (iii) Gas Utility Revenue Bonds, Series 2006C, issued in the original principal amount of $432,000 pursuant to an ordinance adopted on November 8, 2006 and (iv) Gas Utility Revenue Bonds, Series 2015, issued in the principal amount of $1,080,000 pursuant to an ordinance adopted on August 12, 2015 (said ordinances herein collectively referred to as the "Parity Bond Ordinances"), said Series 2006A, Series 2006B, Series 2006C and Series 2015 Bonds being collectively referred to as the "Outstanding Parity Bonds"); and

WHEREAS, the State Bond Commission on May 16, 2019, authorized the Issuer to issue the Bonds in an authorized principal amount of not exceeding $1,000,000 for each issue; and

WHEREAS, under the terms and conditions of the Parity Bond Ordinances, the Issuer is authorized to issue additional bonds on a complete parity therewith, provided that the Issuer complies

with terms and conditions set forth in the Parity Bond Ordinances or the owner of the Outstanding Parity Bonds consents to the issuance of the Bonds on a parity with the Outstanding Parity Bonds; and

WHEREAS, it is now necessary to fix the details necessary with respect to the issuance of the Bonds and to provide for the authorization and issuance thereof;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Madisonville, State of Louisiana, acting as the governing authority of the Issuer, that:

SECTION 1. Definitions. The following terms as used in this Ordinance shall have the following respective meanings, such definitions to be equally applicable to both the singular and plural sense of any of such terms:

"**Act**" means Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1430).

"**Bond**" means any bond of the Issuer authorized to be issued, pursuant to this Ordinance, whether initially delivered or issued in exchange for, upon transfer of or in lieu of any bond previously issued.

"**Bonds**", means, collectively, the Gas Utility Revenue Bonds, Series 2019A and Series 2019B of the Town of Madisonville, State of Louisiana, authorized by this Ordinance, each in the aggregate principal amount of $1,000,000.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder.

"**Executive Officers**" means, collectively, the Mayor and the Clerk of the Town of Madisonville, State of Louisiana.

"**Governing Authority**" means the Mayor and Council of the Town of Madisonville, State of Louisiana, or any legal successor thereto.

"Government Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which are non-callable prior to their maturity, may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"**Interest Payment Date**" means June 1 and December 1 of each year, commencing December 1, 2019, until the Bonds are paid.

"**Issuer**" means the Town of Madisonville, State of Louisiana.

"**Ordinance**" means this ordinance authorizing the issuance of the Bonds, including same as it may hereafter be amended or supplemented.

"Outstanding Parity Bonds" has the meaning set forth in the preamble hereto.

"**Owner**" or "**Owners**" when used with respect to any Bond, means the Person in whose name such Bond is registered in the Bond Ordinance.

"Parity Bond Ordinances" has the meaning set forth in the preamble hereto.

"**Parity Obligations**" means any *pari passu* obligations hereafter issued by the Issuer on a parity with Bonds and the Outstanding Parity Bonds with respect to the revenues of the System in accordance with the provisions of Section 18 of this Ordinance.

"**Paying Agent**" or "**Paying Agents**" means IBERIABANK, in the City of Lafayette, Louisiana, for the Series 2019A Bonds numbered R-1, R-3, R-5, R-7, R-9, R-11, R-13, R-15, R-17, R-19, R-21 and R-22 and any replacements therefor and the Clerk of the Issuer for the Series 2019A Bonds numbered R-2, R-4, R-6, R-8, R-10, R-12, R-14, R-16, R-18 and R- 20, and any replacements therefor, and Hancock Whitney Bank in Baton Rouge, Louisiana for the Series 2019B Bond numbered R-1, and any replacements therefor, and the Clerk of the Issuer for the Series 2019B Bond numbered R-2 and any replacements therefor, or such successors as Paying Agent which may be named by this Governing Authority.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"**Purchaser**" or "**Purchasers**" means said IBERIABANK, for the Series 2019A Bonds numbered R-1, R-3, R-5, R-7, R-9, R-11, R-13, R-15, R-17, R-19, R-21 and R-22 and the Louisiana Public Facilities Authority (the "LPFA") for the Series 2019A Bonds numbered R-2, R-4, R-6, R-8, R-10, R-12, R-14, R-16, R-18 and R- 20, and Capital One Public Financing, LLP, of New York, for the Series 2019B Bond numbered R-1 and the LPFA for the Series 2019B Bond numbered R-2.

"**Record Date**" for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date.

"Reserve Fund Requirement" means, as of any date, the lesser of (i) 10% of the proceeds of the Bonds, the Outstanding Parity Bonds and any Parity Obligations, (ii) the maximum scheduled principal and interest requirements in any succeeding calendar year on the Bonds, the Outstanding Parity Bonds and any Parity Obligations, or (iii) 125% of the average annual principal payments and interest becoming due in any bond year on the Bonds, the Outstanding Parity Bonds and any Parity Obligations.

"**System**" means the natural gas utility system owned and operated by the Issuer, as now existing and as constructed, acquired, extended and improved or as said system shall hereafter be improved, extended or supplemented from any source whatsoever while any of the Bonds remain outstanding, including all properties of every nature owned by the Issuer and used or useful in the operation of the

System, including real estate, personal and intangible properties, contracts, franchises, leases and choses in action.

SECTION 2. Authorization of Bonds. (a) In compliance with and under the authority of the Act and other constitutional and statutory authority, there is hereby authorized the incurring of an indebtedness of One Million Dollars ($1,000,000) on behalf of and in the name of the Issuer, for the purpose of paying the costs of constructing and acquiring extensions, improvements and replacements to and for the natural gas system of the Issuer, including appurtenant equipment, accessories and properties, and paying the costs of issuance of the Bonds, and to represent the said indebtedness, this Governing Authority does hereby authorize the issuance of One Million Dollars ($1,000,000) of Gas Utility Revenue Bonds, Series 2019A, of the Issuer. The Series 2019A Bonds shall be in fully registered form, shall be dated the date of delivery thereof, shall be in the denominations hereafter set forth and shall be numbered from R-1 upwards. The unpaid principal of the 2019A Bonds shall bear interest at the rates per annum hereinafter set forth from the date hereof, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing December 1, 2019, and shall mature serially on December 1 of each year as follows:

BOND NUMBER	YEAR (DECEMBER 1)	PRINCIPAL MATURING (DENOMINATIONS)	INTEREST RATE
R-1	2019	$ 5,000	2.790%
R-2	2019	5,000	1.395
R-3	2020	5,000	2.790
R-4	2020	5,000	1.395
R-5	2021	5,000	2.790
R-6	2021	5,000	1.395
R-7	2022	38,000	2.790
R-8	2022	32,000	1.395
R-9	2023	41,000	2.790
R-10	2023	32,000	1.395
R-11	2024	42,000	2.790
R-12	2024	33,000	1.395
R-13	2025	45,000	2.790
R-14	2025	34,000	1.395
R-15	2026	47,000	2.790
R-16	2026	34,000	1.395
R-17	2027	48,000	2.790
R-18	2027	35,000	1.395
R-19	2028	129,000	2.790
R-20	2028	35,000	1.395
R-21	2029	170,000	2.790
R-22	2030	175,000	2.790

(b) In compliance with and under the authority of the Act and other constitutional and statutory authority, there is hereby authorized the incurring of an indebtedness of One Million Dollars ($1,000,000) on behalf of and in the name of the Issuer, for the purpose of paying the costs of constructing and acquiring extensions, improvements and replacements to and for the natural gas system of the Issuer, including appurtenant equipment, accessories and properties, and paying the costs of issuance of the Bonds, and to represent the said indebtedness, this Governing Authority does hereby authorize the issuance of One Million Dollars ($1,000,000) of Gas Utility Revenue Bonds, Series 2019B, of the Issuer. The 2019B Bonds shall be in fully registered form, shall be dated the date of delivery thereof, shall be in the form of two Bonds with the Bond numbered R-1 in the denomination of $750,000 and with the principal being payable in twelve (12) annual installments on the dates and amounts hereinafter set forth and Bond R-2 shall be in the denomination of $250,000 with the principal being payable in ten (10) annual installments on the dates and amounts hereinafter set forth commencing December 1, 2019:

YEAR (DECEMBER 1)	BOND R-1 PRINCIPAL INSTALLMENTS	BOND R-2 PRINCIPAL INSTALLMENTS
2019	$ 5,000	$ 5,000
2020	5,000	5,000
2021	5,000	5,000
2022	37,000	32,000
2023	39,000	33,000
2024	42,000	33,000
2025	43,000	34,000
2026	47,000	34,000
2027	50,000	34,000
2028	128,000	35,000
2029	170,000	
2030	179,000	

The outstanding principal of Bond R-1 shall bear interest at the rate of 2.80% per annum and the principal of Bond R-2 shall bear interest at the rate of 1.40% per annum, said interest to be payable on each INTEREST PAYMENT DATE, or from the most recent Interest Payment Date, to which interest has been paid or duly provided for commencing December 1, 2019.

(c) Principal of the Bonds, upon maturity, redemption or prepayment, shall be payable at the principal corporate office of the appropriate Paying Agent, upon presentation and surrender thereof (with the Series 2019B Bonds being surrendered upon payment of the final installment of principal), and interest on the Bonds shall be payable by check of the appropriate Paying Agent mailed by said Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register. Each Bond delivered under this Ordinance upon transfer of, in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

(d) No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of registration, substantially in the form provided in this Ordinance, executed by the appropriate Paying Agent by manual signature.

SECTION 3. Redemption Provisions. The Series 2019A Bonds maturing on or after December 1, 2026, are callable for redemption/prepayment at the option of the Issuer in full or in part at any time on or after December 1, 2025, at a price equal to the principal amount of the Series 2019A Bonds so redeemed plus accrued interest from the most recent Interest Payment Date to which interest has been paid or duly provided for.

The principal installments of the Series 2019B Bonds falling due on a or after December 1, 2026 may be prepaid at the option of the Issuer in full or in part at anytime on or after December 1, 2025, at a price equal to the principal amount to be prepaid plus accrued interest from the most recent Interest Payment Date to which interest has been paid.

In the event a Series 2019A Bond to be redeemed/prepaid is of a denomination larger than $1,000, a portion of such Bond ($1,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part may be surrendered at the principal corporate office of the appropriate Paying Agent, and there shall be delivered to the Owner of such Series 2019A Bond a new Series 2019A Bond of the same maturity and in a principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2019A Bond so surrendered.

Any Series 2019B Bond which is to be prepaid shall be surrendered to the appropriate Paying Agent for notation of such prepayment on the payment record on such Series 2019B Bond.

Official notice of such call of any of the Bonds for redemption/prepayment shall be given by means of first class mail, postage prepaid, by notice deposited in the United States mails not less than fifteen (15) days prior to the redemption/prepayment date addressed to the Owner of each Bond to be redeemed at his address as shown on the Bond Register.

SECTION 4. Registration and Transfer. The Issuer shall cause a Bond Register to be kept by the appropriate Paying Agent. The Bonds may be transferred, registered and assigned only on the Bond Register, which such registration shall be at the expense of the Issuer, and only by the execution of an assignment form on the Bonds being transferred. A new Bond or Bonds, may, upon request, be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bond or Bonds after receipt of the Bond(s) to be transferred in proper form. Such new Bond or Bonds shall be in [the denomination of $100,000 or any integral multiple of $5,000 in excess thereof within a single maturity] [an authorized denomination of the same maturity and like principal]. The Paying Agent shall not be required to issue, register the transfer of, or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date.

SECTION 5. Form of Bonds. The Bonds and the endorsements to appear thereon shall be in a form acceptable to the Issuer and the Executive Officers as the same may be advised by Bond Counsel.

SECTION 6. Execution of Bonds. The Bonds shall be signed by the Executive Officers for, on behalf of, in the name of and under the corporate seal of the Issuer, which signatures and corporate seal may be either manual or facsimile.

SECTION 7. Security for Bonds. Subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System, the Bonds, equally with the Outstanding Parity Bonds, shall be secured and payable in principal and interest exclusively by a pledge of the income and revenues derived or to be derived from the operation of the System, as now existing or as the System shall hereafter be improved, extended or supplemented from any source whatsoever while the Bonds remain outstanding, including, specifically, all properties of every nature owned by the Issuer and used or useful in the operation of the System, including real estate, personal and intangible properties, contracts, franchises, leases and choses in action. The said income and revenues are hereby irrevocably and irrepealably pledged in an amount sufficient for the payment of the Bonds in principal and interest as they fall due, and the income and revenues thus pledged shall remain so pledged for the security of the Bonds in principal and interest until they shall have been fully paid and discharged.

SECTION 8. Bonds issued on a Parity. The Bonds shall be and are hereby issued on a parity with the Outstanding Parity Bonds, and the Bonds shall rank equally with and shall enjoy complete parity of lien with the Outstanding Parity Bonds on all of the revenues of the System or other funds established and maintained by the Parity Bond Ordinances. In addition the Series 2019A Bonds and the Series 2019B Bonds are issued on a parity with each other. This Governing Authority does hereby find, determine and declare that the Issuer has complied, or will comply prior to the delivery of the Bonds with all of the terms and conditions (or such terms and conditions shall have been waived by the owner of the Outstanding Parity Bonds) set forth in the Parity Bond Ordinances with respect to authorizing the issuance of the Bonds on a parity with the Outstanding Parity Bonds. The Series 2019A Bonds and the Series 2019B Bonds are issued on a party with each other.

SECTION 9. Rate Covenant; Funds and Accounts. The Issuer, through its Governing Authority, covenants to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in such year sufficient to pay the reasonable and necessary expenses of operating and maintaining the System in such year, the principal and interest falling due on the Outstanding Parity Bonds and the Bonds in such year, all reserve and sinking fund and other payments required for such year by this Ordinance and the Parity Bond Ordinances, and all other obligations or indebtedness payable out of the revenues of the System for such year, and which will provide revenues in each year, after paying all reasonable and necessary expenses of administering, operating and maintaining the System in such year, at least equal to 120% of the largest amount of principal and interest maturing in any future fiscal year on the Outstanding Parity Bonds, the Bonds and on any Parity Obligations hereafter issued as provided herein in any future year. The Issuer further covenants:

That all of the income and revenues derived or to be derived by the Issuer from the operation of the System shall be deposited as the same may be collected in a separate and special bank account heretofore established and maintained with the regularly designated fiscal agent bank of the Issuer, and designated as the "Gas Utility System Fund"(the "Revenue Fund"), said Fund to be maintained and administered in the following order of priority and for the following express purposes:

(a) The payment of all reasonable and necessary expenses of operating and maintaining the System.

(b) The maintenance of the "Gas Utility Revenue Bond and Interest Sinking Fund" (the "Sinking Fund"), heretofore established and maintained by the Parity Bond Ordinances, sufficient in amount to pay promptly and fully the principal of and the interest on the Outstanding Parity Bonds and the Bonds and any Parity Obligations issued hereafter in the manner provided by this Ordinance by transferring from the Revenue Fund to the fiscal agent of the Issuer monthly in advance on or before the 20th day of each month of each year, a sum equal to the principal and interest accruing on said debt obligations for such calendar month together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. If Parity Obligations are hereafter issued by the Issuer in the manner provided in this Ordinance, moneys in the Sinking Fund shall be equally available to pay principal and interest on such Parity Obligations. Said fiscal agent bank shall transfer from the Sinking Fund to any paying agent or pay directly to the registered owner, for all bonds payable from the said Sinking Fund, at least three (3) days in advance of the date on which each payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and/or interest so falling due on such date.

(c) The maintenance of the "Gas Utility Revenue Bond Reserve Fund" (the "Reserve Fund"), heretofore established and maintained by the Parity Bond Ordinances, by transferring from the Revenue Fund to the Reserve Fund monthly in advance on the 20th day of each month, commencing the first month following the completion of the Project, a sum at least equal to twenty percent (20%) of the amount to be paid in such month into the Sinking Fund, the payments into the Reserve Fund to continue until such time as there has been accumulated therein a sum equal to the Reserve Fund Requirement. The money in the Reserve Fund shall be retained solely for the purpose of paying the principal and interest on the Bonds, the Outstanding Parity Bonds and any Parity Obligations as to which there would otherwise be default. In the event that Parity Obligations are issued, then such payments shall be resumed until such time as there has been accumulated in the Reserve Fund an amount of money equal to the Reserve Fund Requirement.

(d) The maintenance of the "Gas Utility Depreciation and Contingency Fund" (the "Contingency Fund"), heretofore established and maintained by the Parity Bond Ordinances, to care for extensions, additions, improvements, renewals and replacements necessary to operate properly the System, by transferring from the Utilities System Fund to the regularly designated fiscal agent bank of the Issuer (or such other bank designated by the Issuer), monthly in advance on or before the 20th day of each month of each year, commencing the first month following the completion of the Project, a sum equal to five percent (5%) of the amount to be paid in such month into the Sinking Fund, provided such sum is available after provision is made for the payments required under paragraphs (a), (b) and (c) above. Money in the Contingency Fund may also be used to pay the principal of and the interest

on the Bonds, the Outstanding Parity Bonds and any Parity Obligations for the payment of which there is not sufficient money in the Sinking Fund, but if so used, such money shall be replaced by the Issuer as soon as possible thereafter out of the earnings of the System after making the required payments into the respective funds and accounts hereinabove set out.

Subject to the foregoing, which are cumulative, the balance of the excess funds on deposit in the Revenue Fund may be used by the Issuer for the purpose of calling and/or paying bonds payable from the income and revenues of the System or for such other lawful corporate purposes as this Governing Authority may determine, whether or not such purposes are or are not related to the System.

If at any time it shall be necessary to use moneys in the Reserve Fund or the Contingency Fund for the purpose of paying principal of or interest on bonds payable from the Sinking Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received, not hereinabove required to be used for operation and maintenance of the System or for current principal, interest and reserve requirements. If at any time there are sufficient moneys on deposit in said Reserve Fund and Contingency Fund to retire all of the Bonds and Outstanding Parity Bonds payable from the Sinking Fund by defeasance, by exercising the redemption option provided by such bonds or by purchase on the open market, the Issuer may utilize such funds for such purpose.

All or any part of the moneys in the foregoing funds and accounts shall, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana. All income derived from such investments shall be added to the money in said respective funds or to the Revenue Fund, as appropriate, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein created.

SECTION 10. Deposit of Funds and Security Therefor. All of the income and revenues to be earned from the operation of the System shall be deposited promptly as provided in Section 9 hereof in the Revenue Fund, which Revenue Fund shall be maintained separate and apart from all other funds of the Issuer. The Sinking Fund, the Reserve Fund and the Contingency Fund shall be held by the depository banks as special trust funds for the purposes provided in this Resolution, and all other funds shall be held by the designated banks as special deposits for the purposes set forth in this Ordinance, and subject to such reasonable instructions as this Governing Authority may give in writing to the banks holding such funds. The Owners are hereby granted a lien on all funds established and/or maintained pursuant to the requirements of this Ordinance, except for the Contingency Fund, until applied in the manner herein provided. The moneys on deposit in all of the funds herein required shall at all times be secured to the full extent thereof as required by the laws of the State of Louisiana.

SECTION 11. Rates and Charges. Except as provided herein, nothing in this Ordinance or in the Bonds shall be construed to prevent the Issuer from altering, amending or repealing from time to time as may be necessary any resolution or ordinance setting up and establishing a schedule or schedules of rates and charges for the services and facilities to be rendered by the System, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners with respect to the income and revenues of the System, not alone for the payment of the principal of and interest on the Bonds, but to give assurance and insure that the income and revenues of the System, together

with such other lawfully available funds as are used by the Issuer for such purposes, shall be sufficient at all times to meet and fulfill the other provisions stated and specified in Section 9 of this Ordinance. It is understood and agreed, however, that the Issuer shall fix and maintain and collect rates and charges for the services and facilities to be rendered by the System, irrespective of the user thereof, that no free service shall be furnished to any Person, or even to the Issuer itself and that no discrimination shall be made as to rates and charges for the services and facilities of the System as between users of the same type or class.

The Issuer agrees that failure of any individual, partnership or corporation to pay said charges within fifteen (15) days of the date on which it is due shall cause such charge to become delinquent; that if such delinquent charge, with interest and penalties accrued thereon, is not paid within thirty (30) days from the date on which it became delinquent, the Issuer will shut off gas service to the affected premises, and that the Issuer and this Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for services rendered by the System. All delinquent charges for such services shall on the date of delinquency have added thereto a penalty of ten percent (10%) of the amount of the charge, and the amount so due, including any penalty charge, may, in the discretion of this Governing Authority, after ten (10) days from the date of delinquency, bear interest at a reasonable rate to be established by the Governing Authority, which rate shall not be less than six per centum (6%) per annum. If services shall be discontinued as above provided, the customer shall, in addition to paying the delinquent charges, penalties and interest, if any, pay as a condition precedent to the resumption of service, a reasonable reconnection charge.

It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this Ordinance for services and facilities rendered by the System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this Ordinance, including any deficiencies for prior payments, have been fully made, and unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in Section 9 of this Ordinance.

SECTION 12. Right to Pledge Revenues; Rank of Lien. In providing for the issuance of the Bonds, the Issuer does hereby covenant and warrant that it is lawfully seized and possessed of the System, that it has a legal right to pledge the revenues of the System as herein provided, that the Bonds will have a lien and privilege on said revenues subject only to the prior payment from such revenues or from other lawfully available sources of all reasonable and necessary expenses of administration, operation and maintenance of the System and that the Issuer will at all times maintain the System in first class repair and working order and condition.

SECTION 13. Records and Accounts; Audit Reports. As long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall maintain and keep proper books and accounts of the System separate and apart from all other records and accounts in which shall be made full and correct entries of all transactions relating to the System. Not later than six (6) months after the close of each fiscal year, the Issuer shall cause such an audit to be made by a recognized independent firm of certified public accountants, which audit shall reflect all receipts and disbursements of the Issuer,

including those made for the account of the System. Such audit shall be available for inspection by the Owners and a copy of such audit shall be furnished to the Purchaser upon request. Each such audit, in addition to whatever matters may be thought proper by the accountant to be included therein, shall include the following:

1. A statement in detail of the income and expenditures of the System for such fiscal year.

2. A balance sheet as of the end of such Fiscal Year.

3. The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Ordinance, and the accountant's recommendations for any changes or improvements in the operation of the System or the method of keeping the records relating thereto.

4. A list of the insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy.

5. The number of metered gas customers and the number of un-metered gas customers, if any.

6. An analysis of additions, replacements and improvements to the physical properties of the System.

All expenses incurred in the making of the audits required by this Section shall be regarded and paid as a maintenance and operating expense. The Issuer further agrees that the Purchaser, the Paying Agent and any Owner shall have the right to discuss with the accountant making the audit the contents of the audit and to ask for such additional information as they may reasonably require. The Issuer further agrees that the Purchaser, the Paying Agent, and the Owners shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

SECTION 14. Rights of Owners; Appointment of Receiver in Event of Default. The Owners from time to time shall be entitled to exercise all rights and powers for which provision is made in the laws of the State of Louisiana. Any Owner or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Louisiana, or granted and contained in this Ordinance, and may enforce and compel the performance of all duties required by this Ordinance, or by any applicable statutes to be performed by the Issuer or by any agency, board or officer thereof, including the fixing, charging and collecting of rentals, fees or other charges for the use of the System, and in general to take any action necessary to most effectively protect the rights of the Owners.

In the event that default shall be made in the payment of the interest on or the principal of any of the Bonds as the same shall become due, or in the making of the payments into any Sinking Fund or Reserve Fund or any other payments required to be made by this Ordinance, or in the event that the Issuer or any agency, board, officer, agent or employee thereof shall fail or refuse to comply with the provisions of this Ordinance or shall default in any covenant made herein, and in the further event that any such default shall continue for a period of thirty (30) days after written notice, any Owner of such Bonds or any trustee appointed to represent the Owners as hereinafter provided, shall be entitled as of right to the appointment of a receiver of the System in an appropriate judicial proceeding in a court of competent jurisdiction.

The receiver so appointed shall forthwith directly or by his agents and attorneys, enter into and upon and take possession of the System, and each and every part thereof, and shall hold, operate and maintain, manage and control the System, and each and every part thereof, and in the name of the Issuer shall exercise all the rights and powers of the Issuer with respect to the System as the Issuer itself might do. Such receiver shall collect and receive all rates, fees, rentals and other revenues, maintain and operate the System in the manner provided in this Ordinance, and comply under the jurisdiction of the court appointing such receiver, with all of the provisions of this Ordinance.

Whenever all that is due upon the Bonds and interest thereon, and under any covenants of this Ordinance for reserve, sinking or other funds, and upon any other obligations and interest thereon, having a charge, lien or encumbrance upon the fees, rentals or other revenues of the System, shall have been paid and made good, and all defaults under the provisions of this Ordinance shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Owner, or any trustee appointed for Owners as hereinafter provided, shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver shall in the performance of the powers hereinabove conferred upon him be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court, and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and the Owners. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any property of any kind or character belonging or pertaining to the System but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and the Owners and the curing and making good of any default under the provisions of this Ordinance, and the title to and the ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any property of the System except with the consent of the Issuer and in such manner as the court shall direct.

The Owner or Owners in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then outstanding may by a duly executed certificate appoint a trustee for the Owners with authority to represent such Owners in any legal proceedings for the enforcement and protection of the rights of such Owners. Such certificate shall be executed by such Owners, or by their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk of the Issuer.

Until an event of default shall have occurred, the Issuer shall retain full possession and control of the System with full right to manage, operate and use the same and every part thereof with the rights appertaining thereto, and to collect and receive, and, subject to the provisions of this Ordinance, to take, use and enjoy and distribute the earnings, income, rent, issue and profits accruing on or derivable from the System.

SECTION 15. Maintenance of System, Limitations on Sale, Lease or Other Disposition of Property. So long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall be bound and obligated at all times to (i) maintain the System in first class repair and working order and condition and (ii) not sell, lease, encumber or in any manner dispose of the System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the Issuer of property which in its judgement has become worn out, unserviceable, unsuitable or unnecessary in the operation of the System, when other property of equal value is substituted therefor or the sale price thereof is deposited in the Contingency Fund.

SECTION 16. Competitive Franchises. So long as any of the Bonds are outstanding and unpaid in principal and interest, the Issuer obligates itself not to grant a franchise to any utility for operation within the boundaries of the Issuer which would render services or facilities similar to those of the System and also obligates itself to oppose the granting of any such franchise by any other public board having jurisdiction over such matters. Further, the Issuer shall maintain its corporate identity and existence as long as any of the Bonds remain outstanding.

SECTION 17. Prohibition Against Encumbrances. Except as hereinafter provided in Section 18 hereof, the Issuer hereby covenants that it will not voluntarily create or cause to be created any debt, lien, pledge, mortgage, assignment, encumbrance or any other charge whatsoever having priority over or a parity with the lien of the Bonds and the interest thereon upon any of the Revenues pledged as security therefor in this Ordinance.

SECTION 18. Issuance of Parity Obligations; Parity Requirements. The Bonds shall enjoy complete parity of lien on the net revenues of the System despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. The Issuer hereby covenants that it shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenues of the System having priority over or parity with the Bonds, except that Parity Obligations may be issued hereafter if the following conditions are met:

1. The Bonds or any part thereof may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues as may have been enjoyed by the Bonds refunded, provided, however, that if only a portion of the Bonds outstanding is so refunded and if the refunding bonds require total principal and interest payments during any year in excess of the principal and interest which would have been required in such year to pay the Bonds refunded thereby, then such Bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Bonds issued hereunder; or

2. Parity Obligations may also be issued on a parity with the Bonds if all of the following conditions are met:

(a) The net revenues for (a) any consecutive twelve (12) calendar months in the eighteen (18) month period immediately preceding the date of issuance of the proposed Parity Obligations or (b) the fiscal year immediately preceding the date of issuance of such Parity Obligations, adjusted to reflect any increase in rates which has been adopted by this Governing Authority and which will take effect prior to a date not later than the date of the delivery of such Parity Obligations, are equal to at least 120% of the average annual debt service requirements on all bonds or obligations whatsoever then outstanding which are payable from the revenues of the System, and any Parity Obligations theretofore issued and then outstanding (but not including bonds which have been refunded or provision otherwise made for their full and complete payment and redemption), and the Parity Obligations so proposed to be issued; provided, however, that this limitation may be waived or modified by the written consent of the owners of the Bonds then outstanding. (Junior and subordinate bonds may be issued without restriction). In making the calculation set out in this paragraph it will not be necessary to include in any calculation future interest payments to be paid from capitalized interest.

(b) The payments required to be made into the various funds provided in Section 9 hereof must be current.

(c) The existence of the facts required by paragraphs (a) and (b) above must be determined by an independent certified public accountant who has previously audited the books of the Issuer or by its successors, an independent firm of professional engineers as may have been employed for that purpose or by the chief financial officer of the Issuer.

(d) The proceeds of the additional bonds must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund the Bonds or any Parity Obligations.

SECTION 19. Fidelity Bonds. So long as any of the Bonds are outstanding and unpaid, the Issuer, in operating the System, shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the operation of the System, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the Issuer from loss.

SECTION 20. Retention and Duties of Consulting Engineer in Event of Failure to Make Required Payments. The Issuer covenants and agrees that in the event it should fail to derive sufficient income from the operation of the System to make the required monthly payments into the funds established by Section 9 hereby, it will retain a Consulting Engineer (the "Engineer") on a continuous basis until all defaults are cured, for the purpose of providing for the Issuer continuous engineering counsel in the operation of its System. Such Engineer shall be retained under contract at such reasonable compensation as may be fixed by this Governing Authority, and the payment of such compensation shall be considered to be one of the costs of maintaining and operating the System. Any Engineer appointed under the provisions of this Section may be replaced at any time by another Engineer appointed or retained by the Issuer, with the consent and approval of the original Purchaser of the Bonds.

The Engineer shall prepare within ninety (90) days after the close of each Fiscal Year a comprehensive operating report, which report shall contain therein or be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by the Issuer's certified public accountants, and in addition thereto, shall report upon the operations of the System during the preceding Fiscal Year, the maintenance of the properties, the efficiency of the management of the System, the proper and adequate keeping of books of record and account, the adherence to budget and budgetary control provisions, the adherence to the provisions of this Ordinance and all other things having a bearing upon the efficient and profitable operation of the System, and shall include whatever criticism of any phase of the operation of the System the Engineer may deem proper, and such recommendations as to changes in operations and the making of repairs, renewals, replacements, extensions, betterments and improvements as the Engineer may deem proper. Copies of such report shall be placed on file with the Clerk of the Issuer and sent to the Purchaser, and shall be open to inspection by any Owners of any of the Bonds. It shall be the duty of the Engineer to pass on the economic soundness or feasibility of any extensions, betterments, improvements, expenditures or purchases of equipment and materials or supplies, which will involve the expenditure of more than Five Thousand Dollars ($5,000.00), whether in one or more than one order, and whether authorized by a budget or not, from funds on deposit in the Contingency Fund, and the Engineer shall devise and prescribe a form or forms wherein shall be set forth his or its approval in certificate form, copies of which shall be filed with the Clerk of the Issuer and the depository for the Contingency Fund.

Sixty (60) days before the close of each Fiscal Year, the Engineer shall submit to this Governing Authority a suggested budget for the ensuing year's operation of the System and shall submit recommendations as to the schedule of rates and charges for services supplied by the System, taking into account any other lawfully available funds of the Issuer that may be available for such purposes. A copy of said suggested budget and recommendations shall also be furnished by said Engineer directly to the Purchaser. Such recommendations as to rates and charges, consistent with the requirements relating thereto contained herein, shall be followed by this Governing Authority insofar as practicable and all other recommendations shall be given careful consideration by this Governing Authority and shall be

substantially followed, except for good and reasonable cause. No expenditures for the operation, maintenance and repair of the System in excess of the amounts stated in said budget shall be made in any year, except upon the certificate of the Engineer that such expenditures are necessary and essential to the continued operation of the System.

It shall be the duty of the Engineer to prescribe a system of budgetary control along with forms for exercising of such control which shall be utilized by the manager or superintendent of the System and his staff, and the manager or superintendent shall cause to be prepared monthly reports not later than the twentieth day of each month, for the preceding month's business and operation of the System, which reports shall be submitted to the Engineer, who shall prepare an analysis of each such report, which analysis shall be filed monthly as expeditiously as possible with the chief financial officer of the Issuer and with the Purchaser.

In the event this Governing Authority shall fail to select and retain a Engineer in accordance with the first paragraph hereof within thirty (30) days after the occurrence of the conditions prescribed thereby, then upon the petition of the Owners of twenty-five percent (25%) of the aggregate principal amount of the Bonds then outstanding, this Governing Authority shall select and retain such Engineer as is named in the petition of said Owners.

The provisions of this Section shall apply only during any period when the Issuer may be in default in making required payments into the funds required by Section 9 of this Ordinance.

SECTION 21. Recital of Regularity. This Governing Authority having investigated the regularity of the proceedings had in connection with the Bonds herein authorized and having determined the same to be regular, the Bonds shall contain the following recital, to-wit:

> "It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

SECTION 22. Ordinance a Contract; Amendment. The provisions of this Ordinance shall constitute a contract between the Issuer and any Owner or Owners, and any such Owner or Owners may at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by this Governing Authority as a result of issuing the Bonds.

No material modification or amendment of this Ordinance, or of any ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owners of two-thirds (2/3) of the aggregate principal amount of the Bonds then outstanding; provided, however, that no such modification or amendment shall permit a change in the maturity or the redemption provisions of the Bonds, or a reduction in the rate of interest thereon, or in the amount of the principal obligation thereof, or affecting the obligation of the Issuer to pay the principal of and interest on the Bonds as the same shall become due from the revenues of the System, or change the requirements specified herein for the issuance of Parity Obligations under the provisions of this Ordinance, or reduce the percentage of the Owners required to consent to any material modification or amendment of this Ordinance, without the consent of such Owner or Owners.

SECTION 23. Issuance of Bonds; Application of Proceeds. The Executive Officers are hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of this Ordinance, to cause the necessary Bonds to be printed, to issue, execute and seal the Bonds and to effect delivery thereof as hereinafter provided.

All of the proceeds derived from the sale of the Bonds shall be deposited by the Issuer in a Construction Fund (the "Construction Fund"). The funds in the Construction Fund shall be used solely for the purpose of paying the costs of constructing and acquiring extensions, improvements and replacements to the System, including appurtenant equipment, accessories and properties, a work of public improvement for the Issuer and all legal, engineering and other incidental costs and fees incurred in connection therewith, and in connection with the authorization and issuance of the Bonds (the "Project"), upon certification to the Issuer by the consulting engineer for the Project that such expenditures are necessary for the completion of the Project or for additional improvements to the System (except that no such certificate shall be required for the payment of legal and other expenses incurred in connection with the issuance of the Bonds) or for the payment of interest accruing on the Bonds during the period the Project is under construction.

SECTION 24. Insurance. So long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall carry full coverage of insurance on the System at all times against those risks and in those amounts normally carried by privately owned public utility companies engaged in the operation of such utilities. Said policies of insurance shall be issued by a responsible insurance company or companies duly licensed to do business under the laws of the State of Louisiana. In case of loss, any insurance money received by the Issuer shall be used for the purpose of promptly repairing or replacing the property damaged or destroyed, or shall be deposited in the Contingency Fund to supplement any other amounts required to be paid therein.

SECTION 25. Effect of Registration. The Issuer, the Paying Agent, and any agent of either of them may treat the Owner in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of the principal (and redemption price) of and interest on such Bond and for all other purposes whatsoever, and to the extent permitted by law, neither the Issuer, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

SECTION 26. Notices to Owners. Wherever this Ordinance provides for notice to Owners of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Owner, at the address of such Owner as it appears in the Bond Register. In any case where notice to Owners is given by mail, neither the failure to mail such notice to any particular Owner, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner or Owners entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 27. Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent and, if not already canceled, shall be promptly canceled by the Paying Agent. The Issuer may at any time deliver to the Paying Agent for cancellation any Bonds previously registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent. All canceled Bonds held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

SECTION 28. Severability; Application of Subsequently Enacted Laws. In case any one or more of the provisions of this Ordinance or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance or of the Bonds, but this Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provisions enacted after the date of this Ordinance which validate or make legal any provision of this Ordinance and/or the Bonds which would not otherwise be valid or legal, shall be deemed to apply to this Ordinance and to the Bonds.

SECTION 29. Discharge of Ordinance; Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Owners, the principal (and redemption price) of and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of the money, securities, and funds pledged under this Ordinance and all covenants, agreements, and other obligations of the Issuer to the Owners shall thereupon cease, terminate, and become void and be discharged and satisfied, and the Paying Agent shall pay over or deliver all money held by it under this Ordinance to the Issuer.

Bonds or interest installment for the payment or redemption of which money shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise)at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they are defeased in the manner provided by Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

SECTION 30. Paying Agents; Paying Agent Agreements. The Issuer will at all times maintain a Paying Agent for each Series of Bonds having the necessary qualifications for the performance of the duties described in this Ordinance. The designation of the PAYING AGENTS, as set forth in the definitions hereof, as the initial Paying Agents for the respective Series of Bonds is hereby confirmed and approved. The Governing Authority reserves the right to appoint successor Paying Agents by (a) filing with the Person then performing such function a certified copy of a resolution or ordinance giving notice of the termination of the agreement and appointing a successor and (b) causing notice to be given to each Owner. Furthermore, the Paying Agents may be removed by the Issuer at any time for any breach of its duties set forth herein, affective upon appointment of a successor Paying Agent as set forth above. Every Paying Agents appointed hereunder shall at all ties be a trust company or bank organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority. The Executive Officers are hereby authorized and directed to execute an appropriate agreements with the Paying Agents for and on behalf of the Issuer in such form as may be satisfactory to said officers, the signatures of said officers on the agreements to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 31. Arbitrage; Designation as Qualified Tax-Exempt Obligations. The Issuer covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds".

SECTION 32. Qualified Tax-Exempt Obligations. The Series 2019A Bonds are designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. In making this designation, the Issuer finds and determines that:

(a) the Series 2019A Bonds are not "private activity bonds" within the meaning of the Code; and

(b) the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Issuer and all subordinate entities in either calendar year 2019 will not exceed $10,000,000.

The Executive Officers are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this Section. The Executive Officers are hereby authorized and directed to execute an appropriate agreement with the Paying Agent for and on behalf of the Issuer in such form as may be satisfactory to said officers, the signatures on such agreement to be conclusive evidence of the due exercise of the authority granted hereunder.

The Series 2019B Bonds are NOT designated as qualified tax exempting obligations within the meaning of the above Section of the Code.

SECTION 33. Award of Bonds. The Issuer hereby accepts the offers to purchase the Bonds submitted by the Purchaser, a copy of which is on file with the Clerk of the Issuer. The Bonds shall be delivered to the Purchaser upon payment of the principal amount of the Bonds.

SECTION 34. Disclosure Under SEC Rule 15c2-12. The Issuer will not be required to comply with the continuing disclosure requirements described in the Rule 15c-2-12(b) of the Securities and Exchange Commission 17 CFR §240.15c2-12(b).

SECTION 35. Publication of Ordinance; Peremption. A copy of this Ordinance shall be published immediately after its adoption in one issue of the official journal of the Issuer. For a period of thirty (30) days after the date of such publication any person in interest shall have the right to contest the legality of this Ordinance, the Bonds to be issued pursuant hereto and the security for such Bonds. After the expiration of said thirty (30) day period, no one shall have any right of action to contest the validity of the Bonds, the provisions of this Ordinance or the security for the Bonds, for any cause whatsoever, and the Bonds shall thereafter be conclusively presumed to be legal and no court shall thereafter have authority to inquire into such matters.

SECTION 36. Post-Issuance Compliance. The Executive Officers and/or their designees are directed to establish written procedures to assist the Issuer in complying with various State and Federal statutes, rules and regulations applicable to the Bonds and are further authorized to take any and all actions as may be required by said written procedures to ensure continued compliance with such statutes, rules and regulations throughout the term of the Bonds.

SECTION 37. Section Headings. The headings of the various sections hereof are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 38. Effective Date. This Ordinance shall become effective immediately upon its approval by the Mayor.

I certify that the above ordinance was adopted by the Mayor and Council of the Town of Madisonville at its regular meeting held on June 12, 2019, at 7:00 p.m. following the reading of said ordinance, section by section, on motion by Councilman Bouey and seconded by Councilman Bounds with the vote thereon as follows:

Member	Yea	Nay	Absent	Abstaining
Brad Haddox			✓	
Tim Bounds	✓			
Kevin Brannigan Doran	✓			
Chris Hitzman	✓			
James D. Bouey	✓			

/s/ Alicia Watts
Clerk

/s/ Jean Pelloat
Mayor