

CITY OF BUCHANAN
(Berrien County, Michigan)

ORDINANCE NO. 2024.06/439

**ORDINANCE TO AUTHORIZE ISSUANCE OF ADDITIONAL SERIES OF
WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM JUNIOR REVENUE BONDS**

THE CITY OF BUCHANAN ORDAINS:

SECTION 1. DEFINITIONS. Except as provided in this Series 2024 Ordinance, the definitions contained in Ordinance 2020.01/415, as amended by Ordinance 2020.03.416 shall apply to the terms in this Series 2024 Ordinance. In addition, whenever used in this Series 2024 Ordinance except when otherwise indicated by context, the following definitions shall apply to the terms in this Series 2024 Ordinance:

(a) “Additional Junior Lien Bonds” means any additional Junior Lien Bonds issued in the future.

(b) “Authorized Officer” means the Mayor, the City Manager, the Clerk, and the Treasurer of the City or any one of them acting alone or any number of them acting together.

(c) “Bondholder” or “Bondholders” means the holder or holders of the Bonds.

(d) “Bonds” as defined in the Ordinance shall include the Series 2024 Bonds and any Additional Junior Lien Bonds.

(e) “Construction Fund” shall mean a construction fund created pursuant to Section 14.

(f) “Improvements” means improvements to the System, including without limitation, improving, replacing and installing new water mains, install new water supply well and well house, construct new water treatment system and building, replace galvanized and lead goosenecks within the water project areas, improving, replacing and installing new sewer mains, including gravity, interceptor and force mains, separate combined storm sewer and sanitary sewer, replace sanitary sewer and storm sewer and lift station improvements, as well as all work, equipment, furnishings and appurtenances necessary or incidental to these improvements and such other improvements to the Water Supply and Sewage Disposal System as the City may determine to make.

(g) “Junior Lien Bonds” as defined in the Ordinance shall include any bonds or other obligations that may be issued or incurred by the City payable from the Revenues of the System secured by a lien on the Net Revenues of the System that is subordinate to a first lien on the Net Revenues of the System created for the benefit of any Senior Lien Bonds and shall include the Series 2024 Bonds.

(h) “Paying Agent” shall mean the paying agent as provided in Section 8.

(i) “Series 2024 Ordinance” means this ordinance and all amendments hereto which shall be included in the definition of Ordinance contained in the Ordinance.

(j) “Series 2024 Bonds” means the City’s Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2024, issued in multiple series consisting of the Series 2024A Bonds and the Series 2024B Bonds.

(k) “Series 2024A Bonds” means the City’s Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2024A (Taxable) issued to fund sanitary sewer improvements to the System.

(l) “Series 2024B Bonds” means the City’s Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2024B (Taxable) issued to fund water supply improvements to the System, which may be issued in more than one series.

(m) “United States” means the United States of America.

SECTION 2. NECESSITY, PUBLIC PURPOSE. It is hereby determined to be necessary for the public health, safety, and welfare of the City to acquire and construct the Improvements to the System in accordance with the maps, plans, and specifications therefore prepared by the City’s Consulting Engineers, which are hereby approved.

SECTION 3. ESTIMATED COST; PERIOD OF USEFULNESS: The cost of the Improvements has been estimated by the engineers to be approximately \$18,197,000 including the payment of legal, engineering, financial, and other expenses, which estimate of cost is approved and confirmed, and the period of usefulness of the Improvements is estimated to be greater than forty (40) years.

SECTION 4. ISSUANCE OF BONDS. To pay a portion of the cost of acquiring and constructing the Improvements and to pay the legal and financial expenses and all other expenses incidental to the issuance of the Series 2024 Bonds, the City shall borrow the sum of not to exceed \$18,197,000 and issue its revenue bonds pursuant to the provisions of the Act. The Series 2024

Bonds shall be issued in two series in the aggregate principal sum of not to exceed \$18,197,000, with the principal amount of each series as finally determined by the Authorized Officer at the time of sale.

SECTION 5. SERIES 2024 BOND TERMS. The Series 2024 Bonds shall be issued in two or more series with each series issued as one fully registered manuscript bond, shall be sold and delivered to the United States in denominations of \$1,000 or any whole multiple thereof. Each series of the Series 2024 Bonds shall be dated the date of delivery to the United States, or such other date approved by the Authorized Officer, and shall be payable on the dates and in the amounts determined by the Authorized Officer at the time of sale provided the final maturity of each series of the Series 2024 Bonds shall be no later than forty (40) years after the date of issuance. The Series 2024 Bonds shall bear interest at a rate or rates as determined by the Authorized Officer, payable semiannually on the dates determined by the Authorized Officer at the time of sale. The Authorized Officer may alter or determine the Series 2024 Bonds terms within the parameters of this Ordinance as hereafter provided.

SECTION 6. PAYMENT OF SERIES 2024 BONDS; PLEDGE OF NET REVENUES. Principal of and interest on the Series 2024 Bonds shall be payable in lawful money of the United States to the person appearing on the bond registration books as the registered owner thereof. Payment of principal on the Series 2024 Bonds shall be made at the principal office of the Paying Agent. Payment of interest on the Series 2024 Bonds shall be paid to the registered owner at the address as it appears on the registration books. The principal of and interest on the Series 2024 Bonds shall be payable from the Net Revenues derived from the operation of the System, including future improvements, enlargements, and extensions thereof, after provision has been made for the payment of expenses of administration, operation, and maintenance thereof. The Net Revenues of the System, including future enlargements, improvements, and extensions thereto, are hereby pledged to the payment of the principal of and interest on the Series 2024 Bonds. To secure the payment of the principal of and interest on the Series 2024 Bonds, a statutory lien is created pursuant to the Act 94 to and in favor of the Bondholders of the Series 2024 Bonds upon the Net Revenues of the System, including future enlargements, improvements, and extensions thereof. The statutory lien on the Net Revenues securing any Senior Lien Bonds shall be a senior lien as provided in Act 94 and shall at all times and in all respects be and remain superior to the lien on the Net Revenues securing any Junior Lien Bonds, including the Series 2024 Bonds which are

Junior Lien Bonds. The Net Revenues so pledged shall be and remain subject to such lien until the payment in full of the principal of and interest on the Series 2024 Bonds or until Series 2024 Bonds are defeased as provided in the Ordinance.

The Series 2024 Bonds, including both principal and interest thereon, shall not be a general obligation of the City and shall not constitute an indebtedness of the City for the purpose of any debt limitations imposed by any applicable constitutional, statutory, or charter provisions.

While any Series 2024 Bonds are held by the United States, principal of and interest on those Series 2024 Bonds shall be paid in lawful money of the United States to the United States or its assignee by draft, check or pre-authorized debit at the office specified in writing or by such other method of payment as instructed by the United States or its assignee.

SECTION 7. PRIOR REDEMPTION. The Series 2024 Bonds issued and sold to the United States shall be subject to redemption prior to maturity at the option of the City, in whole or in part, in such order as the City may designate on any date, at the par value thereof and accrued interest to the date fixed for redemption, without a premium.

SECTION 8. PAYING AGENT AND REGISTRATION. The initial Paying Agent for the Series 2024 Bonds shall be the City Treasurer.

SECTION 9. SALE OF BONDS. The Series 2024 Bonds shall be sold to the United States. The City determines that a negotiated sale to the United States is in the best interest of the City because the terms offered by the United States are more favorable than those available from other sources of funding and is the most cost effective means of issuing the Series 2024 Bonds.

SECTION 10. BOND FORM: The Series 2024 Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with an appropriate series designation and such completions, changes, and additions as may be required by the United States or as recommended by the City's Bond Counsel and approved by the officers of the City signing the Series 2024 Bonds.

SECTION 11. AUTHORIZED OFFICER: The Authorized Officer is hereby designated, for and on behalf of the City, to do all acts and to take all necessary steps required to effectuate the sale, issuance, and delivery of the Series 2024 Bonds to the United States. Notwithstanding any other provision of this Ordinance, the Authorized Officer is authorized within the limitations

of this section to determine the specific interest rate or rates to be borne by the Series 2024 Bonds, provided the rate does not exceed the maximum rate allowed by law, the principal amount, interest payment dates, dates of maturities, and amount of maturities, redemption rights, the title of each series of the Series 2024 Bonds, date of issuance, and other terms and conditions relating to the Series 2024 Bonds and the sale thereof provided, however, the last annual principal installment shall not be more than forty (40) years from the date of issuance of the Series 2024 Bonds. The Authorized Officer's approval of the terms shall be evidenced by his or her signature on the document or agreement stating such terms. The Authorized Officer is hereby authorized for and on behalf of the City, without further City Commission approval, to do all acts and take all necessary steps required to effectuate the sale, issuance, and delivery of the Series 2024 Bonds. The Authorized Officer or any one or more of them, are authorized to execute any orders, receipts, agreements, pledge agreements, documents, or certificates necessary to complete the transaction, including, but not limited to, any issuers certificate, any certificates relating to federal or state securities laws, rules or regulations, any applications to the Michigan Department of Treasury, including, but not limited to, an Application for State Treasurer's Approval to Issue Long-Term Securities.

SECTION 12. EXECUTION OF BONDS. The Mayor or the Mayor Pro Tem and the Clerk or the Deputy Clerk of the City are hereby authorized and directed to sign the Series 2024 Bonds, either manually or by facsimile signature, on behalf of the City. Upon execution, the Series 2024 Bonds shall be delivered to the purchaser thereof.

SECTION 13. RIGHTS OF BONDHOLDERS. The Bondholders representing in the aggregate not less than twenty percent (20%) of the entire amount of the Series 2024 Bonds then outstanding may protect and enforce the statutory lien, either at law or in equity, by suit, action, mandamus, or other proceedings, and enforce and compel the performance of all duties of the officials of the City, including the fixing of sufficient rates, the collection of revenues, the proper segregation of revenues and the proper application thereof; provided, however, that such statutory lien shall not be construed to give any Registered Owner of any Bond authority to compel the sale of the System, the revenues of which are pledged thereto.

If there is any default in the payment of the principal of or interest on any of the Series 2024 Bonds, any court having jurisdiction in any proper action may appoint a receiver to

administer and operate the System on behalf of the City and under the direction of such court, and by and with the approval of such court, to fix and charge rates and collect revenues sufficient to provide for the payment of any Series 2024 Bonds or other obligations outstanding against the revenues of the System and for the payment of the expenses of operating and maintaining the System and to apply the income and revenues of the System in conformity with Act 94 and this Series 2024 Ordinance.

The owners or Bondholders, from time to time, of the Series 2024 Bonds, shall have all the rights and remedies given by law, and particularly by the Act 94, for the collection and enforcement of the Series 2024 Bonds and the security therefor.

SECTION 14. CONSTRUCTION FUND. The proceeds of the Series 2024 Bonds shall be deposited in the Construction Fund, which is hereby established for the Series 2024 Bonds. There shall further be established a subaccount in the Construction Fund for the proceeds of the Series 2024A Bonds and a separate subaccount for the proceeds of the Series 2024B Bonds. Such moneys shall be used solely for the purpose for which each series of the Series 2024 Bonds were issued. Any unexpected balance in the Construction Fund remaining after completion of the Improvements may be used for such purposes as allowed by law. After completion of the Improvements and disposition of remaining Series 2024 Bond proceeds, if any, pursuant to the provisions of this Section, the Construction Fund shall be closed.

SECTION 15. JUNIOR LIEN BOND AND INTEREST REDEMPTION ACCOUNT. The Junior Lien Bond and Interest Redemption Account shall be established to be used solely for the purpose of paying the principal of and interest on the Junior Lien Bonds as they come due. From Revenues remaining in the Receiving Fund, after provision has been made for the requirements of the Operation and Maintenance Fund and the Redemption Account including the Bond Reserve Account, there shall be set aside monthly in the Junior Lien Bond and Interest Redemption Account a sum proportionately sufficient to provide for the payment of the principal of, mandatory redemption requirements, if any, and interest on the Junior Lien Bonds as and when the same become due and payable. If there shall be any deficiency in the amount previously required to be set aside, then the amount of such deficiency shall be added to the next succeeding month's requirements. The monies in the Junior Lien Redemption Account shall be accounted for separately.

No further payments need be made into the Junior Lien Bond and Interest Redemption Account after enough of the Junior Lien Bonds have been retired so that the amount then held in the Junior Lien Bond and Interest Redemption Account (including the Junior Lien Bond Reserve Accounts) is equal to the entire amount of principal and interest which will be payable at the time of maturity of all Outstanding Junior Lien Bonds and the monies so held shall be used solely to pay the principal of and interest on the Junior Lien Bonds as they become due either by maturity or by redemption prior to maturity.

SECTION 16. JUNIOR LIEN BOND RESERVE ACCOUNTS.

(a) There is hereby established a subaccount with respect to the Series 2024A Bonds within the Junior Lien Bond and Interest Redemption Account to be known as the 2024A USA Bonds Reserve Account (the “2024A USA Reserve”). The City shall pay into the 2024A USA Reserve from the revenues of the System after provision has been made for the Operation and Maintenance Fund and the current requirements of the Junior Lien Bond and Interest Redemption Account, an annual sum of not less than \$24,300 until there has been accumulated in the 2024A USA Reserve the sum of \$243,000 or such other amounts determined by the United States and approved by the Authorized Officer (the “2024A Required Reserve”). Except as hereinafter provided, no further deposits or additions need be made into the 2024A USA Reserve once the 2024A Required Reserve has been deposited therein. The moneys in the 2024A USA Reserve shall be used solely for the payment of the principal of and interest on Series 2024A Bonds as to which there would otherwise be default.

If at any time it shall be necessary to use moneys in the 2024A USA Reserve for payment of principal and/or interest on Series 2024A Bonds, then the moneys so used shall be replaced from the revenues first received thereafter that are not required by this Ordinance to be used for operation and maintenance or for current principal and interest requirements. The 2024A USA Reserve shall be maintained while the Series 2024A Bonds remain outstanding or until they are defeased. The 2024A USA Reserve may be applied to the final payments of principal and interest on the Series 2024A Bonds or to provide funds for their defeasance.

(b) There is hereby established a subaccount with respect to the Series 2024B Bonds within the Redemption Account to be known as the 2024B USA Bonds Reserve Account (the “2024B USA Reserve”). The City shall pay into the 2024B USA Reserve from the revenues

of the System after provision has been made for the Operation and Maintenance Fund and the current requirements of the Redemption Account, an annual sum of not less than \$37,400 until there has been accumulated in the 2024B USA Reserve the sum of \$374,000 or such other amounts determined by the United States and approved by the Authorized Officer (the “2024B Required Reserve”). Except as hereinafter provided, no further deposits or additions need be made into the 2024B USA Reserve once the 2024B Required Reserve has been deposited therein. The moneys in the 2024B USA Reserve shall be used solely for the payment of the principal of and interest on Series 2024B Bonds as to which there would otherwise be default.

If at any time it shall be necessary to use moneys in the 2024B USA Reserve for payment of principal and/or interest on Series 2024B Bonds, then the moneys so used shall be replaced from the revenues first received thereafter that are not required by this Ordinance to be used for operation and maintenance or for current principal and interest requirements. The 2024B USA Reserve shall be maintained while the Series 2024B Bonds remain outstanding or until they are defeased. The 2024B USA Reserve may be applied to the final payments of principal and interest on the Series 2024B Bonds or to provide funds for their defeasance.

SECTION 17. DEPOSITS TO REPLACEMENT AND IMPROVEMENT FUND.

(a) There is hereby established a subaccount with respect to the Series 2024A Bonds within the Replacement and Improvement Fund to be known as the 2024A USA Bonds Replacement and Improvement Fund (the “2024A USA Replacement and Improvement Account”). The City shall deposit each year into the 2024A USA Replacement and Improvement Account from monies in the Receiving Fund, after meeting the requirements of the subsections set forth above, the sum of \$52,667 or such other amounts determined by the United States and approved by the Authorized Officer, until the principal of and interest on the Series 2024A Bonds has been paid in full. Moneys in the 2024A USA Replacement and Improvement Account shall be used by the City for the purpose of acquiring and constructing improvements, additions and extensions and for making repairs and replacements to the sanitary sewer components of the System. Such additional sums may be deposited into the 2024A USA Replacement and Improvement Account as the Commission shall determine to be necessary from time to time for the purposes of the 2024A USA Replacement and Improvement Account.

(b) There is hereby established a subaccount with respect to the Series 2024B Bonds within the Replacement and Improvement Fund to be known as the 2024B USA Bonds Replacement and Improvement Fund (the “2024B USA Replacement and Improvement Account”). The City shall deposit each year into the 2024B USA Replacement and Improvement Account from monies in the Receiving Fund, after meeting the requirements of the subsections set forth above, the sum of \$33,333 or such other amounts determined by the United States and approved by the Authorized Officer, until the principal of and interest on the Series 2024B Bonds has been paid in full. Moneys in the 2024B USA Replacement and Improvement Account shall be used by the City for the purpose of acquiring and constructing improvements, additions and extensions and for making repairs and replacements to the water supply components of the System. Such additional sums may be deposited into the 2024B USA Replacement and Improvement Account as the Commission shall determine to be necessary from time to time for the purposes of the 2024B USA Replacement and Improvement Account.

SECTION 18. RATES AND CHARGES. The rates and charges for the services of the System shall be those in effect on the date of adoption of this Series 2024 Ordinance or as may be adopted prior to the issuance of the Series 2024 Bonds. The rates and charges are in amounts that are sufficient to pay the expenses of administration and the costs of operation and maintenance of the System, to provide an amount of revenues adequate for the payment of principal of and interest on the Bonds, reserve, replacement and improvement requirements and to otherwise comply with all requirements and covenant provided herein.

SECTION 19. ADDITIONAL BONDS. Additional Junior Lien Bonds of equal standing with the Series 2024 Bonds may be issued in the discretion of the City.

SECTION 20. DEFEASANCE. Notwithstanding any other provision or this Series 2024 Ordinance or the Ordinance, the Series 2024 Bonds while held by the United States shall not be defeased without written approval of the United States.

SECTION 21. PRIOR ORDINANCE. Except to the extent supplemented or otherwise provided in this Series 2024 Ordinance, the provisions of Ordinance 2020.01/415, as amended by Ordinance 2020.03.416 shall apply to the Series 2024 Bonds.

SECTION 22. ELECTRONIC FUND TRANSFERS. Pursuant to the guidelines and requirements of the United States, promulgated through the Rural Development Division of the

United States Department of Agriculture, the Series 2024 Bonds proceeds will be released and delivered to the City pursuant to draws against such funds during construction and acquisition of the Improvements. Commencing with the issuance of the Series 2024 Bonds, the Treasurer, or his or her appointee, will inscribe his or her initials on Schedule II attached to the appropriate Series 2024 Bond to acknowledge receipt and acceptance of the amount of the draw. Thereafter the Treasurer will complete and execute an “Estimate of Funds Needed for a Thirty- (30-) Day Period”, Form 440-11 or such other form required by the United States (the “Estimate of Funds Needed”) periodically requesting additional funds.

In the event the United States provides for an electronic fund transfer of draws, the City shall deliver the executed Estimate of Funds Needed by mail or facsimile transmission to the United States, after which the appropriate funds will be wire transferred to the account of the City.

SECTION 23. APPOINTMENT OF BOND COUNSEL. The firm of Dickinson Wright PLLC is hereby approved as bond counsel to the City.

SECTION 24. LOAN RESOLUTION. The Loan Resolutions required by RUS Bulletin 1780-27, are hereby adopted, with such changes completions an additions as are approved by the Authorized Officer. So long as the United States is the holder of any of the Series 2024 Bonds, the City shall be subject to the Loan Resolutions with respect to such Series 2024 Bonds and shall comply with all provisions thereof.

SECTION 25. PUBLICATION AND RECORDATION. This Series 2024 Ordinance shall be published once in full in a newspaper of general circulation in the City qualified under state law to publish legal notices, and the same shall be recorded in the records of the City and such recording authenticated by the signature of the Clerk.

SECTION 26. ORDINANCE SUBJECT TO MICHIGAN LAW. The provisions of this Series 2024 Ordinance are subject to the laws of the State of Michigan.

SECTION 27. SECTION HEADINGS. The section headings in this Series 2024 Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Series 2024 Ordinance.

SECTION 28. SEVERABILITY. If any section, paragraph, clause or provision of this Series 2024 Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Series 2024 Ordinance.

SECTION 29. CONFLICT. Except as provided above, all Ordinances and Resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed to the extent of the conflict; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds or the Series 2024 Bonds.

SECTION 30. EFFECTIVE DATE OF ORDINANCE. Pursuant to Section 6 of the Act 94, this Series 2024 Ordinance shall be approved on the date of first reading and this Series 2024 Ordinance shall be effective immediately upon its adoption.

Moved by: _____

Seconded by: _____

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

ORDINANCE DECLARED ADOPTED.

Sean Denison, Mayor

Kalla Langston, Clerk

CERTIFICATION

I, Kalla Langston, the duly qualified and acting Clerk of the City of Buchanan, Berrien County, Michigan, do hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the City Commission at a regular meeting held on _____, 2024, and that notice of said meeting was given pursuant to Act 267, Public Acts of Michigan, 1976, as amended.

Date: _____, 2024

EXHIBIT A

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF BERRIEN
CITY OF BUCHANAN**

**WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM
JUNIOR LIEN REVENUE BONDS, SERIES 2024[INSERT SERIES DESIGNATION]
(TAXABLE)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
_____ %	See Schedule I	_____, 2024

Registered Owner: United States of America

Principal Amount: _____ Dollars (\$ _____)

The City of Buchanan, Berrien County, Michigan (the “Issuer”), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, out of the net revenues of the Water Supply and Sewage Disposal System of the Issuer (the “System”), including all appurtenances, additions, extensions, and improvements thereto after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the “Net Revenues”), the Principal Amount specified above, in the amounts and on the dates as set forth on Schedule I attached hereto, unless prepaid prior thereto as hereinafter provided, together with interest thereon from the dates of receipt of such funds, or such later date to which interest has been paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__, and semiannually thereafter on the first day of _____ and _____ of each year, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto.

Principal of this Bond is payable in lawful money of the United States of America to the United States of America. As long as the United States is the holder of this Bond, such payments shall be made by check, draft, wire transfer, Pre-Authorized Debit (PAD), or such other method of payment as instructed by the United States or its assignee.

This Bond, being one fully registered manuscript bond payable serially as set forth on Schedule I, is issued in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended and ordinances adopted by the City Commission of the Issuer on January 27, 2020, March 23, 2020, and July __, 2024 (the “Ordinance”), for the purpose of paying the cost of acquiring and constructing improvements to the System identified in the Ordinance. This Bond is a self-liquidating Bond, and is not a general obligation of the Issuer within any applicable constitutional, statutory, or charter limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on this Bond are secured by a statutory lien on the Net Revenues.

The Issuer hereby covenants and agrees to fix, and maintain at all times while any of the Bonds shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest upon all such Bonds as and when the same become due and payable, to maintain a bond and interest redemption account, a bond reserve account and to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance. The statutory liens securing the Issuer's Senior Lien Bonds (as defined in the Ordinance) are first liens that shall be superior to the lien on the Net Revenues securing this Bond. The Bonds of this series shall have equal standing with the Issuer's Junior Lien Bonds (as defined in the Ordinance) that may be issued pursuant to the Ordinance and additional bonds of superior standing to the bonds of this series may be issued pursuant to the Ordinance. For a complete statement of the revenues from which, and the conditions under which, this Bond is payable, a statement of the conditions under which additional bonds of equal or superior standing may hereafter be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Ordinance.

While the Bonds of this series are held by the United States of America they shall not be defeased without the prior written consent of the United States of America. The Bonds shall be subject to redemption prior to maturity, at the option of the Issuer and in whole or in part in such order as the Issuer may designate, on any date, at the par value thereof and accrued interest to the date fixed for redemption, without a premium.

This Bond shall be registered in the name of the United States of America on the registration books kept by the Treasurer of the City, acting as Paying Agent and bond registrar. No transfer shall be valid unless made upon the books of the Paying Agent.

It is hereby certified and recited that all acts, conditions, and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Issuer including this Bond, does not exceed any applicable charter, constitutional, or statutory limitation.

IN WITNESS WHEREOF, the City of Buchanan, Berrien County, Michigan, by its City Commission, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and the Clerk of the City, all as of the Date of Original Issue stated above.

Sean Denison, Mayor

Patricia Patano, Clerk

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond represents the total authorized issue of the City of Buchanan Water Supply and Sewage Disposal System Junior Lien Revenue Bonds, Series 2024[INSERT SERIES DESIGNATION], in the principal amount of \$_____, and has been registered in the name of the Registered Owner designated on the face hereof in the bond register maintained for the City of Buchanan.

Date: _____, 2024

_____, Treasurer
As Paying Agent/Bond Registrar/Transfer Agent

TRANSFER

For value received, the undersigned hereby sells, assigns and transfers unto _____

(please print or type social security number or taxpayer identification number and name and address of transferee)

the within bond and all rights thereunder, and does hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Notice: The signature to this assignment must correspond with the name as it appears on the registration books every particular, without alteration or enlargement or any change whatever.

SCHEDULE I

**CITY OF BUCHANAN
(Berrien County, Michigan)**

\$ _____

**WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE
BONDS, SERIES 2024 [INSERT SERIES DESIGNATION]
(TAXABLE)**

The Bond in the aggregate principal amount of \$ _____ matures annually on the first day of _____ 1 as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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SCHEDULE II

**CITY OF BUCHANAN
(Berrien County, Michigan)**

\$ _____

**WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE
BONDS, SERIES 2024 [INSERT SERIES DESIGNATION]
(TAXABLE)**

REGISTRATION

NOTHING TO BE WRITTEN HEREON EXCEPT BY THE BOND REGISTRAR

Date of Registration	Principal Installment Delivered	Name of Registered Owner	Bond Registrar
		United States of America	
		United States of America	
		United States of America	
		United States of America	
		United States of America	
		United States of America	
		United States of America	
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