

SUBSTITUTE ORDINANCE
ISSUANCE OF CITY OF CHICAGO SECOND LIEN WASTEWATER TRANSMISSION
REVENUE BONDS, PROJECT AND REFUNDING SERIES 2024

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

ARTICLE I.

AUTHORITY AND FINDINGS

Section 1.1. Authority. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois (the "*Constitution*"). This Ordinance authorizes the issuance of Second Lien Wastewater Transmission Revenue Bonds as follows: (i) Article II of this Ordinance authorizes the issuance in one or more series of Second Lien Wastewater Transmission Revenue Bonds, (the "*Series 2024 Second Lien Bonds*"), in such principal amount and with such terms, in accordance with the provisions set forth in Article II and in one or more Supplemental Indentures and (ii) Article III of this Ordinance sets forth general provisions applicable to the Series 2024 Second Lien Bonds. Except as otherwise provided in this Ordinance, all capitalized terms used and not otherwise defined shall have the meanings ascribed to them in the recitals to this Ordinance, in the Second Lien Bonds Master Indenture or in the applicable Supplemental Indentures governing the terms of the respective series of Series 2024 Second Lien Bonds.

Section 1.2. Findings. It is found and declared as follows:

(a) The City is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the Constitution, and is a "home rule unit" under Section 6(a) of Article VII of the Constitution.

(b) The City has constructed and is maintaining and operating the Sewer System to meet the needs of the City's inhabitants and other users of the Sewer System. The Sewer System is operated under the supervision and control of the Department of Water Management of the City.

(c) The City has undertaken a program to improve, extend and rehabilitate the Sewer System by acquiring, constructing, improving and equipping the Sewer Projects (as hereinafter defined).

(d) It is advisable and necessary and in the best interests of the City that the City undertake and complete the Sewer Projects.

(e) The City does not have available funds sufficient to pay the Sewer Project Costs (as hereinafter defined).

(f) The City has previously issued and has outstanding: (i) the Outstanding Series 1998 Senior Lien Bonds and (ii) the Outstanding Series 2001 Second Lien Bonds, the Outstanding Series 2008 Second Lien Bonds, the Outstanding Series 2010 Second Lien Bonds, the Outstanding Series

2012 Second Lien Bonds, the Outstanding Series 2014 Second Lien Bonds, the Outstanding Series 2015 Second Lien Bonds, the Outstanding Series 2017 Second Lien Bonds and the Outstanding Series 2023 Second Lien Bonds (collectively, “Outstanding Prior Second Lien Bonds”). Collectively, the Outstanding Series 1998 Senior Lien Bonds and the Outstanding Prior Second Lien Bonds are referred to herein as the “Outstanding Bonds.”

(g) The City has determined that it is advisable and in the best interests of the City to authorize the issuance from time to time of its Series 2024 Second Lien Bonds pursuant to one or more Supplemental Indentures subject to the authorization limits specified in this Ordinance, in one or more series, for any one or more of the purposes of: (i) paying Sewer Project Costs (as hereinafter defined); (ii) refunding in advance of maturity such portion of the Outstanding Bonds as shall be determined by an Authorized Officer, including, but not limited to, effectuating such refunding through a tender offer for any of the Outstanding Bonds or an exchange of Series 2024 Second Lien Bonds for any of the Outstanding Bonds (“*Refunding Purposes*”); (iii) funding capitalized interest on the Series 2024 Second Lien Bonds; (iv) paying Costs of Issuance of the Series 2024 Second Lien Bonds; (v) making a deposit into the Second Lien Bonds Debt Service Reserve Account, if any, and (vi) providing for any discount on the Series 2024 Second Lien Bonds.

(h) The proceeds of the Series 2024 Second Lien Bonds incurred for the Sewer Project Costs and/or Refunding Purposes will not exceed the amount required to pay such costs.

(i) In accordance with the covenants of the City in the Second Lien Bonds Master Indenture, concurrent with the issuance, sale and delivery of the Series 2024 Second Lien Bonds, all the conditions and requirements in Section 4.6 of the Second Lien Bonds Master Indenture shall have been fully satisfied and complied with and, based upon such satisfaction and compliance, if the City shall issue Second Lien Bonds pursuant to this Ordinance and the applicable Supplemental Indenture, such Series 2024 Second Lien Bonds will have a claim for payment from the Second Lien Bond Revenues on an equal and ratable basis with the Outstanding Prior Second Lien Bonds.

The City proposes to issue and sell the Series 2024 Second Lien Bonds for one or more of the purposes described above in the manner authorized in this Ordinance in an aggregate principal amount of not to exceed \$500,000,000, in one or more series as determined by an Authorized Officer in accordance with the terms of this Ordinance.

(j) The borrowings authorized by this Ordinance, are for a proper public purpose and are in the public interest. The City has the power to borrow for the purposes set forth in this Ordinance, and to issue the Series 2024 Second Lien Bonds for such purposes.

(k) The City's ability to issue Series 2024 Second Lien Bonds without further action by the City Council at such time, in such principal amount and bearing interest at such interest rate or rates and with such maturities, redemption provisions and other terms will enhance the City's opportunities to obtain financing for the Sewer System upon the most favorable terms available at such time of issuance.

(l) Authority is granted to each Authorized Officer to determine to sell the Series 2024 Second Lien Bonds from time to time and at such times as such Authorized Officer determines that such sale or sales are desirable and in the best financial interest of the Sewer System.

(m) This Ordinance is adopted pursuant to the City's constitutional home rule powers.

Section 1.3. Definitions.

(a) The following terms shall have the following meanings, unless the context clearly indicates a different meaning:

“Authorized Officer” means either the Chief Financial Officer of the City or the City Comptroller of the City.

“Bond Registrar” means such banking institution as may be appointed by an Authorized Officer as bond registrar for the Series 2024 Second Lien Bonds, or any successor to it in that capacity appointed by an Authorized Officer and any co-bond registrar separately appointed by an Authorized Officer.

“Commissioner” means the Commissioner of Water Management of the City.

“Constitution” means the 1970 Constitution of the State of Illinois.

“Construction Account: 2024 Second Lien Bonds” means the separate account of that name in the Sewer Revenue Fund established pursuant to the applicable Supplemental Indenture.

“Initial Purchasers” means the underwriter or purchaser or group of underwriters or purchasers to which the City will sell the Series 2024 Second Lien Bonds of a series and with which the City will enter into a related Bond Purchase Agreement, as the Authorized Officer shall designate in the related Second Lien Bond Determination Certificate.

“Ordinance” means this Ordinance as it may be modified or amended from time to time.

“Registered Owner” means any person in whose name a Series 2024 Second Lien Bond is registered in the registration books of the City maintained by the Bond Registrar.

“Second Lien Bond Determination Certificate” means one or more certificates of an Authorized Officer with respect to the Series 2024 Second Lien Bonds filed with the Office of the City Clerk or the Deputy City Clerk, addressed to the City Council as provided in this Ordinance.

“Second Lien Bond Provider” means a company, banking institution or other financial institution which is the issuer of a Credit Enhancement Instrument.

“Second Lien Bonds Master Indenture” means the Master Indenture of Trust dated as of May 1, 2023, as supplemented by the First Supplemental Trust Indenture, dated as of May 1, 2023, from the City to the Trustee.

“Sewer Project Bonds” means Series 2024 Second Lien Bonds, the proceeds of which are to be used for Sewer Project Costs.

“Sewer Project Costs” means the costs of acquiring, constructing and equipping the Sewer Projects, including, without limitation, improving, extending and rehabilitating by acquiring,

constructing, improving and equipping the Sewer Projects, engineering fees or costs of the City, restoration costs and legal fees or costs of the City.

“**Sewer Projects**” means the program of improvements, extensions and rehabilitations to the Sewer System designated by the Commissioner including without limitation, providing any and all necessary facilities, services and equipment to protect and enhance the safety, integrity and security of the Sewer System; and providing new equipment and technology and rehabilitating existing equipment necessary to continue to provide existing and future customers with the sewer services and to meet future customer demand.

“**Supplemental Indenture**” means one or more Supplemental Indentures respecting the Series 2024 Second Lien Bonds approved in Section 2.3 of this Ordinance, the form of which is attached to this Ordinance as *Exhibit A*.

“**Trustee**” means Amalgamated Bank of Chicago, as trustee under the Second Lien Bonds Master Indenture.

“**2024 Second Lien Bonds Subaccount**” means the separate subaccount of that name established in the Second Lien Bonds Account as provided in the applicable Supplemental Indenture.

ARTICLE II

DETAILS OF THE SERIES 2024 SECOND LIEN BONDS

Section 2.1. Principal Amount, Designation, Sources of Payment. The City is authorized to borrow money for one or more of the purposes specified in Section 2.2 of this Ordinance and in evidence of its obligation to repay the borrowing is authorized to issue the Series 2024 Second Lien Bonds in one or more separate series for Sewer Project Costs and/or Refunding Purposes and to execute and deliver one or more Supplemental Indentures subject to and as further described in Section 2.3 of this Ordinance, provided that the total principal amount of Series 2024 Second Lien Bonds shall not exceed \$500,000,000, plus any additional amount equal to the amount of original issue discount (not to exceed 15 percent of the aggregate principal amount of any such Series 2024 Second Lien Bonds) used in the marketing of the Series 2024 Second Lien Bonds. The Series 2024 Second Lien Bonds shall be issued pursuant to the Second Lien Bonds Master Indenture, the applicable Supplemental Indenture and this Ordinance. The Series 2024 Second Lien Bonds shall be designated “Second Lien Wastewater Transmission Revenue Bonds, Project Series 2024,” or “Second Lien Wastewater Transmission Revenue Bonds, Refunding Series 2024” or such other designation as shall be set forth in the applicable Second Lien Bond Determination Certificate, which shall recognize, among other things, the year in which the series is issued and the second lien status of the Series 2024 Second Lien Bonds. If the Series 2024 Second Lien Bonds are issued (i) in more than one series, each series shall be appropriately designated to indicate the order of its issuance and lien status or (ii) for fewer than all of the purposes authorized in Section 2.2 of this Ordinance, they may be appropriately designated to indicate the purpose or purposes for which such series of Series 2024 Second Lien Bonds are issued. The Series 2024 Second Lien Bonds shall be limited obligations of the City having a claim for payment of principal, redemption premium and interest solely from the Trust Estate, including without limitation amounts in the 2024 Second Lien Bonds Subaccount of the Second Lien Bonds Account, the sources pledged under the Second Lien Bonds Master Indenture and the applicable Supplemental

Indenture, and from amounts on deposit in the Construction Account: 2024 Second Lien Bonds, and, together with any Outstanding Second Lien Bonds and Second Lien Parity Bonds, from Second Lien Bond Revenues. The Series 2024 Second Lien Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory provisions or limitation as to indebtedness and shall have no claim to be paid from taxes of the City, and each Series 2024 Second Lien Bond shall contain a statement to that effect. The applicable Supplemental Indenture shall grant the Registered Owners of the related Series 2024 Second Lien Bonds a lien on and security interest in Second Lien Bond Revenues and a lien on and security interest in amounts in the Construction Account: 2024 Second Lien Bonds, if applicable.

Section 2.2. Purposes. The issuance of the Series 2024 Second Lien Bonds authorized in Section 2.1 of this Ordinance shall be for one or more purposes described in Section 1.2(g).

Section 2.3. Approval of One or More Supplemental Indentures for the Series 2024 Second Lien Bonds, Bond Provisions.

(a) The form of the Supplemental Indenture attached to this Ordinance as *Exhibit A* is approved in all respects. Each Authorized Officer is authorized, with respect to the Series 2024 Second Lien Bonds, to execute and deliver one or more Supplemental Indentures for the Series 2024 Second Lien Bonds in substantially the form attached to this Ordinance as *Exhibit A* for and on behalf of the City, and the City Clerk and the Deputy City Clerk are each authorized to attest the same and to affix to the same the corporate seal of the City or a facsimile of such corporate seal. The applicable Supplemental Indenture may contain such changes and revisions to reflect the terms of the Series 2024 Second Lien Bonds (including, without limitation changes and revisions related to the issuance of any portion of the Series 2024 Second Lien Bonds such that the interest thereon is subject to federal income taxation) consistent with the purposes and intent of this Article II and with the covenants set forth in the Second Lien Bonds Master Indenture as shall be approved by an Authorized Officer, the execution and delivery of such Supplemental Indenture to constitute conclusive evidence of the City Council's approval of any and all such changes or revisions in such instrument. The Supplemental Indenture shall set forth such covenants with respect to the imposition of Sewer System fees, charges and rates, the issuance of Second Lien Parity Bonds, the application of funds in the Sewer Revenue Fund and the Second Lien Bonds Account and other matters relating to the Series 2024 Second Lien Bonds and the security for the Series 2024 Second Lien Bonds as shall be deemed necessary by an Authorized Officer in connection with the sale of the Series 2024 Second Lien Bonds, provided that such covenants are not inconsistent with the terms of this Ordinance.

(b) The Series 2024 Second Lien Bonds may be issued from time to time and at such time or times, in such principal amounts and bearing interest at such interest rate or rates and with such maturities, redemption provisions and other terms that will enhance the City's opportunities to obtain financing for the Sewer System upon the most favorable terms available at such time of issuance. Authority is granted to each Authorized Officer to determine to sell the Series 2024 Second Lien Bonds from time to time and at such times as such Authorized Officer determines that such sale or sales are desirable and in the best financial interest of the Sewer System.

(c) The Series 2024 Second Lien Bonds shall mature not later than January 1, 2065, and shall bear interest from their date, or from the most recent date to which interest has been paid or duly provided for, until the City's obligation with respect to the payment of the principal amount of the

Series 2024 Second Lien Bonds shall be discharged, payable as provided in the applicable Supplemental Indenture, at a rate or rates not in excess of 12 percent per year computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2024 Second Lien Bonds may be subject to mandatory and optional redemption and demand purchase or mandatory purchase provisions prior to maturity, upon the terms and conditions set forth in the applicable Supplemental Indenture. The Series 2024 Second Lien Bonds may have a Second Lien Bonds Debt Service Reserve Requirement which can be fulfilled by a deposit of money into the Second Lien Bonds Debt Service Reserve Account or the purchase of a Credit Enhancement Instrument, as authorized by Section 3.3 of the Second Lien Bonds Master Indenture and by the applicable Supplemental Indenture.

(d) Each Series 2024 Second Lien Bond shall be issued in fully registered form and in the denominations set forth in the applicable Supplemental Indenture and shall be dated and numbered and further designated and identified as provided in the applicable Supplemental Indenture. The Supplemental Indenture for each Series 2024 Second Lien Bonds shall be numbered sequentially, with the first such Supplemental Indenture numbered “Second” and the next “Third,” and so forth, as needed.

(e) Principal of and premium, if any, on the Series 2024 Second Lien Bonds shall be payable as provided in Section 3.3 of the Second Lien Bonds Master Indenture and in the applicable Supplemental Indenture.

(f) Subject to the limitations set forth in this Section and Section 2.1 of this Ordinance, authority is delegated to each Authorized Officer to determine the aggregate principal amount of Series 2024 Second Lien Bonds to be issued, the date or dates of the Series 2024 Second Lien Bonds, the maturity date or dates of the Series 2024 Second Lien Bonds, any provisions for optional redemption of the Series 2024 Second Lien Bonds (which optional redemption shall be at redemption prices not exceeding 120 percent of the principal amount of the Series 2024 Second Lien Bonds to be so redeemed), the schedule of sinking fund payments (if any) to be applied to the mandatory redemption of the Series 2024 Second Lien Bonds (which mandatory redemption shall be at a redemption price equal to the principal amount of each Series 2024 Second Lien Bond to be redeemed, without premium, plus accrued interest), the rate or rates of interest payable on the Series 2024 Second Lien Bonds and the first interest payment or dates of the Series 2024 Second Lien Bonds.

The 120 percent limitation set forth in the preceding subsection on the redemption price of Series 2024 Second Lien Bonds shall not apply where the redemption price is to be based upon a formula designed to compensate the owner of such Series 2024 Second Lien Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a “make whole” redemption price (the “Make Whole Redemption Price”). At the time of sale of Series 2024 Second Lien Bonds, an Authorized Officer shall determine the provisions of the formula to be used to establish any Make Whole Redemption Price. Such Authorized Officer shall confirm and transmit the applicable Make Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

Notwithstanding the foregoing, at the time of sale of the Series 2024 Second Lien Bonds, each Authorized Officer is authorized to determine the manner of redeeming such Bonds, either pro rata or by lot, in the event less than all of the Series 2024 Second Lien Bonds are to be redeemed. If the Series 2024 Second Lien Bonds are held in book-entry form at the time of redemption, the Authorized Officer

is authorized to direct the Trustee to instruct the book-entry depository to select the specific Series 2024 Second Lien Bonds within such maturity and interest rate for redemption pro rata among such Bonds. If so determined by the applicable book-entry depository, the particular Series 2024 Second Lien Bonds or portions thereof to be redeemed may be selected on a pro rata pass through distribution of principal basis in accordance with the applicable procedures and operational arrangements of such depository. The City shall have no responsibility or obligation to ensure that the book-entry depository properly selects such Bonds for redemption.

Section 2.4. Determination by Authorized Officer as to Borrowing for the Projects and the Refunding of Outstanding Bonds. Upon the sale of a series of the Series 2024 Second Lien Bonds, the Authorized Officer shall determine the amount to be borrowed for each of the purposes identified in Section 2.2 of this Ordinance, which may not exceed the amounts authorized by this Ordinance for each such purpose and such determinations shall be set forth in the applicable Second Lien Bond Determination Certificate.

Section 2.5. Sale of Series 2024 Second Lien Bonds.

(a) Each Authorized Officer is authorized to sell the Series 2024 Second Lien Bonds in their entirety directly on such terms as such Authorized Officer may deem to be in the best interests of the City as provided in this Ordinance. The Authorized Officer is authorized to execute on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council (the “Chairman”) (or, in the event of the absence or unavailability of the Chairman for any reason, with the concurrence of the Vice Chairman of the Committee on Finance), one or more Bond Purchase Agreements for the sale by the City of the Series 2024 Second Lien Bonds to the selected Initial Purchasers by the Authorized Officer pursuant to a negotiated sale on such terms as the Authorized Officer may deem to be in the best interests of the City, as provided in this Ordinance. Such terms include, without limitation, (i) the aggregate principal amount of the Series 2024 Second Lien Bonds, (ii) the amount of any original issue discount, (iii) the principal amount of the Series 2024 Second Lien Bonds maturing in each year, (iv) the issuance of the Series 2024 Second Lien Bonds as serial bonds, non-callable term bonds, term bonds subject to mandatory sinking fund redemption or any combination of serial bonds, non-callable term bonds, or term bonds subject to mandatory sinking fund redemption, (v) the numbering of the Series 2024 Second Lien Bonds, (vi) the interest rate or rates or interest rate determination methods for the Series 2024 Second Lien Bonds, (vii) whether the Second Lien Bonds Debt Service Reserve Requirement, if any, for the Series 2024 Second Lien Bonds (if any such requirement is required to be met upon initial issuance of the Series 2024 Second Lien Bonds) will be met by a Credit Enhancement Instrument or by cash from proceeds of the Series 2024 Second Lien Bonds, (viii) whether any Series 2024 Second Lien Bonds will be subject to an exchange transaction for any Outstanding Bonds, and (ix) the first interest payment date and subsequent interest payment dates, the purposes for which the Series 2024 Second Lien Bonds are being issued pursuant to the authorization granted in Section 2.1 of this Ordinance, and the prices and other terms upon which the Series 2024 Second Lien Bonds are subject to redemption, all as provided in and subject to the authorizations and limitations expressed in this Article II, including the limitations set forth in Section 2.3(f) of this Ordinance. The purchase price shall not be less than 85 percent of the principal amount of the Series 2024 Second Lien Bonds plus accrued interest on such Series 2024 Second Lien Bonds from their date to the date of their delivery, less any original issue discount (subject to the limitations in this subsection of this Ordinance). Nothing contained in this Ordinance shall limit the sale of the Series 2024 Second Lien Bonds or any maturity or maturities thereof at a price or prices in

excess of the principal amount thereof. An Authorized Officer shall determine the principal amount of the Series 2024 Second Lien Bonds necessary to be issued for the purposes for which they are to be issued within the maximum amount specified in this Ordinance. An Authorized Officer may in the Second Lien Bond Determination Certificate provide for such changes to the terms of the Series 2024 Second Lien Bonds, the form of the Series 2024 Second Lien Bonds and the various bond covenants from those provided in this Ordinance and the Second Lien Bonds Master Indenture as he or she shall determine but which shall result in the Series 2024 Second Lien Bonds having substantially the terms and being in substantially the form provided in the Second Lien Bonds Master Indenture and the applicable Supplemental Indenture. Nothing in this Section 2.4 shall limit or restrict the ability of the City to sell the Series 2024 Second Lien Bonds by private placement.

(b) Each Authorized Officer is further authorized to take the actions and execute and deliver the documents and instruments specified in this Article II. The Series 2024 Second Lien Bonds shall be then duly prepared and executed in the form and manner provided in the Second Lien Bonds Master Indenture and the applicable Supplemental Indenture as appropriate, and delivered to the purchaser of the Series 2024 Second Lien Bonds or otherwise in accordance with the terms of sale.

(c) Each Authorized Officer is authorized to cause to be prepared and delivered to prospective purchasers of the Series 2024 Second Lien Bonds of a series one or more Preliminary Official Statements or other disclosure documents as shall be approved by such Authorized Officer, that shall be in substantially the forms previously used for similar financings of the City with appropriate revisions to reflect the terms and provisions of the Series 2024 Second Lien Bonds of such series and to describe accurately the current condition of the Sewer System and the parties to the financing. Prior to the delivery of any such Preliminary Official Statement, an Authorized Officer shall provide a briefing to the Chairman (or, in the event of the absence or unavailability of the Chairman for any reason, the Vice Chairman of the Committee on Finance), of the proposed terms and provisions of such Preliminary Official Statement. Upon the sale of the Series 2024 Second Lien Bonds of a series, each Authorized Officer is authorized to cause a final Official Statement or other disclosure document to be prepared, executed and (i) delivered to the Initial Purchasers and (ii) filed with the Office of the Clerk directed to the City Council.

(d) The Mayor or an Authorized Officer is authorized to execute and deliver a continuing disclosure undertaking with respect to each series of the Series 2024 Second Lien Bonds (the "*Continuing Disclosure Undertaking*") evidencing the City's agreement to enable the Initial Purchasers to comply with the requirements of Section (b)(5) of Rule 15c2-12 (the "*Rule*") adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 in a form approved by the Corporation Counsel if required by the Rule. Upon its execution and delivery on behalf of the City as herein provided, each Continuing Disclosure Undertaking shall be binding upon the City. The officers, employees and agents of the City including, without limitation, an Authorized Officer, are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of each Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with any Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Series 2024 Second Lien Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under any Continuing Disclosure Undertaking. No failure by the City to comply with the Continuing Disclosure Undertaking shall constitute a default under this

Ordinance, the Second Lien Bonds Master Indenture or the Series 2024 Second Lien Bonds.

(e) Upon a finding by an Authorized Officer that the purchase of a Credit Enhancement Instrument is appropriate and is available at an acceptable cost, such Authorized Officer is authorized to cause the City to obtain a Credit Enhancement Instrument to satisfy any Second Lien Bonds Debt Service Reserve Requirement for the Series 2024 Second Lien Bonds, the cost of which shall be payable from amounts received upon the sale of the Series 2024 Second Lien Bonds or from available funds in the Sewer Revenue Fund, and to execute an agreement relating to such Credit Enhancement Instrument and any related agreements with the Second Lien Bond Provider of such Credit Enhancement Instrument. Each Authorized Officer may on behalf of the City make necessary covenants with respect to any policy of municipal bond insurance or Credit Enhancement Instrument consistent with this Ordinance, including, without limitation, granting the provider of a policy of municipal bond insurance or the Second Lien Bond Provider the right to consent to amendments to this Ordinance on behalf of the Registered Owners of the Series 2024 Second Lien Bonds so long as such provider is not in default and is observing its obligations under such policy or Credit Enhancement Instrument.

(f) Each Authorized Officer is authorized to (i) execute such contracts and documents as may be necessary in connection with a tender offer of any Outstanding Bonds or an exchange of Series 2024 Second Lien Bonds for any Outstanding Bonds (including, but not limited to, a dealer manager agreement and an information agent agreement); and (ii) disseminate any documents which may be required in connection with a tender offer for Outstanding Bonds or an exchange of Series 2024 Second Lien Bonds for any Outstanding Bonds (including, but not limited to, an invitation for tender offer or exchange and related disclosure documents).

(g) Subsequent to any sale of the Series 2024 Second Lien Bonds, an Authorized Officer shall file in the Office of the City Clerk or the Deputy City Clerk directed to the City Council (i) a Second Lien Bond Determination Certificate setting forth the terms of sale of the Series 2024 Second Lien Bonds consistent with this section and in Section 2.1 of this Ordinance and, if appropriate, the designations described in Section 2.1 of this Ordinance, (ii) an executed copy of the applicable Supplemental Indenture and (iii) if applicable, an executed copy of the agreement for the Section 2.8 Obligation relating to any Credit Enhancement Instrument.

If so determined and directed by an Authorized Officer in the Second Lien Bond Determination Certificate in connection with the sale of the Series 2024 Second Lien Bonds, the Series 2024 Second Lien Bonds shall be issued in book-entry only form. In connection with the issuance of Series 2024 Second Lien Bonds in book-entry only form, such Authorized Officer is authorized to execute and deliver to the book-entry depository selected by such Authorized Officer such depository's standard form of representation letter, if required.

ARTICLE III.

GENERAL PROVISIONS

Section 3.1. Authority. This Ordinance is adopted pursuant to the powers of the City as a home rule unit under Article VII, Section 6(a) of the Constitution. The Mayor and each Authorized Officer of the City are authorized to take such actions and do such things as shall be necessary

to perform, carry out, give effect to and consummate the transactions contemplated by this Ordinance and the Series 2024 Second Lien Bonds, including, but not limited to, the exercise following the delivery date of any of the Series 2024 Second Lien Bonds of any power or authority delegated to such official of the City under this Ordinance with respect to the Series 2024 Second Lien Bonds upon the initial issuance thereof, but subject to any limitations on or restrictions of such power or authority as herein set forth.

Section 3.2. Authorized Signatures. The Mayor, the City Clerk and each Authorized Officer may each designate another to act as their respective proxies and to affix their respective signatures to the Series 2024 Second Lien Bonds, whether in temporary or definitive form, and any other instrument, certificate or document required to be signed by the Mayor, the City Clerk or an Authorized Officer pursuant to this Ordinance and any instrument, certificate or document required by this Ordinance. In such case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor, the City Clerk and an Authorized Officer, respectively. A written signature of the Mayor, the City Clerk or an Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with the signatures attached, shall be recorded in the Journal of Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor, the City Clerk or an Authorized Officer is placed on an instrument, certificate or document at the direction of the Mayor, the City Clerk or an Authorized Officer, as the case may be, in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor, the City Clerk or an Authorized Officer in person, as the case may be.

Section 3.3. Conflict. To the extent that any ordinance, resolution, provision of the Municipal Code, rule or order, or part thereof, is in conflict with or is inconsistent with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the documents, agreements or instruments authorized by this Ordinance, or to make any such documents, agreements or instruments voidable at the option of the City, or to impair the rights of the owners of the Series 2024 Second Lien Bonds to receive payment of the principal of, premium, if any, or interest on those Series 2024 Second Lien Bonds or to impair the security for any of the Series 2024 Second Lien Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Section 3.4. Severability. If any provision of this Ordinance shall be held invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the other remaining provisions of this Ordinance.

Section 3.5. Registered Owner Remedy. Any Registered Owner of a Series 2024 Second Lien Bond may proceed by civil action to compel performance of all duties required by this Ordinance, including the establishment and collection of sufficient fees, charges and rates for services supplied by the Sewer System, and the application of the Gross Revenues as provided by the Second Lien Bonds Master Indenture.

Section 3.6. Contract. The provisions of this Ordinance shall constitute a contract between

the City and the Registered Owners of the Series 2024 Second Lien Bonds, and no changes, additions or alterations of any kind shall be made to that contract except as provided in this Ordinance and, with respect to the Registered Owners of the Series 2024 Second Lien Bonds, in the applicable Supplemental Indenture (so long as any Series 2024 Second Lien Bonds are Outstanding).

Section 3.7. Appropriation. The provisions of this Ordinance constitute an appropriation of (i) the amounts received upon the sale of the Series 2024 Second Lien Bonds for the purposes specified in Sections 2.2 and 3.2 of this Ordinance, as applicable, and (ii) the Net Revenues Available for Bonds, including the Investment Earnings on accounts and subaccounts as provided herein, for deposit in the various accounts established for payment of principal of, redemption premium, if any, and interest on the Series 2024 Second Lien Bonds and for other payments required to be made by the City pursuant to the documents, agreements and instruments authorized herein.

Section 3.8. Headings. Any headings preceding the texts of the several Articles and Sections of this Ordinance shall be solely for convenience of reference and shall not constitute a part of this Ordinance nor shall they affect its meaning, construction or effect.

Section 3.9. Pamphlet Publication. This Ordinance shall be published by the City Clerk, by causing to be printed in special pamphlet form at least five copies hereof, which copies are to be made available in the office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this Ordinance.

Section 3.10. Effectiveness. This Ordinance shall be in full force and effect immediately on the date of its passage, approval by the Mayor and publication.