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**VILLAGE OF MELROSE PARK
COOK COUNTY, ILLINOIS**

ORDINANCE NO. 1409

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF
GENERAL OBLIGATION REFUNDING BONDS (TAX
INCREMENT ALTERNATE REVENUE SOURCE), SERIES 2010B,
OF THE VILLAGE OF MELROSE PARK, COUNTY OF COOK,
STATE OF ILLINOIS IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$8,500,000, FOR THE PURPOSE OF
REFUNDING THE VILLAGE'S OUTSTANDING TAXABLE
GENERAL OBLIGATION BONDS, SERIES 1999C.**

**ADOPTED BY THE
PRESIDENT AND BOARD OF TRUSTEES
OF THE
VILLAGE OF MELROSE PARK**

THIS 13TH DAY OF SEPTEMBER 2010

**RONALD M. SERPICO, Village President
MARY ANN PAOLANTONIO SALEMI, Village Clerk**

Board Of Trustees

- CATHLEEN COSSIDENT ITALIA**
- ANTHONY J. PRIGNANO**
- ARTURO J. MOTA**
- MARY RAMIREZ TACONI**
- JAIME ANGUIANO**
- ANTHONY N. ABRUZZO**

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**Published by authority of the
President and Board of Trustees
Of the Village of Melrose Park,
Cook County, Illinois on
This 14TH day of SEPTEMBER 2010**

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VILLAGE OF MELROSE PARK

COOK COUNTY, ILLINOIS

ORDINANCE NO. 1409

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010B, OF THE VILLAGE OF MELROSE PARK, COOK COUNTY, ILLINOIS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,500,000, FOR THE PURPOSE OF REFUNDING THE VILLAGE'S OUTSTANDING TAXABLE GENERAL OBLIGATION BONDS, SERIES 1999C

WHEREAS the Village of Melrose Park, Cook County, Illinois (the "Village"), is a duly organized and existing municipality and unit of local government created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended (the "Code"); and

WHEREAS the Village President (also sometimes referred to as the "President") and Village Board of Trustees (said President and Board of Trustees being collectively referred to as the "Corporate Authorities") have heretofore determined that it was advisable, necessary and in the best interests of the Village and its residents, in order to promote the public health, welfare, safety and convenience, to (1) fund certain judgment debts of the Village (the "Judgment Debt") resulting from the Village's failure to adequately fund the Firefighter's Pension Fund and Policemen's Pension Fund, and (2) replenish the General Fund of the Village for payments previously made with respect to the Judgment Debt; which cost was payable from the proceeds of bonds issued pursuant to the provisions of the Sections 65 ILCS 8-1-4, 8-4-1 and 8-4-4 of the Code, 65 ILCS 5/8-1-4; 65 ILCS 5/8-4-1, 65 ILCS 5/8-4-4; and

WHEREAS, certain General Funds were spent on an ongoing basis to effectuate the settlement that resulted in the Judgment Debt; and

WHEREAS it was necessary and for the best interests of the Village that the Judgment Debt and the Judgment Debt costs be funded, and the General Fund be replenished (the "Purpose"), and in order to raise the funds required for such Purpose, it was necessary for the Village to borrow \$11,550,000 and in evidence thereof issued its Taxable General Obligation Bonds, Series 1999C (the "Prior Bonds"); and

WHEREAS, pursuant to the provisions of the Code and the Local Governmental Debt Reform Act, 30 ILCS 350/1, *et seq.*, as supplemented and amended (the "Debt Reform Act"), the Village has the power to refund its obligations; and

WHEREAS, the Corporate Authorities have determined it is advisable, necessary, and in the best interests of the Village to provide funds for the purpose of (1) refunding the Prior Bonds, and (2) paying certain costs of issuing the Series 2010B Bonds (as defined below) and refunding the Prior Bonds; and

WHEREAS, pursuant to and in accordance with the Code, the Debt Reform Act, and this Ordinance (the "Ordinance"), the Village is authorized to issue its Taxable General Obligation Refunding Bonds, Series 2010B, in an amount not to exceed \$8,500,000 (the "Series 2010B Bonds"); and

WHEREAS, the Series 2010B Bonds shall be payable from a direct annual ad valorem tax levied against all taxable property of the Village, without limitation as to rate or amount; and

WHEREAS, provision is hereafter made for abating such taxes; and

WHEREAS, the Corporate Authorities deem it advisable, necessary, and in the best interests of the Village that the Series 2010B Bonds so authorized be issued at this time;

NOW THEREFORE Be It And It Is Hereby Ordained by the President and Board of Trustees of the Village of Melrose Park, Cook County, Illinois, as follows;

Section 1. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

Section 2. Determination to Issue Taxable General Obligation Bonds. It is necessary and in the best interests of the Village to refund the Prior Bonds, all as described above; and for the purpose of refunding the Prior Bonds, there are hereby authorized to be issued the Series 2010B Bonds in the aggregate principal amount not to exceed \$8,500,000. Said amount is inclusive of the costs of issuance of the Series 2010B Bonds and refunding the Prior Bonds.

Section 3. Bond Determination and Additional Ordinances. The total amount of the Series 2010B Bonds, the maturity dates, principal amounts, interest rates, the price at which the Series 2010B Bonds are sold to Mesirov Financial, Inc. and Bernardi Securities, Inc. (the "Underwriters") as provided in Section 12 of this Ordinance, the terms and conditions of a purchase contract described in Section 12 of this Ordinance, the property, rights, powers and duties of the Trustee described in Section 18 of this Ordinance, all other required terms of the Series 2010B Bonds and the terms of any other documents necessary to implement the provisions of this Ordinance or for the issuance of the Series 2010B Bonds may be determined prior to closing by the Village President in consultation with any other Village officials as the Village President shall deem appropriate, so long as the maximum aggregate principal amount of the Series 2010B Bonds as set forth in this Ordinance is not exceeded, and there is no material change in the purposes described herein. All such terms shall be set forth in a document

acceptable to the Del Galdo Law Group, LLC, as Village Attorney, and Wildman, Harrold, Allen & Dixon LLP (“Bond Counsel”) and such document shall be referred to as the “Bond Determination.” Any such Bond Determination will be executed at or prior to the closing for the Series 2010B Bonds by the Village President and said official is hereby authorized and directed to establish the terms of the Series 2010B Bonds required to be set forth in the Bond Determination subject to all parameters and terms set forth in this Ordinance and is hereby authorized and directed to execute and deliver the Bond Determination and any and all other documents necessary in the judgment of Bond Counsel, including changes to this Ordinance which are, in the opinion of Bond Counsel, of a technical nature and/or necessary to procure a Bond Insurance Policy (as defined below), which the Village President is hereby authorized to make, to complete the transactions contemplated herein on behalf of the Village. This Ordinance, together with such additional ordinances adopted by the Corporate Authorities and the Bond Determination shall constitute complete authority for the Village to issue the Series 2010B Bonds in accordance with applicable law.

Section 4. Authority and Purpose. This Ordinance is adopted pursuant to the powers of the Village and pursuant to Sections 8-1-4, 8-4-1 and 8-4-4 of the Code, 65 ILCS 5/8-1-4, 65 ILCS 5/8-4-1, 65 ILCS 5/8-4-4, and the Debt Reform Act, for the purpose of refunding the Prior Bonds and paying the costs of issuing the Series 2010B Bonds and refunding the Prior Bonds. The Village President, Village Clerk and other officers and officials of the Village are authorized and directed to do, or cause to be done, all things necessary to accomplish the refunding of the Prior Bonds.

Section 5. Terms of the Series 2010B Bonds. The Series 2010B Bonds shall be issuable in the denominations of \$5,000 or any integral multiple thereof and may bear such

identifying numbers or letters as shall be useful to facilitate the registration, transfer and exchange of the Series 2010B Bonds. Unless otherwise determined in the order to authenticate the Series 2010B Bonds, each Series 2010B Bond delivered upon the original issuance of the Series 2010B Bonds shall be dated as provided in the Bond Determination. Each Series 2010B Bond thereafter issued upon any transfer, exchange or replacement of Series 2010B Bonds shall be dated so that no gain or loss of interest shall result from such transfer, exchange or replacement.

The Series 2010B Bonds shall mature on the date set forth in the Bond Determination in each year shown and in the respective principal amount set forth opposite each such year, and the Series 2010B Bonds maturing in each such year shall bear interest at the respective rate per annum set forth opposite such year as set forth in the Bond Determination.

Each Series 2010B Bond shall bear interest from its date, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on December 15, of the year set forth in the Bond Determination and semiannually thereafter on each December 15 and June 15 at the rates per annum set forth in the Bond Determination.

The principal of the Series 2010B Bonds shall be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, which is hereby appointed as bond registrar and paying agent (the "Bond Registrar") for the Series 2010B Bonds. Interest on the Series 2010B Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the Village for such purpose at the principal corporate trust office of the Bond Registrar, as of the close of business on the

15th day of the calendar month next preceding the applicable interest payment date. Interest on the Series 2010B Bonds shall be paid by check or draft mailed to such registered owners at their addresses appearing on the registration books or by wire transfer pursuant to an agreement by and between the Village and the registered owner.

Section 6. Redemption.

A. Optional and Mandatory Redemption. Optional and mandatory redemption provisions, if any, shall be as provided in the Bond Determination.

B. Redemption Procedure. The Village shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount of Series 2010B Bonds to be redeemed. For purposes of any redemption of less than all of the Series 2010B Bonds then outstanding (the "Outstanding Series 2010B Bonds") of a single maturity, the particular Series 2010B Bonds or portions of the Series 2010B Bonds to be redeemed shall be selected not more than sixty (60) days prior to the redemption date by the Bond Registrar, from the Outstanding Series 2010B Bonds of the longest maturity or maturities by such method as the Bond Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Series 2010B Bonds or portions of Series 2010B Bonds in principal amounts of \$5,000 and integral multiples thereof. No Series 2010B Bond or portion of Series 2010B Bond shall be called for redemption such that any Series 2010B Bond or portion of Series 2010B Bond remains outstanding in a denomination of less than \$100,000.

The Bond Registrar shall promptly notify the Village in writing of the Series 2010B Bonds or portions of Series 2010B Bonds selected for redemption and, in the case of any Series 2010B Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by any holder of Series 2010B Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by registered or certified mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Series 2010B Bond or Series 2010B Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all Outstanding Series 2010B Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2010B Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Series 2010B Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) the place where such Series 2010B Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar.

Such additional notice as may be agreed upon with the Depository shall also be given as long as any Series 2010B Bonds are held by the Depository.

Prior to any redemption date, the Village shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Series 2010B Bonds or portions of Series 2010B Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Series 2010B Bonds or portions of Series 2010B Bonds to be so redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date such Series 2010B Bonds or portions of Series 2010B Bonds shall cease to bear interest. Upon surrender of such Series 2010B Bonds for redemption in accordance with said notice, such Series 2010B Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2010B Bond, there shall be prepared for the registered holder a new Series 2010B Bond or Series 2010B Bonds of the same maturity in the amount of the unpaid principal.

If any Series 2010B Bond or portion of Series 2010B Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal and premium, if any, shall, until paid, bear interest from the redemption date at the rate borne by the Series 2010B Bond or portion of Series 2010B Bond so called for redemption. All Series 2010B Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Bond Registrar on behalf of the Village as set forth below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Series 2010B Bonds being redeemed; (b) the date of issue of the Series 2010B Bonds as originally issued; (c) the rate of interest borne by each Series 2010B Bond being redeemed; (d) the maturity date of each Series

2010B Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Series 2010B Bonds being redeemed.

Each further notice of redemption shall be sent at least thirty-five (35) or thirty (30) days and not more than sixty (60) days before the redemption date by facsimile to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 2010B Bonds (such depositories now include The Depository Trust Company of New York, New York) and to one or more national information services, chosen in the discretion of the Bond Registrar, that disseminate notice of redemption of obligations such as the Series 2010B Bonds.

Upon the payment of the redemption price of Series 2010B Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Series 2010B Bonds being redeemed with the proceeds of such check or other transfer.

The Series 2010B Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price plus accrued interest on the redemption date therein designated, and if, on the redemption date, money for payment of the redemption price of all the Series 2010B Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date (unless the Village shall default in the payment of the redemption price and accrued interest), interest on such Series 2010B Bonds or portions thereof shall cease to accrue and become payable. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any

particular registered owner of a Series 2010B Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Series 2010B Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Series 2010B Bond 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 registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Upon surrender of such Series 2010B Bonds for redemption in accordance with said notice, such Series 2010B Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

If there shall be drawn for redemption less than all of a Series 2010B Bond, the Village shall execute and the Bond Registrar shall authenticate and deliver, upon the surrender of such Series 2010B Bond, without charge to the owner thereof, for the unredeemed balance of the Series 2010B Bond so surrendered, Series 2010B Bonds of like maturity, bearing the same rate of interest, and of the denomination of \$5,000 or any integral multiple thereof.

The Bond Registrar shall not be required to transfer or exchange any Series 2010B Bond after notice of the redemption of all or a portion thereof has been mailed. The Bond Registrar shall not be required to transfer or exchange any Series 2010B Bond during a period of fifteen (15) days next preceding the mailing of a notice of redemption which could designate for redemption all or a portion of such Series 2010B Bond.

Section 7. Execution and Authentication. Each Series 2010B Bond shall be executed in the name of the Village by the manual or authorized facsimile signature of its Village President and the corporate seal of the Village, or a facsimile thereof, shall be thereunto affixed or otherwise reproduced thereon and attested by the manual or authorized facsimile signature of its Village Clerk.

In case any officer whose signature, or a facsimile of whose signature, shall appear on any Series 2010B Bond shall cease to hold such office before the issuance of the Series 2010B Bond, such Series 2010B Bond shall nevertheless be valid and sufficient for all purposes, the same as if the person whose signature, or a facsimile thereof, appears on such Series 2010B Bond had not ceased to hold such office. Any Series 2010B Bond may be signed, sealed or attested on behalf of the Village by any person who, on the date of such act, shall hold the proper office, notwithstanding that at the date of such Series 2010B Bond such person may not have held such office. No recourse shall be had for the payment of any Series 2010B Bonds against any officer who executes the Series 2010B Bonds.

Each Series 2010B Bond shall bear thereon a certificate of authentication executed manually by the Bond Registrar. No Series 2010B Bond shall be entitled to any right or benefit under this Ordinance or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Bond Registrar.

Section 8. Book-Entry System. In order to provide for the initial issuance of the Series 2010B Bonds in a form that provides for a system of book-entry only transfers, the ownership of one fully registered Series 2010B Bond for each maturity, in the aggregate principal amount of such maturity, shall be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, as securities depository for the Series 2010B Bonds. The Village

Treasurer is authorized to execute and deliver on behalf of the Village such letters to, or agreements with, the securities depository as shall be necessary to effectuate such book-entry system.

The Village may remove the securities depository at any time. In case at any time the securities depository shall resign or shall be removed or shall become incapable of acting, then the Village shall appoint a successor securities depository to provide a system of book-entry only transfers for the Series 2010B Bonds, by written notice to the predecessor securities depository directing it to notify its participants (those persons for whom the securities depository holds securities) of the appointment of a successor securities depository.

The Village may terminate the system of book-entry only transfers for the Series 2010B Bonds at any time, by written notice to the securities depository directing it to notify its participants of the availability of Series 2010B Bond certificates. In such event, the Village shall issue and the Bond Registrar shall authenticate, register and deliver to the beneficial owners of the Series 2010B Bonds, Series 2010B Bond certificates in replacement of such beneficial owners' beneficial interests in the Series 2010B Bonds, all as shown in the records maintained by the securities depository.

Section 9. Transfer, Exchange and Registry. The Series 2010B Bonds shall be negotiable, subject to the provisions for registration of transfer contained herein. Each Series 2010B Bond shall be transferable only upon the registration books maintained by the Village for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney. Upon the surrender for transfer of any such

Series 2010B Bond, the Village shall execute and the Bond Registrar shall authenticate and deliver a new Series 2010B Bond or Series 2010B Bonds registered in the name of the transferee, of the same aggregate principal amount, maturity and interest rate as the surrendered Series 2010B Bond. Series 2010B Bonds, upon surrender thereof at the principal corporate trust office of the Bond Registrar, with a written instrument satisfactory to the Bond Registrar, duly executed by the registered owner or his attorney duly authorized in writing, may be exchanged for an equal aggregate principal amount of the Series 2010B Bonds of the same maturity and interest rate and of the denominations of \$5,000 or any integral multiple thereof.

For every such exchange or registration of transfer of the Series 2010B Bonds, the Village or the Bond Registrar may make a charge sufficient for the reimbursement of any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. No other charge shall be made for the privilege of making such transfer or exchange. The provisions of the Illinois Bond Replacement Act shall govern the replacement of lost, destroyed or defaced Series 2010B Bonds.

The Village and the Bond Registrar may deem and treat the person in whose name any Series 2010B Bond shall be registered upon the registration books as the absolute owner of such Series 2010B Bond, whether such Series 2010B Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of or interest thereon and for all other purposes whatsoever, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2010B Bond to the extent of the sum or sums so paid, and neither the Village nor the Bond Registrar shall be affected by any notice to the contrary.

Section 10. Taxable General Obligations. The full faith and credit of the Village are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Series 2010B Bonds. The Series 2010B Bonds shall be direct and taxable general obligations of the Village, and the Village shall be obligated to levy ad valorem taxes upon all the taxable property in the Village for the payment of the Series 2010B Bonds and the interest thereon, without limitation as to rate or amount.

Section 11. Form of Series 2010B Bonds. The Series 2010B Bonds shall be issued as fully registered bonds and shall be in substantially the following form, the blanks to be appropriately completed when the Series 2010B Bonds are printed:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

(Form of Series 2010B Bond)

REGISTERED
NO. R-«Bond_No»

REGISTERED
\$«Amount»

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
VILLAGE OF MELROSE PARK
TAXABLE GENERAL OBLIGATION REFUNDING BOND
SERIES 2010B

Interest Rate:
«Rate»%

Maturity Date:
_____, «Year»

Dated Date:
_____, 2010

CUSIP:
«CUSIP»

Registered Owner: **CEDE & CO.**

Principal Amount: «Words»

The VILLAGE OF MELROSE PARK, a municipal corporation of the State of Illinois situate in the County of Cook (the "Village"), acknowledges itself indebted and for value received hereby promises to pay to the registered owner of this Series 2010B Bond, or registered assigns, the principal amount specified above on the maturity date specified above, and to pay interest on such principal amount from the date hereof at the interest rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable in lawful money of the United States of America on June 15, 2011 and semiannually thereafter on December 15 and June 15 in each year until the principal amount shall have been paid, to the

registered owner of record hereof as of the 15th day of the calendar month next preceding such interest payment date, by wire transfer pursuant to an agreement by and between the Village and the registered owner, or otherwise by check or draft mailed to the registered owner at the address of such owner appearing on the registration books maintained by the Village for such purpose at the principal corporate trust office of Amalgamated Bank of Chicago, in the City of Chicago, Illinois, as bond registrar or its successor (the "Bond Registrar"). This Series 2010B Bond, as to principal when due, will be payable in lawful money of the United States of America upon presentation and surrender of this Series 2010B Bond at the principal corporate trust office of the Bond Registrar. The full faith and credit of the Village are irrevocably pledged for the punctual payment of the principal of and interest on this Series 2010B Bond according to its terms.

This Series 2010B Bond is one of a series of Series 2010B Bonds issued in the aggregate principal amount of \$8,500,000, which are authorized and issued under and pursuant to the powers of the Village, in conformance with and pursuant to Sections 8-1-4, 8-4-1 and 8-4-4 of the Illinois Municipal Code, 65 ILCS 5/8-1-4, 5/8-4-1 and 5/8-4-4, and the Local Government Debt Reform Act, 30 ILCS 350/1, *et seq.*, as supplemented and amended, and under and in accordance with an ordinance adopted by the President and Board of Trustees of the Village on September 13, 2010 and entitled: "An Ordinance Providing for the Issuance of Taxable General Obligation Refunding Bonds, Series 2010B, of the Village of Melrose Park, Cook County, Illinois, in an Aggregate Principal Amount not to Exceed \$8,500,000, for the Purpose of Refunding the Village's Outstanding Taxable General Obligation Bonds, Series 1999C," and a Bond Determination as contemplated therein.

[Insert redemption provisions here, if any.]

This Series 2010B Bond is transferable only upon such registration books by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof at the principal corporate trust office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or by his duly authorized attorney, and thereupon a new registered bond or bonds, in the authorized denominations of \$5,000 or any integral multiple thereof and of the same aggregate principal amount, maturity and interest rate as this Series 2010B Bond shall be issued to the transferee in exchange therefor. In like manner, this Series 2010B Bond may be exchanged for an equal aggregate principal amount of Series 2010B Bonds of the same maturity and interest rate and of any of such authorized denominations. The Village or the Bond Registrar may make a charge sufficient for the reimbursement of any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange of this Series 2010B Bond. No other charge shall be made for the privilege of making such transfer or exchange. The Village and the Bond Registrar may treat and consider the person in whose name this Series 2010B Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal and interest due hereon and for all other purposes whatsoever.

This Series 2010B Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this Series 2010B Bond in order to make it a legal, valid and binding obligation of the Village have been done, exist and have been performed in regular and due time, form and manner as required by law, and that the

Series 2010B Bonds of which this Series 2010B Bond is one, together with all other indebtedness of the Village, is within every debt or other limit prescribed by law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Village of Melrose Park has caused this Series 2010B Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Village President, and its corporate seal or a facsimile thereof to be hereunto affixed or otherwise reproduced hereon and attested by the manual or facsimile signature of its Village Clerk.

Dated: October _____, 2010

VILLAGE OF MELROSE PARK, COOK COUNTY, ILLINOIS

By: _____
Village President

(SEAL)

ATTEST:

By: _____
Village Clerk

CERTIFICATE OF AUTHENTICATION

This Series 2010B Bond is one of the Taxable General Obligation Refunding Bonds, Series 2010B, described in the within-mentioned Ordinance.

AMALGAMATED BANK OF CHICAGO,
Chicago, Illinois, as Bond Registrar

By: _____
Authorized Representative

Dated: October _____, 2010

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

_____, the
(Name and Address of Assignee)

within Series 2010B Bond and does hereby irrevocably constitute and appoint _____
as attorney to transfer the said Series 2010B Bond on the books kept for registration thereof, with
full power of substitution in the premises.

Dated: _____

Signature Guarantee:

NOTICE: The signature to this transfer and assignment must correspond with the name of the registered owner as it appears upon the face of the within Series 2010B Bond in every particular, without alteration or enlargement or any change whatsoever.

Section 12. Sale of Series 2010B Bonds; Approval of Preliminary Official Statement and the Official Statement. The Series 2010B Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the passage hereof and the execution of the Bond Determination as may be practical, and thereupon be deposited with the Trustee, and be delivered to the Underwriters, upon receipt of the purchase price therefor, the same being not less than 98% of the aggregate principal amount of the Series 2010B Bonds, plus accrued interest to date of delivery. No person holding any office of the Village either by election or appointment, is in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, shall have any interest in any purchase contract for the purchase of the Series 2010B Bonds. The use by the Underwriters of any Preliminary Official Statement and any Official Statement relating to the Series 2010B Bonds is hereby approved, and the actions of the Village and their respective officers and employees relating to the offering, issuance and sale of the Series 2010B Bonds are hereby ratified, approved and confirmed. The Village President and Village Clerk are authorized to execute any and all additional documents as deemed appropriate by Bond Counsel in order to expedite the issuance and sale of the Series 2010B Bonds.

Section 13. Levy and Extension of Taxes. For the purpose of providing the money required to pay the interest on the Series 2010B Bonds when and as the same falls due and to pay and discharge the principal thereof as the same shall mature, there is hereby levied upon all the taxable property in the Village, in each year while any of the Series 2010B Bonds shall be outstanding, a direct annual tax sufficient for that purpose in addition to all other taxes, as set forth in the Bond Determination.

Interest or principal coming due at any time when there shall be insufficient funds on hand to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the taxes herein levied; and when said taxes shall have been collected, reimbursement shall be made to the said funds in the amounts thus advanced.

As soon as this Ordinance becomes effective, a copy thereof certified by the Village Clerk, which certificate shall recite that this Ordinance has been duly adopted, shall be filed with the County Clerk of Cook County, Illinois, who is hereby directed to ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied, and to extend the same for collection on the tax books in connection with other taxes levied in said years, in and by the Village for corporate purposes of the Village and to refund the Prior Bonds, and in said years such annual tax shall be levied and collected in like manner as taxes for general corporate purposes for said years are levied and collected and, when collected, such taxes shall be used for the purpose of paying the principal of and interest on the Series 2010B Bonds herein authorized as the same become due and payable.

Taxes levied pursuant to this Section for the purpose of paying the principal of and interest on the Series 2010B Bonds may be abated, in whole or in part, in any tax levy year to the extent that moneys are available to make such payment and have been irrevocably deposited into the Bond Fund established in Section 15 of this Ordinance prior to the filing of such abatement with the County Clerk of Cook County, Illinois.

Section 14. Expense Fund. There is hereby established the Series 2010B Expense Fund (the "Expense Fund") as a special fund for the Village administered by the Trustee. Moneys in the Expense Fund shall be used for the payment of costs of issuance of the Series

2010B Bonds, but may hereafter be reappropriated and used for other purposes if such reappropriation is permitted under Illinois law.

Section 15. Application of Proceeds. The proceeds of sale of the Series 2010B Bonds shall be applied as follows:

1. The Refunding. To Amalgamated Bank of Chicago, Chicago, Illinois, the Trustee for the Prior Bonds, the amount, together with other moneys (if any) of the Village deposited therein, necessary to refund the Prior Bonds.

2. Expense Fund. To the Expense Fund established by this Ordinance, the amount of such proceeds of sale remaining after making the foregoing payments.

3. Bond Fund. Moneys derived from taxes herein levied are appropriated and set aside for the purpose of paying principal of and interest on the Series 2010B Bonds when and as the same come due. All of such moneys, and all other moneys to be used for the payment of the principal of and interest on the Series 2010B Bonds, shall be deposited in the Series 2010B Bond Fund (the "Bond Fund"), which is hereby established as a special fund of the Village. All accrued interest received upon the issuance of the Series 2010B Bonds shall be deposited in the Bond Fund.

4. Bond Insurance. To the Bond Insurer (as defined below) of the Series 2010B Bonds, if any, the amount of the premium with respect to the Series 2010B Bond Insurance Policy.

Section 16. General Regulations as to Moneys and Funds. Moneys in any fund or account held by the Trustee, on instructions signed by a Village officer, shall be invested by the Trustee in Permitted Investments (as defined below) or be deposited in time or other accounts, maturing in the amounts and at the times necessary to provide funds to make the payments to

which such moneys are applicable as determined by the Trustee. For the purpose of this Ordinance, the following obligations will be considered "Permitted Investments" for all purposes, including defeasance investments in refunding escrow accounts:

- (1) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below), or
- (2) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.

For the purpose of the Ordinance, the following obligations will be considered "Permitted Investments" for all purposes other than defeasance investments in refunding escrow accounts:

- (1) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
 - Export Import Bank
 - Farm Credit System Financial Assistance Corporation
 - Rural Economic Community Development Administration (formerly the Farmers Home Administration)
 - General Services Administration
 - U.S. Maritime Administration
 - Small Business Administration
 - Government National Mortgage Association (GNMA)
 - U.S. Department of Housing & Urban Development (PHA's)
 - Federal Housing Administration
 - Federal Financing Bank;
- (2) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
 - Senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
 - Obligations of the Resolution Funding Corporation (REFCORP)
 - Senior debt obligations of the Federal Home Loan Bank System
 - Senior debt obligations of other Government Sponsored Agencies approved by the Bond Insurer;
- (3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A 1" or "A 1+" by S&P and "P

1” by Moody’s and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.);

- (4) Commercial paper which is rated at the time of purchase in the single highest classification, “A 1+” by S&P and “P 1” by Moody’s and which matures not more than 270 days after the date of purchase;
- (5) Investments in a money market fund rated “AAAm” or “AAAm-G” or better by S&P;
- (6) Pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and
 - (A) which are rated, based on an irrevocable escrow account or fund (the “escrow”), in the highest rating category of S&P and Moody’s or any successors thereto; or
 - (B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph A(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.
- (7) General obligations of States with a rating of at least “A2/A” or higher by both Moody’s and S&P.
- (8) Investment agreements approved in writing by the Bond Insurer with notice to S&P; and
- (9) Other forms of investments (including repurchase agreements) approved in writing by the Bond Insurer with notice to S&P.

The value of the above investments shall be determined as follows:

“Value,” which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

- (1) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;
- (2) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;
- (3) As to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and
- (4) As to any investment not specified above: the value thereof established by prior agreement between the Village, the Trustee and the Bond Insurer.

Any obligations so purchased with moneys in any fund or account shall be deemed at all times to be part of said fund or account and the interest thereon and any profit arising on the sale thereof shall be credited to said fund or account, and any loss resulting on the sale thereof shall be charged to said fund or account. Obligations so purchased as an investment of moneys in any such fund or account shall be sold at the best price obtainable whenever it shall be necessary so to do in order to provide moneys to make any transfer, withdrawal, payment or disbursement from said fund or account, or in the case of any required transfer of moneys, may be transferred to that fund or account in lieu of the required moneys. The Trustee shall not be liable or responsible for any loss resulting from any investment or any sale of an investment made in accordance with the Ordinance. In computing for any purpose hereunder the amount in any fund or account on any date, obligations so purchased, if due within one year after such date, shall be valued at the face value exclusive of accrued interest, or, if not due within one year after such

date, shall be valued at market value (exclusive of accrued interest) and may be so valued as of any time within 30 days prior to such date.

All moneys (not including securities, except those securities which are Permitted Investments) held by the Trustee may be deposited by it, on demand or time deposit, in its banking department or with such other banks or trust companies which are lawful depositories as may be designated by the Village and approved by the Trustee. No such moneys shall be deposited with any bank or trust company, in an amount exceeding fifty percent (50%) of the amount which an officer of such bank or trust company shall certify to the Trustee as the combined capital and surplus of such bank or trust company.

Interest earnings on any fund or account shall be credited to, remain in, and be used for the same purposes of such fund or account.

Section 17. Continuing Disclosure. The Village will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Series 2010B Bonds to send certain information annually and to provide notice of certain events to the Electronic Municipal Market Access system established by the Municipal Securities Rulemaking Board pursuant to the requirements of Section(b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth in the Undertaking.

Section 18. The Trustee.

A. Appointment. Amalgamated Bank of Chicago, having its principal office in Chicago, Illinois, is hereby appointed as trustee hereunder, and the property, rights, powers and duties of the Trustee under this Ordinance are hereby vested in said trustee in trust for the Bondholders. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication endorsed upon the Series 2010B Bonds, and, by executing such certificate upon any Bond, the Trustee shall be deemed to have accepted such duties and obligations not only with respect to the Bond so authenticated, but with respect to all the Series 2010B Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in this Ordinance.

B. Responsibilities of Trustee.

(1) The recitals of fact herein and in the Series 2010B Bonds contained shall be taken as the statements of the Village and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Ordinance or of any Series 2010B Bonds issued thereunder or in respect of the security afforded by this Ordinance, and the Trustee shall not incur any responsibility in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Series 2010B Bonds. The Trustee shall not be under any responsibility or duty with respect to the issuance of the Series 2010B Bonds for value or the application of the proceeds thereof, except to the extent such proceeds are paid to the Trustee in its capacity as Trustee, or the application of any moneys paid to the Village or others in accordance with this Ordinance. The Trustee shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any action or suit in respect of

this Ordinance or Series 2010B Bonds, or to advance any of its own moneys, unless properly indemnified. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or default.

(2) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Ordinance. In case an Event of Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Ordinance, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

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

D. Evidence on Which Trustee May Act. The Trustee shall be protected in acting upon any notice, ordinance, resolution, request, consent, order, certificate, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with and rely on the advice or opinion of accountants with respect to any appropriate matter, including verification of any mathematical computation required to be made. Whenever the Trustee shall deem it necessary or desirable that a fact or matter be proved or established prior to taking or suffering any action hereunder, such fact or matter, unless other evidence in respect thereof be therein specifically prescribed, may be deemed to be conclusively proved and established by an officer's certificate stating the same, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter.

E. Compensation and Expenses. Unless otherwise provided by contract with the Trustee, the Village shall pay to the Trustee from time to time reasonable compensation in accordance with existing fee schedules, for all services rendered by it hereunder, and also reimbursement for all its reasonable expenses, charges, legal, accounting and engineering fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties hereunder. The Village shall indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to its gross negligence or willful misconduct.

F. Resignation. The Trustee may at any time resign and be discharged of its duties and obligations by giving not less than sixty days' written notice to the Village and mailing notice thereof of each Bondholder within twenty days after the giving of such written notice. Such resignation shall take effect when a successor shall have been appointed by the Village or Bondholders as herein provided.

G. Removal. The Village may remove the Trustee at any time, except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the Village by filing with the Trustee an instrument signed by a Village officer. The Trustee may be removed at any time by the holders of a majority in principal amount of the Outstanding Series 2010B Bonds, excluding any Series 2010B Bonds held by or for the account of the Village, by an instrument or concurrent instruments in writing signed and delivered to the Village. Copies of each such instrument shall be delivered by the Village to the Trustee.

H. Appointment of Successor. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if

any public officer or court shall take charge or control of the Trustee or of its property or affairs, a successor may be appointed by the holders of a majority in principal amount of the Outstanding Series 2010B Bonds, excluding any Series 2010B Bonds held by or for the account of the Village, by an instrument or concurrent instruments in writing signed by such Bondholders or their attorneys duly authorized in writing and delivered to such successor Trustee, notification thereof being given to the Village and the predecessor Trustee. Pending such appointment, the Village agrees to forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by Bondholders. If in a proper case no appointment of a successor Trustee shall have given to the Village written notice of resignation as provided in Section 6 of this Article or after the occurrence of any other event requiring or authorizing such appointment, the resigning Trustee or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Any Trustee appointed under the provisions of this Section shall be a bank, trust company or national banking association, having its principal office in the State of Illinois, having trust powers and authorized to perform all the duties imposed upon it by this Ordinance.

I. Transfer of Rights and Property to Successor. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Village, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, but the Trustee ceasing to act shall nevertheless, on the written request of the Village or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance as may be required to vest and confirm in such successor Trustee all rights, title and interest of the predecessor Trustee in and to any property held by it, and shall pay over, assign and deliver to

such successor Trustee any moneys or other property subject to the trusts and conditions herein set forth. The Village hereby agrees to deliver, or cause to be delivered, any deed, conveyance or instrument required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties.

J. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which such Trustee or any public officer or court may sell or transfer all or substantially all of its corporate trust business, shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank, trust company or national banking association which is qualified to be a successor to the Trustee under Section H of this Article.

K. Adoption of Authentication. In case any of the Series 2010B Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Trustee may adopt the certification of authentication of any predecessor Trustee so authenticating such Series 2010B Bonds and deliver such Series 2010B Bonds so authenticated, and in case any of the said Series 2010B Bonds shall not have been authenticated, any successor Trustee may authenticate such Series 2010B Bonds in the name of the predecessor Trustee or in the name of the successor Trustee.

L. Certain Permitted Acts. The Trustee may become the owner of or may deal in Series 2010B Bonds as fully and with the same rights it would have if it were not the Trustee. To the extent permitted by law, the Trustee may act as depositary for, and permit any of its officers

or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or effect or aid in any readjustment of debts growing out of the enforcement of the Series 2010B Bonds or this Ordinance, whether or not any such committee shall represent the holders of a majority in aggregate principal amount of the Outstanding Series 2010B Bonds.

Section 19. Bond Registrar. The Village covenants that it shall at all times retain a Bond Registrar with respect to the Series 2010B Bonds, that it will maintain at the designated office of such Bond Registrar a place where the Series 2010B Bonds may be presented for payment and registration of transfer or exchange and that it shall require that such Bond Registrar maintain proper registration books and perform the other duties and obligations imposed upon such Bond Registrar by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities business.

The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Series 2010B Bond, and by such execution the Bond Registrar shall be deemed to have certified to the Village that it has all requisite power to accept, and has accepted such duties and obligations not only with respect to the Series 2010B Bond so authenticated but with respect to all the Series 2010B Bonds. The Bond Registrar is the agent of the Village and shall not be liable in connection with the performance of its duties except for its own negligence or default. The Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on the Series 2010B Bonds.

The Village may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign or shall be removed or shall become incapable of acting, or shall be

adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Bond Registrar, or of its property, shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of its property or affairs, the Village covenants and agrees that it will thereupon appoint a successor Bond Registrar. The Village shall mail notice of any such appointment made by it to each registered owner of Series 2010B Bonds within twenty days after such appointment. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company or national banking association maintaining its principal corporate trust office in the State of Illinois, or the City and State of New York.

Section 20. Defeasance and Payment of Bonds.

(A) If the Village shall pay or cause to be paid to the registered owners of the Series 2010B Bonds, the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Ordinance, then the pledge of taxes, securities and funds hereby pledged and the covenants, agreements and other obligations of the Village to the registered owners and the beneficial owners of the Series 2010B Bonds shall be discharged and satisfied.

(B) Any Series 2010B Bonds or interest installments appertaining thereto, whether at or prior to the maturity of such Series 2010B Bonds, shall be deemed to have been paid within the meaning of paragraph (A) of this Section if there shall have been deposited in trust with a bank, trust company or national banking association acting as fiduciary for such purpose either (i) moneys in an amount which shall be sufficient, or (ii) "Federal Obligations" as defined in paragraph (C) of this Section, the principal of and the interest on which when due will provide moneys which, together with any moneys on deposit with such fiduciary at the same time for

such purpose, shall be sufficient, to pay when due the principal of and interest due and to become due on said Series 2010B Bonds on and prior to the maturity date thereof.

(C) As used in this Section, the term "Federal Obligations" means (i) non-callable, direct obligations of the United States of America, (ii) non-callable and non-prepayable, direct obligations of any agency of the United States of America, which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, (iii) non-callable, non-prepayable coupons or interest installments from the securities described in clause (i) or clause (ii) of this paragraph, which are stripped pursuant to programs of the Department of the Treasury of the United States of America, or (iv) coupons or interest installments stripped from Series 2010B Bonds of the Resolution Funding Corporation.

Section 21. Ordinance to Constitute a Contract. The provisions of this Ordinance shall constitute a contract between the Village and the registered owners of the Series 2010B Bonds. Any pledge made in this Ordinance and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Village shall be for the equal benefit, protection and security of the owners of any and all of the Series 2010B Bonds. All of the Series 2010B Bonds, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Series 2010B Bonds over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Series 2010B Bonds and to the extent that the provisions of this Ordinance conflict with the provisions of any other ordinance or resolution of the Village, the provisions of this Ordinance shall control. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or

unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 22. Bond Insurance. The Village may purchase a bond insurance policy (the “Bond Insurance Policy”) issued by a bond insurer (the “Bond Insurer”) for the payment of principal and interest on the Series 2010B Bonds or any maturity thereof. As long as such Bond Insurance Policy shall be in full force and effect, the Village and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the Series 2010B Bonds, subrogation of the rights of the Series 2010B Bondholders to the Bond Insurer upon payment of the Series 2010B Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the Village President on advice of counsel, his or her approval to constitute full and complete acceptance by the Village of such terms and provisions under authority of this Section. The Bond Determination may establish the specific terms of any such Bond Insurance Policy.

Section 23. Call of Prior Bonds.

A. Call of Certain of the Prior Bonds for Redemption.

The principal of the Series 1999C Bonds maturing on or after the date provided in the Bond Determination shall be called for redemption on the date provided in the Bond Determination, provision having been made in this Ordinance and the Bond Determination for the payment of the redemption price of such bonds on such date. Such redemption shall be conducted and notice given in accordance with the provisions of Ordinance No. 433 for the Series 1999C Bonds.

B. Abatement of Taxes. All taxes previously levied by the Village pursuant to Ordinance No. 433 and the bond determination relating thereto to pay principal of and interest on the Prior Bonds are hereby abated in their entirety.

Section 24. Superseder and Effective Date. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby superseded, and this Ordinance shall be in full force and effect forthwith upon its adoption and approval, as provided by law.

Section 25. Publication. The Village Clerk is hereby authorized and directed to publish this Ordinance in pamphlet form and to file copies thereof for public inspection in her office.

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Adopted September 13, 2010.

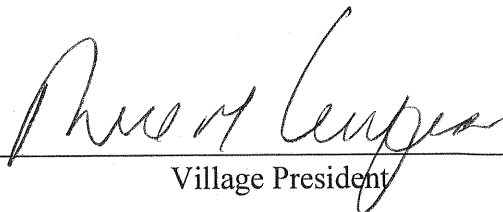
AYES: Trustee Italia, Trustee Prignano, Trustee Mota, Trustee Taconi, Trustee Anguiano

NAYS:

ABSENT: Trustee Abruzzo

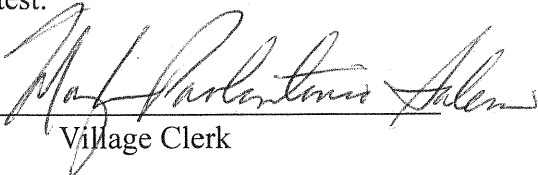
ABSTAIN:

Approved September 13, 2010.


Village President

Recorded in the Village Records on September 13, 2010.

Attest:


Village Clerk

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Melrose Park, Cook County, Illinois (the "Village"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the Village President and Board of Trustees (the "Corporate Authorities") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on September 13, 2010, insofar as the same relates to the adoption of an ordinance, numbered _____:

AN ORDINANCE PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010B, OF THE VILLAGE OF MELROSE PARK, COOK COUNTY, ILLINOIS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,500,000, FOR THE PURPOSE OF REFUNDING THE VILLAGE'S OUTSTANDING TAXABLE GENERAL OBLIGATION BONDS, SERIES 1999C

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as supplemented and amended, and the Illinois Municipal Code, as supplemented and amended, and the Corporate Authorities have complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Corporate Authorities in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the Village this 13th day of September, 2010.



Mary Ann Paolantonio Salemi
Village Clerk

(SEAL)