

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge by Payment. When all Bonds have been paid in full as to principal and as to interest and premium, if any, or when all Bonds have become due and payable, whether at maturity or by prior redemption or otherwise, and the City shall have provided for the payment of the whole amount due or to become due on all Bonds then outstanding, including all interest that has accrued thereon or that may accrue to the date of maturity or prior redemption, and any premium due or that may become due at maturity or prior redemption, by depositing with the Paying Agent/Registrar, for payment of the principal of such outstanding Bonds and the interest accrued thereon and any premium due thereon, the entire amount due or to become due thereon, and the City shall also have paid or caused to be paid all sums payable under this Ordinance by the City, including the compensation due or to become due the Paying Agent/Registrar, then the Paying Agent/Registrar, upon receipt of a letter of instructions from the City requesting the same, shall discharge and release the lien of this Ordinance and execute and deliver to the City such releases or other instruments as shall be requisite to release the lien hereof.

ARTICLE XII

LAPSE OF PAYMENT

Section 12.01. Lapse of Payment.

(a) Unclaimed Payments shall be segregated in a special escrow account and held in trust, uninvested, for the account of the Owner of the Bonds to which the Unclaimed Payments pertain.

(b) Subject to any escheat, abandoned property or similar law, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for four years after the

applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law.

### ARTICLE XIII

#### ESCROW AGREEMENT; PROCEDURES FOR DELIVERY OF THE BONDS

Section 13.01. Escrow Agreement. The execution and delivery of an Escrow Agreement with respect to the Bonds, substantially in form and content as set forth in Exhibit B attached hereto and incorporated herein by reference, is hereby approved with such changes as may be authorized by the Mayor of the City evidenced by execution of the Escrow Agreement, and the Mayor of the City is hereby authorized to execute such agreement on behalf of the City.

#### Section 13.02. Procedures for Delivery of the Bonds.

(a) After the Initial Bond has been approved by the Attorney General and registered by the Comptroller of Public Accounts of the State of Texas, the City shall cause the Initial Bond to be deposited with the Paying Agent/Registrar, which shall cancel the Initial Bond and register definitive Bonds in the name of the Purchaser in accordance with Section 3.04 of this Ordinance.

(b) On the Closing Date, and thereafter, on each Delivery Date, upon receipt of a written instruction from the City and upon receipt from the Purchaser of a sum equal to the principal amount of the Bonds being delivered, the Paying Agent/Registrar shall deliver an installment of Bonds to the Purchaser.

(c) The Paying Agent/Registrar, as escrow agent, shall hold and deliver the remaining Bonds held in escrow pursuant to the provisions of the Escrow Agreement.

(d) On the applicable date of delivery for each of the Bonds, the Paying Agent/Registrar shall insert such date of delivery on each delivered Bond under the column designated "Delivery Date."

(e) On each Delivery Date, the City shall receive an amount of proceeds equal to the par value of the Bonds being delivered and the City shall deposit such proceeds as may be directed by the Mayor.

(f) The City on each Delivery Date shall issue a receipt of payment signed by the Mayor or City Secretary and dated as of the particular Delivery Date setting out the amount of proceeds received, which receipt shall be delivered to the Purchaser or its assigns. The City on each Delivery Date shall also execute a signature identification and no-litigation certificate signed by the Mayor and City Secretary and dated as of the particular Delivery Date, and shall require Bickerstaff, Heath, Smiley, Pollan, Kever & McDaniel, L.L.P., Bond Counsel for the City, to issue a supplemental approving opinion, dated as of the particular Delivery Date, regarding the Bonds delivered of even date therewith.

(g) The Paying Agent/Registrar shall keep in the Register a record of which Bonds have been delivered and the Delivery Date of each.

#### ARTICLE XIV

#### AWARDING SALE OF THE BONDS

Section 14.01. Awarding Sale of the Bonds. The Bonds are hereby officially sold and awarded to the UNITED STATES OF AMERICA at the price of the principal amount thereof.

#### ARTICLE XV

#### LOAN PROGRAM REQUIREMENTS AND DOCUMENTS TO CONTROL

Section 15.01. Definitions. For the purposes of this Section, the following acronyms and terms shall be defined as follows:

(a) RUS: The Rural Utilities Service, an agency of the United States of America within the United States Department of Agriculture, and any successor agency thereof.

(b) FmHA: The Farmers Home Administration, a former agency of the United States of America within the United States Department of Agriculture and its successor agency, the RUS.

(c) Loan: The loan in the amount of \$260,000 from the Purchaser to the City, which has been authorized under 7 U.S.C. § 1926, and which is represented by the Purchaser's purchase of the Bonds.

(d) Agency rules: The statutes, rules, regulations and policies of the former FmHA or of the RUS, in effect on the date hereof, which pertain to or which are applicable to the loan and such future statutes, rules, regulations and policies which are not inconsistent with the express provisions hereof.

(e) Loan document provisions: The terms, conditions, requirements and provisions of the loan instruments and loan documents, including but not limited to, loan resolutions, security agreements, assurance agreements, certifications, and equal opportunity agreements, which were signed by the City for the benefit of the United States of America and/or of the RUS, and for the purpose of obtaining the loan.

Section 15.02. Compliance with Agency Rules.

(a) To the extent permitted by State law and if such law is not otherwise preempted by federal statute, regulation or rule, the City shall comply with all agency rules and loan document provisions.

(b) Notwithstanding any other term, condition, requirement or provision contained in this Ordinance, the agency rules and loan document provisions shall, to the extent permitted by State law and if such law is not otherwise preempted by federal statute, regulation or rule, control to the extent of any conflict between the Ordinance and such agency rules or such loan document provisions.

Section 15.03. Limitation on Application of this Section.

(a) The provisions of this Section shall be operative only for so long as any of the Bonds issued under this Ordinance are owned or held by: (1) the United States of America; or (2) any agency thereof.

(b) The provisions of this Section shall not be used to or shall not be construed so as to allow the Ordinance to violate any applicable provision of Texas law to the extent that such law is not otherwise preempted by applicable federal statute, regulation or rule.

## ARTICLE XVI

### PUBLIC MEETING

Section 16.01. Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of TEX. GOV'T CODE ANNOTATED, Chapter 551, as amended.

PASSED AND APPROVED this \_\_\_\_ day of September, 1998.

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Mayor  
Town of Anderson, Texas

ATTEST:

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City Secretary  
Town of Anderson, Texas

[SEAL]

**EXHIBIT "A"**

Paying Agent/Registrar Agreement

**EXHIBIT "B"**

Escrow Agreement