



Location: Executive Boardroom



Date: Wednesday, November 16, 2022



Time: 9:30 am

- LaToya Cantrell, President • Tamika Duplessis, President Pro Tem • Freddie King, Councilmember
- Joseph Peychaud • Robin Barnes • Carol Markowitz
- Alejandra Guzman • Lynes Sloss
- Maurice Sholas • Janet Howard • Nichelle Taylor

Special Board of Directors Meeting Agenda

I. Roll call

II. Action Item

- a) Resolution (R-169-2022) Authorization of The Issuance of Drainage System Limited Tax Bonds, Series 2022

III. Public Comment

IV. Adjournment

SEWERAGE AND WATER BOARD OF NEW ORLEANS
DRAINAGE SYSTEM BOND RESOLUTION
AUTHORIZING THE ISSUANCE OF
DRAINAGE SYSTEM LIMITED TAX BONDS, SERIES 2022

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution authorizing the issuance of Forty-Five Million Dollars (\$45,000,000) of Drainage System Limited Tax Bonds, Series 2022, of the City of New Orleans, Louisiana; setting forth certain terms and provisions of such Bonds; and providing for other matters in connection therewith.

WHEREAS, pursuant to the provisions of Sections 4147 through 4156 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), and other constitutional and statutory authority, the City of New Orleans, Louisiana (the "Issuer" or the "City"), acting through the Sewerage & Water Board of New Orleans (the "Sewerage and Water Board") and the Board of Liquidation, City Debt (the "Board of Liquidation"), has the power and is authorized to issue bonds for drainage purposes payable from the proceeds of a special ad valorem tax for drainage purposes, which was originally authorized pursuant to La. R.S. 33:4147 and an election held on May 16, 1981, to be levied for a period of fifty (50) years, beginning with the year 1982, at a rate of nine (9) mills, which tax is now levied and collected at the rate of seven and six hundredths (7.06) mills (the "Tax"); and

WHEREAS, in accordance with the Act, the Sewerage and Water Board is authorized to issue from time to time, in the name of the Issuer, bonds payable solely out of the Tax and other revenues specified in La. R.S. 33:4149, for drainage purposes for the Issuer; and

WHEREAS, the Sewerage and Water Board desires to authorize the issuance of the Drainage System Limited Tax Bonds (the "Bonds"), in one or more series, which Bonds will be special and limited obligations of the Issuer and will be payable from the proceeds of the Tax; and

WHEREAS, upon delivery of the Bonds herein authorized, the Issuer shall have no other outstanding bonds or other obligations of any kind or nature payable from or enjoying a lien on the aforesaid revenues of the Tax herein pledged; and

WHEREAS, upon the issuance of the Bonds the total outstanding amount of drainage system bonds of the Issuer issued and deemed to be outstanding under the Act, will not exceed the Issuer's statutory limit for bonds payable from the Tax; and

WHEREAS, in anticipation of the sale of the Bonds, and in accordance with the Act, the Sewerage and Water Board desires to adopt this Bond Resolution for the purpose of setting forth certain terms and provisions of the Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Sewerage and Water Board of New Orleans, as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

SECTION 1.01. Definitions. In this Bond Resolution unless a different meaning clearly appears from the context:

"Act" shall mean Sections 4147 through 4156 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

"Board of Liquidation" shall mean the Board of Liquidation, City Debt.

"Board of Liquidation Resolution" shall mean the resolution adopted by the Board of Liquidation on November 16, 2022, authorizing the sale of the Bonds to the Purchaser and setting certain details of the Bonds.

"Bond" or *"Bonds"* shall mean any or all of the Drainage System Limited Tax Bonds, Series 2022 of the Issuer, issued pursuant to the Bond Resolution, in an aggregate amount of Forty-Five Million Dollars (\$45,000,000), whether initially delivered or issued in exchange for, upon transfer of, or *in lieu* of any previously issued Bond.

"Bond Obligation" shall mean, as of any date of computation, the principal amount of the Bonds then Outstanding.

"Bond Register" shall mean the registration books kept by the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as herein provided.

"Bond Resolution" shall mean this bond resolution providing for the issuance of the Bonds.

"Business Day" shall mean a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"City" or *"Issuer"* shall mean the City of New Orleans, Louisiana.

"Co-Bond Counsel" shall mean Foley & Judell, L.L.P. and Auzenne & Associates, LLC, or any attorney or firm of attorneys nationally recognized on the subject of municipal bonds and employed by the Board of Liquidation.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of a preliminary official statement and official statement, if paid by the Board of Liquidation, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of premiums for any insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Sewerage and Water Board or the Board of Liquidation in connection with the original issuance of the Bonds.

"Council" shall mean the Council of the City of New Orleans, Louisiana, the governing authority of the Issuer.

"Defeasance Obligations" shall mean (a) cash or (b) non-callable Government Securities.

"Government Securities" shall mean direct general obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"Interest Payment Date" shall mean June 1 and December 1 of each year, commencing June 1, 2023.

"Outstanding" when used with reference to the Bonds, shall mean, as of any date, all Bonds theretofore issued under the Bond Resolution, except:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds or portions thereof that have been paid or for the payment of which sufficient Defeasance Obligations have been deposited with the Paying Agent in trust for the Owners of such Bonds as provided in Section 9.01 hereof;

(c) Bonds in exchange for or *in lieu* of which other Bonds have been registered delivered pursuant to the Bond Resolution; and

(d) Bonds alleged to have been mutilated, destroyed, lost, or stolen which have been paid as provided in the Bond Resolution or by law.

"Owner" or **"Owners"** shall mean the Person or Persons reflected as registered owners of any of the Bonds on the Bond Register.

"Parity Bonds" shall mean any additional obligations of the Issuer issued pursuant to Article VI.

"Paying Agent" shall mean the Secretary of the Board of Liquidation, or in his or her absence, the acting Secretary, unless a successor Paying Agent shall have been appointed pursuant to the applicable provisions of this Bond Resolution, and thereafter "Paying Agent" shall mean such successor Paying Agent.

"Person" shall mean any natural person, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof, or any other juridical person as may be defined by Louisiana law.

"Purchaser" means DNT Asset Trust, the original owner of the Bonds and a wholly owned subsidiary of the Purchaser Representative.

"Purchaser Representative" means JPMorgan Chase Bank, N.A.

"Record Date" shall mean, with respect to an Interest Payment Date, the fifteenth (15th) calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"State" shall mean the State of Louisiana.

"Sewerage and Water Board" shall mean the Sewerage and Water Board of New Orleans.

"Tax" shall mean the seven and six hundredths (7.06) mills tax (such rate being subject to adjustment from time to time due to reassessment) presently being collected pursuant to La. R.S. 33:4147, effective for the years 1982 through 2031, inclusive, authorized to provide for the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage system, excluding subsurface drainage systems and their appurtenances, which tax was originally authorized at nine (9) mills pursuant to an election held in the Issuer on May 16, 1981.

SECTION 1.02. Rules of Interpretation. In this Bond Resolution, unless the context otherwise requires, (a) words importing the singular include the plural and *vice versa*, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, (c) the title of the offices used in this Bond Resolution shall be deemed to include any other title by which such office shall be known under any subsequent law or

subsequently adopted charter and (d) references to article or section numbers shall be interpreted to refer to the respective article or section in this resolution.

ARTICLE II. AUTHORIZATION, ISSUANCE AND SALE OF BONDS

SECTION 2.01. Authorization and Issuance of Bonds. This Bond Resolution creates a series of Bonds of the Issuer designated as "City of New Orleans, Louisiana, Drainage System Limited Tax Bonds, Series 2022" (provided, however, if the Bonds are to be delivered in a calendar year other than 2022, the series designation shall change accordingly), and provides for the full and final payment of the principal of and interest on all the Bonds.

SECTION 2.02. Authorization and Designation of Bonds. Pursuant to the provisions of the Act, there is hereby authorized the issuance of Forty-Five Million Dollars (\$45,000,000) principal amount of Bonds of the Issuer. The Bonds shall be issued for the purpose of constructing, improving, stabilizing, and extending the drainage system of the City, excluding subsurface drainage systems, and its appurtenances (the "Project"), and (ii) paying costs of issuance associated therewith. The Sewerage and Water Board specifically intends to use proceeds of the Bonds to fund a portion of the costs of the West Power Complex for the benefit of the drainage system.

It is hereby found and determined that upon the issuance of the Bonds the total outstanding amount of bonds of the Issuer secured by the Tax and deemed to be outstanding under the Act will not exceed the Issuer's statutory limit for bonds payable from the Tax.

SECTION 2.03. Bond Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this Bond Resolution shall constitute a contract between the Board of Liquidation and the Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Board of Liquidation shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Bond Resolution.

SECTION 2.04. Pledge of Tax Revenues. The Bonds shall constitute limited obligations of the City, payable solely from the revenues of the Tax. It is recognized that the City is bound under the terms and provisions of law and the Bond Resolution to annually impose and collect the Tax pursuant to the Act and an election held in the City on May 16, 1981. The Board of Liquidation shall annually retain from the revenues derived from the Tax an amount which shall be sufficient to provide for the payment, at or prior to maturity, of the principal of and the interest on the Bonds; and pursuant to the Act, the Tax shall not be reduced below the amount which is sufficient to provide for the payment, at or prior to maturity, of the principal of and the interest on the Bonds, and such revenues shall be applied by the Board of Liquidation, to such purposes. After providing for the payment of the principal and interest of the Bonds and after making such further reservation of revenues derived from the Tax as may be required by the terms hereof or as the Board of

Liquidation, in its discretion, may deem necessary to insure the prompt and regular payment of the principal of and interest on the Bonds, the residue of said revenues shall be used by the Sewerage and Water Board for the purposes set forth in the Act.

SECTION 2.05. Denomination, Date, Maturities and Interest. (a) The Bonds shall be initially issued in the form of a single, fully registered bond, dated the date of delivery thereof, numbered R-1 and in the principal amount of Forty-Five Million Dollars (\$45,000,000). The Bonds shall be in substantially the form attached hereto as **Exhibit B**, with such necessary or appropriate variations, omissions and insertions as are required or permitted by the Act and this Bond Resolution. The Bonds shall bear interest from the dated date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, such interest to be payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2023, at the rate per annum, calculated in the manner, and subject to adjustment as set forth in the Board of Liquidation Resolution.

(b) The Bond shall mature in installments without necessity of notice on December 1 in the years and in the principal amounts set forth below:

<u>Year</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>
2023	\$8,310,000
2024	8,640,000
2025	8,985,000
2026	9,345,000
2027*	9,720,000

* Final Maturity

(c) The Bonds are subject to prepayment prior to maturity at the option of the Sewerage and Water Board and the Board of Liquidation, on or after December 1, 2023, at the unpaid principal amount called for redemption, plus accrued interest thereon to the date of redemption.

Official notice of such call of all or any portion of the Bonds for optional redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails, or by accepted means of electronic communication, not less than twenty (20) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent. The notice provided for any optional redemption may provide that such optional redemption is conditioned upon the availability of funds therefor.

SECTION 2.06. Payment of Principal and Interest. The principal of and interest on the Bonds shall be payable by check of the Paying Agent mailed to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register or, in the discretion of the Paying Agent, by wire from the Paying Agent or the Issuer delivered to the Owner

(determined as of the close of business on the Record Date) in accordance with wiring instructions provided by the Owner, provided, however, that principal on any Bond at maturity or upon optional redemption in full (but not in part) shall be payable at the designated office of the Paying Agent upon presentation and surrender thereof. Each Bond delivered under this Bond Resolution upon transfer of, in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

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

SECTION 2.07. Paying Agent's Registration. No Bond shall be entitled to any right or benefit under the Bond Resolution, or be valid or obligatory for any purpose unless there appears on such Bond a certificate of registration, substantially in the form provided in the bond form attached hereto, executed by the Paying Agent by manual signature.

SECTION 2.08. Sale of the Bonds. The Sewerage and Water Board and the City by the Board of Liquidation hereby accepts the offer of DNT Asset Trust for the Bonds, which offer is attached as **Exhibit A** hereto. The President, President *pro tempore* and the Executive Director of the Sewerage and Water Board are each hereby authorized to execute any and all instruments, certificates, documents, and papers relating to the issuance, sale and delivery of the Bonds, in connection with the sale of the Bonds in such form as may be approved by said officers upon the advice of Co-Bond Counsel. As a condition to the delivery of the Bonds to the Purchaser, the Purchaser will execute a standard letter, acceptable to it and the Sewerage and Water Board, the City, and the Board of Liquidation, indicating it has conducted its own analysis with respect to the Bonds and is extending credit in the form of the Bonds as a vehicle for making a commercial loan to the Issuer.

SECTION 2.09. Authorized Officers. The Executive Director and the President and the President *pro tempore*, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Bond Resolution.

ARTICLE III. GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 3.01. Exchange of Bonds; Persons Treated as Owners. The Paying Agent shall be the registrar for the Bonds, and the Paying Agent shall establish and keep the Bond Register at its principal corporate trust office. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the Board of

Liquidation or by the Owners (or a designated representative thereof) of 15% of the Bond Obligation.

All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and like aggregate principal amount. At the option of an Owner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Owner making the exchange shall be entitled to receive.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the Person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under the Bond Resolution as the Bonds surrendered.

Prior to due presentment for registration of transfer of any Bond, the Issuer, the Board of Liquidation and the Paying Agent, and any agent of the Issuer, the Board of Liquidation or the Paying Agent may deem and treat the Person in whose name any Bond is registered as the absolute Owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 3.02. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Board of Liquidation may in its discretion adopt a resolution and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly cancelled Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Board of Liquidation and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Board of Liquidation and the Paying Agent, (ii) giving to the Board of Liquidation and the Paying Agent an indemnity bond in favor of the Board of Liquidation and the Paying Agent in such amount as the Board of Liquidation may require, (iii) complying with such other reasonable regulations and conditions as the Board of Liquidation may prescribe and (iv) paying such expenses as the Board of Liquidation and the Paying Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation pursuant to Section 3.04 hereof. If any Bond shall have matured or be about to

mature, instead of issuing a substitute Bond, the Board of Liquidation may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except that it shall bear on its face the following additional clause:

"This bond is issued to replace a lost, cancelled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bond may be signed by the facsimile signatures of the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds may be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment as provided herein with respect to all other Bonds hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those conferred by the original Bonds.

SECTION 3.03. Preparation of Definitive Bonds; Temporary Bonds. Until the definitive Bonds are prepared, the Board of Liquidation may execute, in the same manner as is provided in Section 3.05, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations, one or more temporary typewritten Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in authorized denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds.

SECTION 3.04. Cancellation of Bonds. All Bonds paid either at or before maturity, together with all Bonds purchased by the Board of Liquidation, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Board of Liquidation an appropriate certificate of cancellation.

SECTION 3.05. Execution. The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of the Mayor of the Issuer, and countersigned by the manual or facsimile signatures of (a) the President or Vice-President of the Board of Liquidation, (b), the Secretary or Assistant Secretary of the Board of Liquidation and (c) the President of the Sewerage and Water Board, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the Person who signed or sealed such Bonds had not ceased to hold such office. Said officers shall, by the execution of

the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds, and the Sewerage and Water Board, the Board of Liquidation and the Issuer may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bond, notwithstanding that at the date of such Bond such Person may not have held such office or that at the time when such Bond shall be delivered such Person may have ceased to hold such office.

SECTION 3.06. Registration by Paying Agent. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under the Bond Resolution unless and until a certificate of registration on such Bond shall have been duly executed on behalf of the Paying Agent by a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under this Bond Resolution.

ARTICLE IV. SINKING FUND; PAYMENT OF BONDS

SECTION 4.01. Sinking Fund. (a) For the payment of the principal of, and interest on the Bonds and any Parity Bonds, the Board of Liquidation will maintain a special fund, to be held by the regularly designated fiscal agent of the Board of Liquidation (the "Sinking Fund"), into which the Board of Liquidation will deposit the proceeds of the Tax described in Section 2.03 hereof. The Board of Liquidation shall be responsible for transferring from the Sinking Fund to the Paying Agent on or before each Interest Payment Date, funds fully sufficient to pay promptly the principal and interest falling due on such date. As provided by the Act, after providing for the payment of the principal and interest of the Bonds and after making such further reservation of revenues derived from the Tax as may be required by the terms hereof or as the Board of Liquidation, in its discretion, may deem necessary to insure the prompt and regular payment of the principal of and interest on the Bonds, the residue of said revenues shall be used by the Sewerage and Water Board for the purposes then set forth in La. R.S. 33:4147.

(b) All moneys deposited with the regularly designated fiscal agent bank or banks of the Board of Liquidation or the Paying Agent under the terms of this Bond Resolution shall constitute sacred funds for the benefit of the Owners of the Bonds and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

(c) All or any part of the moneys in the Sinking Fund shall, at the written request of the Board of Liquidation, be invested in accordance with the laws of the State, in which event all income derived from such investments shall be added only to the Sinking Fund.

SECTION 4.02. Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

**ARTICLE V.
APPLICATION OF PROCEEDS OF BONDS**

SECTION 5.01. Application of Proceeds of the Bonds. The proceeds derived from the sale of the Bonds shall be deposited by the Board of Liquidation in a special fund, which may but is not required to be a separate bank account, to be known as the "Drainage System Limited Tax Bonds, Series 2022, Construction Fund" and shall be used solely for the purposes set forth herein. Funds in said Construction Fund shall be made available by the Board of Liquidation to the Sewerage and Water Board in accordance with the Act.

**ARTICLE VI.
PARITY BONDS**

SECTION 6.01. Issuance of Parity Bonds. The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenues of the Tax having priority over or parity with the Bonds, except that Parity Bonds may hereafter be issued under the following conditions:

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

(b) Parity Bonds may be issued on and enjoy a full and complete parity with the Bonds with respect to the Tax, provided that the combined principal and interest requirement for any calendar year on the Bonds, any outstanding Parity Bonds, and the proposed Parity Bonds does not exceed 75% of the revenues estimated to be realized from the levy of the Tax in the year in which such Parity Bonds are issued; it being provided, however, that the proceeds of said Parity Bonds are to be expended only for the purposes for which the Tax is levied, refunding the Bonds or establishing debt service reserves for the security of the Bonds and the Parity Bonds.

(c) The Issuer, the Sewerage and Water Board and the Board of Liquidation must be in full compliance with all covenants and undertakings in connection with the Bonds and there must be no delinquencies in payments required to be made in connection therewith.

(d) Junior and subordinate bonds may be issued without restriction.

**ARTICLE VII.
SUPPLEMENTAL BOND RESOLUTIONS**

SECTION 7.01. Supplemental Resolutions Effective Without Consent of Owners. In addition to the Board of Liquidation Resolution, a resolution supplemental hereto may be adopted by the Sewerage and Water Board or the Board of Liquidation, for any one or more of the following purposes and at any time from time to time, which, upon the filing with the Paying Agent of a certified copy thereof, but without any consent of Owners, shall be fully effective in accordance with its terms:

- (a) to add to the covenants and agreements of the Issuer, the Sewerage and Water Board or the Board of Liquidation in the Bond Resolution other covenants and agreements which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;
- (b) to add to the limitations and restrictions in the Bond Resolution other limitations and restrictions to be observed by the Issuer or the Board of Liquidation which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;
- (c) to surrender any right, power or privilege reserved to or conferred upon the Issuer, the Sewerage and Water Board, or the Board of Liquidation by the terms of the Bond Resolution, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer, the Sewerage and Water Board, or the Board of Liquidation contained in the Bond Resolution;
- (d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of the Bond Resolution in a manner not contrary to or inconsistent with the Bond Resolution as theretofore in effect;
- (e) to insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; or
- (f) to make any other amendment or change which does not materially adversely affect the interests of the Owner of any Bond.

SECTION 7.02. Supplemental Resolutions Effective With Consent of Owners. Except as provided in Section 7.01, any modification or amendment of the Bond Resolution or of the rights and obligations of the Sewerage and Water Board, Board of Liquidation and the Issuer and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental resolution, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of Bonds the consent of the Owner of

which is required to effect any such modification or amendment, or change the obligation of the Issuer to levy and collect taxes for the payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto. For the purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same adversely affects or diminishes the rights of the Owners of said Bonds.

A supplemental resolution, upon the filing with the Paying Agent of a certified copy thereof, shall become fully effective in accordance with its terms.

ARTICLE VIII. EVENTS OF DEFAULT

SECTION 8.01. Events of Default. If one or more of the following events ("Events of Default") shall happen, that is to say,

- (a) if default shall be made in the due and punctual payment of the principal of any Bond or installment thereof when and as the same shall become due and payable, whether at maturity or otherwise; or
- (b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or
- (c) if default shall be made in the performance or observance of any other of the covenants, agreements or conditions in the Bond Resolution, any supplemental resolution or in the Bonds contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the Board of Liquidation by any Owner; or
- (d) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default the Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made pursuant to the Board of Liquidation Resolution or otherwise under Louisiana law.

ARTICLE IX. MISCELLANEOUS

SECTION 9.01. Defeasance. (a) If the Issuer shall pay or cause to be paid to the Owners of all Bonds then Outstanding, the principal and interest to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, then the covenants, agreements and other obligations of the Sewerage and Water Board, the Board of Liquidation and the Issuer to the Owners shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request

of the Board of Liquidation, execute and deliver to the Board of Liquidation all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Board of Liquidation all moneys, securities and funds held by them pursuant to the Bond Resolution which are not required for the payment of Bonds not theretofore surrendered for such payment.

(b) Bonds principal or interest installments for the payment of which money or Defeasance Obligations shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise) at the due date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION 9.02. Arbitrage. The Sewerage and Water Board, on behalf of the Issuer, covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Sewerage and Water Board, on behalf of the Issuer, further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds".

SECTION 9.03. Evidence of Signatures of Owners and Ownership of Bonds. (a) Any request, consent, revocation of consent or other instrument which the Bond Resolution may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any Person of the Bonds shall be sufficient for any purpose of the Bond Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(b) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgements of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly

sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;

(c) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books of the Paying Agent.

(d) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Board of Liquidation or the Paying Agent in accordance therewith.

SECTION 9.04. Parties Interested Herein. Nothing in the Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any Person or entity, other than the Issuer, the Sewerage and Water Board, the Board of Liquidation, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of the Bond Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Bond Resolution contained by and on behalf of the Issuer, the Sewerage and Water Board, and the Board of Liquidation shall be for the sole and exclusive benefit of the Issuer, the Sewerage and Water Board, the Board of Liquidation, the Paying Agent and the Owners of the Bonds.

Notwithstanding the foregoing, it is expressly provided that any action herein required or permitted to be taken by the Purchaser may be taken by the Purchaser Representative, and any action herein required or permitted to be taken by any Owner may be taken by the Purchaser Representative so long as the Purchaser is then an Owner.

SECTION 9.05. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Bond Resolution against any member of the Sewerage and Water Board, the Board of Liquidation or officer of the Sewerage and Water Board, the Board of Liquidation or any Person executing the Bonds.

SECTION 9.06. Successors and Assigns. Whenever in the Bond Resolution the Issuer, the Sewerage and Water Board or the Board of Liquidation is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in the Bond Resolution contained by or on behalf of the Issuer, the Sewerage and Water Board or the Board of Liquidation shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 9.07. Governing Law. The Bond Resolution shall be governed by and interpreted in accordance with the laws of the State of Louisiana.

SECTION 9.08. Severability. In case any one or more of the provisions of the Bond Resolution or of the Bonds issued thereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Bond Resolution or of the

Bonds, but the Bond Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of the Bond Resolution which validates or makes legal any provision of the Bond Resolution or the Bonds which would not otherwise be valid or legal shall be deemed to apply to the Bond Resolution and to the Bonds.

SECTION 9.09. Publication of Bond Resolution. This Bond Resolution shall be published one time in the official journal of the Issuer.

SECTION 9.10. Execution of Documents. In connection with the issuance and sale of the Bonds, the President, the President *pro tempore*, and/or the Secretary-Treasurer and/or the Executive Director of the Sewerage and Water Board are each authorized, empowered and directed to execute on behalf of the Sewerage and Water Board such documents, certificates and instruments as they may deem necessary, upon the advice of Co-Bond Counsel, to effect the transactions contemplated by the Bond Resolution, the signatures of the said officers on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 9.11. Notices. Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed (a) if to the Sewerage and Water Board, at 625 St. Joseph Street, New Orleans, Louisiana 70165 (Attention: Executive Director) or (b) if to the Board of Liquidation, at Room 8E17, City Hall, 1300 Perdido Street, New Orleans, Louisiana 70112, Attention: Tracy D. Madison, Secretary). The Board and the Board of Liquidation may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed.

SECTION 9.12. Counterparts. This Bond Resolution may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[Remainder of page left intentionally blank]

This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Mayor LaToya Cantrell	_____	_____	_____	_____
Robin Barnes	_____	_____	_____	_____
Tamika Duplessis, Ph. D	_____	_____	_____	_____
Alejandra Guzman	_____	_____	_____	_____
Janet Howard	_____	_____	_____	_____
Freddie King III	_____	_____	_____	_____
Carol Markowitz	_____	_____	_____	_____
Joseph Peychaud	_____	_____	_____	_____
Lynes R. "Poco" Sloss	_____	_____	_____	_____
Maurice G. Sholas	_____	_____	_____	_____
Nichelle Taylor	_____	_____	_____	_____

And the resolution was declared adopted on this 16th day of November, 2022.

* * * * *

EXHIBIT A
to Bond Resolution

OFFER TO PURCHASE

DNT Asset Trust
Bid Sheet

**City of New Orleans, Louisiana – Sewerage and Water Board of New Orleans
Drainage System Limited Tax Bond, Series 2022**

*This proposal is intended only as an outline of certain indicative terms of the facility described herein (the “Facility”) and does not purport to be an all-inclusive summary of the terms, conditions, and other provisions that would be contained in definitive documentation for the Facility. **This proposal is non-binding, is not a commitment and is subject to final credit approval, notwithstanding the designation of a “Bid Expiration Date” below, which is provided for purposes of establishing a date by which this proposal will be deemed to have been withdrawn, unless the bid is awarded to the Purchaser and closing occurs by the dates and times set forth below, or as otherwise extended, as provided below.***

Reference is made to your “Request for Proposals” dated October 18, 2022 describing the City of New Orleans (the “Issuer” or “City”) and its Drainage System Limited Tax Bonds, Series 2022.

Rates are indicative as of November 15, 2022. Bid must be awarded to the Purchaser on November 16, 2022 and close by December 7, 2022 (“Bid Expiration Date”), which may be extended within the sole discretion of the Purchaser, subject to modifications in the proposal terms, including pricing, as determined by Purchaser.

Purchaser: DNT Asset Trust

Bondholder Representative: JPMorgan Chase Bank, N.A.

Interest Rate: The Facility would bear interest at a fixed rate per annum as set forth below.

Tax Status	Estimated Amount	Optional Redemption Date	Indicative Rate
Non-Bank Qualified Tax-Exempt	\$45,000,000	Non-Callable	3.77%
Non-Bank Qualified Tax-Exempt	\$45,000,000	December 1, 2023	4.09%

The above rate is indicative as of November 15, 2022 and subject to daily market fluctuation. If awarded the bid (evidenced by an Authorizing Resolution), the rate may be fixed based on then-current market conditions after the City’s execution of a rate lock letter and commitment letter satisfactory to the Purchaser.

Interest Rate Terms: (1) Interest will begin on the date of funding.
(2) Interest will be calculated on a 30-day month and a 360-day year.
(3) Optional Redemption (for Callable option above) at 100% of par plus accrued interest on or after December 1, 2023

Facility Amount: \$45,000,000

Purpose of Facility: The Facility is being offered for the purpose of (i) constructing, improving, stabilizing, and extending the drainage system of the City (excluding subsurface drainage systems) and its appurtenances, and (ii) paying costs of issuance.

Source of Repayment/ Security: The Facility shall be secured by and payable from a senior parity pledge of the City’s ad valorem tax of 7.06 mills (such rate being subject to adjustment from time to time due to reassessment) (the “Tax”). The Tax, authorized for the benefit of the Sewerage and Water Board of New Orleans at a rate of 9 mills pursuant to La. R. S. 33:4147 and an election held on May 16, 1981, is to be levied for a period of 50-years, beginning with the year 1982.

Facility Maturity: December 1, 2027

Amortization/ Payment Terms: Interest would be payable Semi-annually on each June 1 and December 1, commencing June 1, 2023.

DNT Asset Trust Bid Sheet

Principal would be payable Annually on each December 1 and based on the preliminary amortization schedule outlined below.

Maturity (December 1)	Principal Amount*
2023	\$8,310,000
2024	8,640,000
2025	8,985,000
2026	9,345,000
2027	9,720,000

* Average Life: 3.078 years*

Default Rate: The then applicable Interest Rate + 4.00%

Tax Gross-Up: If the interest payable on the Facility becomes taxable for any reason, the interest rate would increase from the effective date of such taxability to a taxable equivalent rate.

The Purchaser would not require any adjustment to the Interest Rate for (i) changes to the regulatory environment or required regulatory capital, or (ii) changes to the Purchaser's marginal corporate tax rate or (iii) changes due to a decline in the Issuer's public bond rating. Any adjustment to the Interest Rate would solely be related to an event of taxability or an Event of Default as provided above.

Bank Counsel: The Issuer is to pay all legal fees of the Purchaser. Legal fees are estimated to be \$15,000 based on the proposed structure of the Facility. Matthew Kern of Jones Walker, LLP would be engaged to represent the Purchaser. Matthew's email address is mkern@joneswalker.com

Funding: The Facility will be fully funded at closing.

No Advisory or Fiduciary Role: Issuer acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between Issuer and Purchaser and its affiliates, (ii) in connection with such transaction, the Purchaser and its affiliates are acting solely as a principal and not as a fiduciary or agent of the Issuer, nor as an advisor to the Issuer, including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and in related rules (17 CFR Parts 200, 240, 249) and that the transaction would be within the Purchaser exemption in such rules, (iv) Purchaser and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not Purchaser, or any affiliate of Purchaser, has provided or is currently providing other services, including advisory services, to the Issuer on other matters), (v) Bank and its affiliates have financial and other interests that differ from those of the Issuer, and (vi) Issuer has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

Conditions:

- 1) Purchaser will require a single term Facility with mandatory annual sinking fund redemption maturities. Purchaser shall purchase the debt instrument ("Bond") at 100% of Par as indicated in the RFP. The mandatory sinking fund redemptions shall be in the amounts corresponding to the annual principal maturities set forth in the above payment terms.
- 2) Physical presentment of the Bond will not be required for payment of any principal or interest on the Facility.

DNT Asset Trust
Bid Sheet

- 3) Any changes in the amortization schedule or amounts are subject to Purchaser approval and must be communicated prior to bid award. A material change in the aggregate principal amount of the Facility, plus or minus, will constitute a re-pricing event and the interest rate will be adjusted.
 - 4) The Purchaser shall be the purchaser/sole bondholder. **THIS IS AN ALL OR NOTHING PROPOSAL.**
 - 5) Purchaser's bid is subject to approval of the documentation in the Purchaser's reasonable discretion and that of its counsel.
 - 6) Purchaser will take physical delivery of the Bond at closing.
 - 7) The Facility shall not be rated by any rating agency, shall not be initially registered to participate in DTC, shall not contain a CUSIP number and shall not be marketed during any period in which the Facility is held by the Purchaser or an affiliate of the Purchaser pursuant to any Official Statement, Offering Memorandum, or any other disclosure documentation.
 - 8) The Facility will be tax-exempt and an opinion from bond counsel stating that the bonds are exempt from Federal and State taxation shall be delivered to Purchaser. The Opinion must be addressed to the Purchaser or separate reliance letter issued to the Purchaser.
 - 9) The Purchaser will not serve as paying agent or bond registrar.
 - 10) The Issuer will covenant to provide the Purchaser, if such information is not otherwise publicly available through the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board, the audited annual financial statements of the Issuer within 240-days of its fiscal-year end.
 - 11) No material adverse change in the condition (financial or otherwise), operations, performance or properties of the Issuer from the date of this letter shall have occurred, and (b) Purchaser has not become aware of any circumstances affecting the Issuer or the transactions contemplated hereby which are materially and adversely inconsistent with information provided to Purchaser prior to the date hereof.
- .

Disclosure of Final Facility Documentation:

As a best practice to maintain transparency, and in order to comply with any mandatory disclosure requirements relative to the transaction under applicable law, including 17 CFR 240.15-c-12, final Facility documentation may be posted by the Issuer on a national public bond market repository provided that certain information be redacted by the Issuer as directed by the Purchaser, to the extent consistent with applicable law. Items that should be redacted include signatures/names, account numbers, wire transfer and payment instructions and any other data that could be construed as sensitive information.

Bank Contacts:

Greg Rattler
Managing Director
201 Saint Charles Ave., Floor 28
New Orleans, LA 70170
Work: (504) 623-1857
greg.rattler@jpmorgan.com

George Pena
Vice President
1455 16th Street, Suite 407
Denver, CO, 80202
Work: (303) 244-3113
george.a.pena@jpmorgan.com

By: *Greg Rattler*
Greg Rattler
Managing Director

By: *George Pena*
George Pena
Vice President

EXHIBIT B
to Bond Resolution

FORM OF BOND

NO. R-1

Principal Amount: \$45,000,000

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ORLEANS

CITY OF NEW ORLEANS, LOUISIANA
DRAINAGE SYSTEM LIMITED TAX BOND, SERIES 2022

<u>Bond Date</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>
[December 7], 2022	_____ %	December 1, 2027

The **CITY OF NEW ORLEANS, LOUISIANA** (the "City"), for value received, promises to pay, but only from the sources and as hereinafter provided, to

REGISTERED OWNER: DNT ASSET TRUST

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth above, to the extent not already paid, together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, payable on June 1 and December 1 of each year, commencing June 1, 2023 (each an "Interest Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount is paid, calculated on the basis of a 360-day year consisting of twelve 30-day months, unless this Bond shall have been previously called for redemption and payment shall have been duly made or provided for. The principal of this Bond, upon maturity or redemption, is payable at the office of the Secretary of the Board of Liquidation, City Debt (the "Board of Liquidation"), or in his or her absence, the acting Secretary, in the City of New Orleans, Louisiana, or successor thereto (the "Paying Agent") upon presentation and surrender hereof, and interest on this Bond will be payable by the Paying Agent by check mailed by the Paying Agent to the registered owner (determined as of the close of business on the 15th calendar day of the month next preceding said interest payment date, whether or not such day is a Business Day) at the address as shown on the registration books of the Paying Agent.

This Bond represents the entire authorized issue of Forty-Five Million Dollars (\$45,000,000) of City of New Orleans Drainage System Limited Tax Bonds, Series 2022 (the "Bond"), said Bond having been issued in the name of the City, acting by and through the Sewerage and Water Board of New Orleans (the "Sewerage and Water Board"), for the purpose of (i)

constructing, improving, stabilizing, and extending the drainage system of the City, excluding subsurface drainage systems, and its appurtenances and (ii) paying costs of issuance associated therewith. The Bond has been issued pursuant to a Bond Resolution adopted by the Sewerage and Water Board on [November 16, 2022], as supplemented by resolution adopted by the Board of Liquidation on [November 16, 2022] (collectively, the "Resolution"), under the authority conferred by Sections 4147 through 4156, inclusive, of Title 33, of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act").

This Bond is secured by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of a seven and six hundredths (7.06) mills tax (such rate being subject to adjustment from time to time due to reassessment) presently being collected pursuant to La. R.S. 33:4147, effective for the years 1982 through 2031, inclusive, authorized to provide for the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage system, excluding subsurface drainage systems and their appurtenances, which tax was originally authorized at nine (9) mills pursuant to an election held in the Issuer on May 16, 1981 (the "Tax"). For a more complete statement of the Tax revenues from which and conditions under which this Bond is issued, reference is hereby made to the Resolution (hereinafter defined). The Sewerage and Water Board, in the Resolution, has also entered into certain other covenants and agreements with the registered owner of this Bond, including provisions for the issuance of additional bonds payable from the proceeds of the Tax on a parity with this Bond for the terms of which reference is made to the Resolution.

This Bond shall mature in installments without necessity of notice on December 1 in the years and in the principal amounts set forth below:

<u>Year</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>
2023	\$8,310,000
2024	8,640,000
2025	8,985,000
2026	9,345,000
2027*	9,720,000

* Final Maturity

The Bonds are subject to prepayment prior to maturity at the option of the Sewerage and Water Board and the Board of Liquidation, on or after December 1, 2023, at the unpaid principal amount called for redemption, plus accrued interest thereon to the date of redemption.

Official notice of such call of all or any portion of this Bond for optional redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails, or by accepted means of electronic communication, not less than twenty (20) days prior to the redemption date addressed to the registered owner of this Bond to be redeemed at his address as

shown on the registration books of the Paying Agent. The notice provided for any optional redemption may provide that such optional redemption is conditioned upon the availability of funds therefor.

For a more complete statement of the source of moneys from which and conditions under which this Bond is payable, a statement of the conditions under which additional bonds may hereafter be issued on a parity with the Bonds, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which the pledges and covenants of the City, the Sewerage and Water Board and the Board of Liquidation may be discharged and this Bond no longer be deemed outstanding, reference is hereby made to the Resolution. This Bond and the issue of which it forms a part do not constitute a debt of the City, but are payable as to principal and interest, solely out of revenues of the Tax pledged for that purpose.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution (herein defined) until the certificate of registration hereon shall have been signed by the Paying Agent.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State of Louisiana to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time form and manner as prescribed by law, and the amount of this Bond and the issue of which it forms a part, together with all other obligations or indebtedness of the City and the Sewerage and Water Board, does not exceed any constitutional, statutory or other limitation of indebtedness.

IN WITNESS WHEREOF, the City of New Orleans, Louisiana has caused this Bond to be executed in its name by the facsimile signatures of its Mayor, the President of the Sewerage and Water Board of New Orleans, and the President and Secretary of the Board of Liquidation, City Debt, and a facsimile of its corporate seal to be imprinted hereon.

CITY OF NEW ORLEANS, LOUISIANA

President,
Board of Liquidation, City Debt

Mayor,
City of New Orleans

Secretary,
Board of Liquidation, City Debt

President
Sewerage and Water Board of New Orleans

(SEAL)

* * * * *

PAYING AGENT'S CERTIFICATE OF REGISTRATION

This Bond is the Bond referred to in the within-mentioned Resolution.

Secretary, Board of Liquidation, City Debt,
as Paying Agent

Date of Registration: [December 7], 2022 By: _____
Authorized Officer

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Assignor hereby sells, assigns and transfers this Bond and all rights thereunder unto the following Assignee:

Name: _____

Address: _____

_____,
who by its execution below hereby certifies to the Paying Agent that (a) it is (i) an affiliate of the original owner of this Bond, or (ii) a bank, or entity directly or indirectly controlled by a bank, or under common control with a bank, other than a broker dealer or municipal securities dealer, which certifies that it is a "qualified institutional buyer" as defined in Rule 144A of the Securities Act of 1933, as amended, and (b) it consents to the terms of the Purchaser Letter executed by the original owner of this Bond as referenced in the Resolution.

_____, Assignee _____, Assignor

By: _____
Its: _____

By: _____
Its: _____

Date: _____

* * * * *

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Executive Director of the Sewerage and Water Board of New Orleans (the "Board"), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by the Sewerage and Water Board on November 16, 2022, authorizing the issuance of Forty-Five Million Dollars (\$45,000,000) of Drainage System Limited Tax Bonds, Series 2022, of the City of New Orleans, Louisiana; setting forth certain terms and provisions of such Bonds and providing with respect to the rights of the owners thereof; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 16th day of November, 2022.

Executive Director