

1 EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT FOR THE SALE OF
2 THE BONDS TO THE UNDERWRITER; PROVIDING FOR THE COLLECTION OF
3 CERTAIN GROSS RECEIPTS TAX REVENUES; APPROVING CERTAIN OTHER
4 AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE BONDS;
5 RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS;
6 REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND RELATED
7 MATTERS.

8
9 Capitalized terms used in the following preambles have the same meaning as set forth in
10 Section 1 of this Ordinance unless the context requires otherwise.

11 WHEREAS, the City of Santa Fe, New Mexico (the “City”) is a legally created,
12 established, organized and existing incorporated charter municipality with home-rule powers under
13 the constitution and laws of the State of New Mexico; and

14 WHEREAS, pursuant to Section 7-1-6.4 NMSA 1978 the City receives monthly State-
15 Shared Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue
16 equal to one and two hundred and twenty-five thousandths percent (1.225%) of the gross receipts
17 of persons engaging in business within the City, as determined and adjusted under the Gross
18 Receipts and Compensating Tax Act, Chapter 7, Article 9 NMSA 1978; and

19 WHEREAS, pursuant to the Municipal Local Option Gross Receipts Taxes Act, Sections
20 7-19D-1 through 7-19D-18, NMSA 1978, and the One-Half Percent Municipal Gross Receipts Tax
21 Ordinance, the City has imposed a municipal gross receipts tax on persons engaging in business in
22 the City in the amount of one-half of one percent (0.50%) and receives monthly One-Half Percent
23 Municipal Gross Receipts Tax Revenues from the New Mexico Department of Taxation and
24 Revenue, as determined and adjusted under the Municipal Local Option Gross Receipts Taxes Act.
25 The One-Half Percent Municipal Gross Receipts Tax was imposed by City Ordinance No. 1981-

1 45 and is dedicated for capital improvements to City facilities and street and road construction and
2 reconstruction as authorized by the Municipal Local Option Gross Receipts Taxes Act. Other
3 increments of Municipal Local Option Gross Receipts Tax are imposed by the City which are not
4 pledged for payment of Parity Superior Obligations, Subordinate Lien Obligations or Super
5 Subordinate Obligations; and

6 **WHEREAS**, pursuant to Section 7-19D-11 NMSA 1978 and City Ordinance No. 1993-
7 21, the City has imposed an infrastructure gross receipts tax on persons engaging in business in the
8 City and receives monthly distributions of Infrastructure Gross Receipts Tax Revenues from the
9 New Mexico Department of Taxation and Revenue equal to 1/16th of one percent (0.0625%) of the
10 gross receipts of persons engaging in business within the City, as determined and adjusted under
11 the Municipal Local Option Gross Receipts Taxes Act and the Tax Administration Act. The
12 Infrastructure Gross Receipts Tax is dedicated for purposes authorized by Section 7-19D-11 NMSA
13 1978; and

14 **WHEREAS**, pursuant to Section 7-19D-10 NMSA 1978, and City Ordinance No. 1993-
15 20, the City has imposed an environmental services gross receipts tax on persons engaging in
16 business in the City and receives monthly distributions of Environmental Services Gross Receipts
17 Tax Revenues from the New Mexico Department of Taxation and Revenue equal to 1/16th of one
18 percent (0.0625%) of the gross receipts of persons engaging in business within the City, as
19 determined and adjusted under the Municipal Local Option Gross Receipts Taxes Act and the Tax
20 Administration Act. The Environmental Services Gross Receipts Tax is dedicated for purposes
21 authorized by Section 7-19D-10 NMSA 1978; and

22 **WHEREAS**, the Environmental Services Gross Receipts Tax Revenues are not pledged to
23 the repayment of the Bonds; and

24 **WHEREAS**, pursuant to Ordinance No. 2010-26, passed and adopted by the Governing
25 Body on November 10, 2010, the City issued its “City of Santa Fe, New Mexico Subordinate Lien

1 Gross Receipts Tax Refunding Revenue Bonds, Series 2010B” (herein the “Series 2010B Bonds”)
2 in an aggregate principal amount of \$10,490,000, payable from and constituting a subordinate (but
3 not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half
4 Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax
5 Revenues (of which \$4,860,000 of such Series 2010B Bonds remains outstanding); and

6 **WHEREAS**, pursuant to Ordinance No. 2012-7, passed and adopted by the Governing
7 Body on January 25, 2012, the City issued its “City of Santa Fe, New Mexico Gross Receipts Tax
8 Improvement and Refunding Revenue Bonds, Series 2012A” (herein the “Series 2012A Bonds”)
9 in an aggregate principal amount of \$32,725,000, payable from and constituting a first (but not an
10 exclusive first) lien on the State-Shared Gross Receipts Tax update Revenues, the One-Half Percent
11 Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax Revenues (of
12 which \$10,735,000 of such Series 2012A Bonds remain outstanding); and

13 **WHEREAS**, pursuant to Ordinance No. 2012-6, passed and adopted by the Governing
14 Body on January 25, 2012, the City issued its “City of Santa Fe, New Mexico Gross Receipts Tax
15 (Subordinate Lien)/Wastewater Systems Refunding Revenue Bonds, Series 2012B” (herein the
16 “Series 2012B Bonds”) in an aggregate principal amount of \$14,280,000 , payable from and
17 constituting a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross
18 Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues, the
19 Environmental Services Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax
20 Revenues and a first (but not an exclusive first) lien on the Wastewater System Revenues (of which
21 \$1,960,000 of such Series 2012B Bonds remain outstanding); and

22 **WHEREAS**, pursuant to Ordinance No. 2013-19, passed and adopted by the Governing
23 Body on May 8, 2013, the City issued its “City of Santa Fe, New Mexico Subordinate Lien Gross
24 Receipts Tax Refunding Revenue Bonds, Series 2013B” (herein the “Series 2013B Bonds”) in an
25 aggregate principal amount of \$13,780,000, payable from and constituting a subordinate (but not

1 an exclusive subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half
2 Percent Municipal Gross Receipts Tax Revenues, and the Infrastructure Gross Receipts Tax
3 Revenues (of which \$11,245,000 of such Series 2013B Bonds remain outstanding); and

4 **WHEREAS**, pursuant to Ordinance No. 2014-27, passed and adopted by the Governing
5 Body on August 27, 2014, the City issued its “City of Santa Fe, New Mexico Gross Receipts Tax
6 Improvement Revenue Bonds, Series 2014” (herein the “Series 2014 Bonds”) in an aggregate
7 principal amount of \$15,460,000, payable from and constituting a first (but not an exclusive first)
8 lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross
9 Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$14,615,000
10 of such Series 2014 Bonds remain outstanding); and

11 **WHEREAS**, pursuant to Ordinance No. 2016-21, passed and adopted by the Governing
12 Body on May 25, 2016, as supplemented by Resolution No. 2016-50 passed and adopted by the
13 Governing Body on June 23, 2016, the City issued its “City of Santa Fe, New Mexico Senior Lien
14 Gross Receipts Tax Refunding Revenue Bonds, Series 2016A” (herein the “Series 2016A Bonds)
15 in an aggregate principal amount of \$6,700,000, payable from and constituting a first (but not an
16 exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent
17 Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of
18 which \$2,140,000 of such Series 2016A Bonds remain outstanding); and

19 **WHEREAS**, pursuant to Ordinance No. 2016-21, passed and adopted by the Governing
20 Body on May 25, 2016, as supplemented by Resolution No. 2016-50 passed and adopted by the
21 Governing Body on June 23, 2016, the City issued its “City of Santa Fe, New Mexico Senior Lien
22 Gross Receipts Tax Refunding Revenue Bonds, Series 2016B” (herein the “Series 2016B Bonds)
23 in an aggregate principal amount of \$21,900,000, payable from and constituting a first (but not an
24 exclusive first) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent
25 Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of

1 | which \$10,225,000 of such Series 2016B Bonds remain outstanding); and

2 | **WHEREAS**, pursuant to Ordinance No. 2016-21, passed and adopted by the Governing
3 | Body on May 25, 2016, as supplemented by Resolution No. 2016-50 passed and adopted by the
4 | Governing Body on June 23, 2016, the City issued its “City of Santa Fe, New Mexico Subordinate
5 | Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2016C” (herein the “Series 2016C
6 | Bonds) in an original aggregate principal amount of \$9,480,000, payable from and constituting a
7 | subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax
8 | Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure
9 | Gross Receipts Tax Revenues (of which \$475,000 of such Series 2016C Bonds remain
10 | outstanding); and

11 | **WHEREAS**, pursuant to Ordinance No. 2016-21, passed and adopted by the Governing
12 | Body on May 25, 2016, as supplemented by Resolution No. 2016-50 passed and adopted by the
13 | Governing Body on June 23, 2016, the City issued its “City of Santa Fe, New Mexico Subordinate
14 | Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2016D” (herein the “Series 2016D
15 | Bonds”) in an original aggregate principal amount of \$2,020,000, payable from and constituting a
16 | subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax
17 | Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure
18 | Gross Receipts Tax Revenues (of which \$1,510,000 of such Series 2016D Bonds remain
19 | outstanding); and

20 | **WHEREAS**, pursuant to Ordinance No. 2017-8, passed and adopted by the Governing
21 | Body on April 26, 2017, the City issued its “City of Santa Fe, New Mexico Taxable Subordinate
22 | Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2017” (herein the “Series 2017 Taxable
23 | Bonds”) in an original aggregate principal amount of \$4,530,000, payable from and constituting a
24 | subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax
25 | Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure

1 Gross Receipts Tax Revenues (of which \$3,555,000 of such Series 2017 Taxable Bonds remain
2 outstanding); and

3 **WHEREAS**, pursuant to Ordinance No. 2017-23, passed and adopted by the Governing
4 Body on November 8, 2017, the City issued its “City of Santa Fe, New Mexico Gasoline
5 Tax/Subordinate Lien Gross Receipts Tax Improvement Revenue Bonds, Series 2018” (herein the
6 “Series 2018 Gasoline Tax/Subordinate Lien GRT Bonds”) in an original aggregate principal
7 amount of \$10,290,000, payable from and constituting a subordinate (but not an exclusive
8 subordinate) lien on the State-Shared Gross Receipts Tax Revenues, the One-Half Percent
9 Municipal Gross Receipts Tax Revenues and the Infrastructure Gross Receipts Tax Revenues (of
10 which \$7,745,000 of such Series 2018 Gasoline Tax/Subordinate Lien GRT Bonds remain
11 outstanding); and

12 **WHEREAS**, pursuant to Ordinance No. 2018-25, passed and adopted by the Governing
13 Body on October 31, 2018, the City issued its “City of Santa Fe, New Mexico Senior Lien Gross
14 Receipts Tax Improvement Revenue Bonds, Series 2018A in an original aggregate principal
15 amount of \$20,000,000, payable from and constituting a first (but not an exclusive first) lien on the
16 State-Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax
17 Revenues and the Infrastructure Gross Receipts Tax Revenues (of which \$18,975,000 of such
18 Series 2018A Bonds remain outstanding); and

19 **WHEREAS**, pursuant to Ordinance No. 2019-7, passed and adopted by the by the
20 Governing Body on May 29, 2019 the City authorized the execution and delivery of a Taxable
21 Refunding Loan Agreement with the New Mexico Finance Authority (the “2019 Finance Authority
22 Refunding Loan”) in an original principal amount of \$23,705,000, payable from and constituting a
23 subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax
24 Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure
25 Gross Receipts Tax Revenues (of which \$21,905,000 of such 2019 Finance Authority Loan remains

1 outstanding); and

2 **WHEREAS**, pursuant to Ordinance No. 2019-17, passed and adopted by the by the
3 Governing Body on August 28, 2019 the City authorized the execution and delivery of a Taxable
4 Loan Agreement with the New Mexico Finance Authority (the “2019 Finance Authority Parking
5 Improvements Loan”) in an original principal amount of \$1,575,000, payable from and constituting
6 a subordinate (but not an exclusive subordinate) lien on the State-Shared Gross Receipts Tax
7 Revenues, the One-Half Percent Municipal Gross Receipts Tax Revenues and the Infrastructure
8 Gross Receipts Tax Revenues (of which \$1,195,000 of such 2019 Finance Authority Parking
9 Improvements Loan remains outstanding); and

10 **WHEREAS**, except for the outstanding the Series 2010B Bonds, the Series 2012A Bonds,
11 the Series 2012B Bonds, the Series 2013A Bonds, the Series 2013B Bonds, the Series 2014 Bonds,
12 the Series 2016A Bonds, the Series 2016B Bonds, the Series 2016C Bonds, the 2016D Bonds, the
13 Series 2017 Taxable Bonds, the Series 2018 Gasoline Tax/Subordinate Lien GRT Bonds, the Series
14 2018A Bonds, the 2019 Finance Authority Refunding Loan and the 2019 Finance Authority
15 Parking Improvements Loan, there are no obligations presently outstanding to which the State-
16 Shared Gross Receipts Tax Revenues, the One-Half Percent Municipal Gross Receipts Tax
17 Revenues, or the Infrastructure Gross Receipts Tax Revenues have been pledged by the City; and

18 **WHEREAS**, the Governing Body hereby determines that issuance of the “City of Santa
19 Fe, New Mexico Senior Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2021” (the
20 “Bonds”), to (1) to refund, discharge and pay the Series 2010B Bonds maturing on and after June
21 1, 2022, (2) to refund, discharge and pay the Series 2012A Bonds maturing on and after June 1,
22 2022, and (3) to pay the Costs of Issuance of the Bonds, will provide for the public health, peace
23 and safety of the City and its citizens; and

24 **WHEREAS**, the Bonds shall be issued pursuant to Sections 3-31-1 through 3-31-12
25 NMSA 1978, with a first (but not an exclusive first) lien on the Pledged Gross Receipts Tax

1 Revenues (the Pledged Revenues”); and

2 **WHEREAS**, the Governing Body expects to offer the Bonds pursuant to the Preliminary
3 Official Statement, in a negotiated sale as and to sell the Bonds to the Underwriter pursuant to a
4 Bond Purchase Agreement , the forms of which Preliminary Official Statement and Bond Purchase
5 Agreement have been presented to the Governing Body in connection with this Bond Ordinance,
6 to be executed by the Mayor or, the absence of the Mayor, another Authorized Officer pursuant to
7 Section 6-14-10.2 NMSA 1978, all within the parameters set forth in this Bond Ordinance; and

8 **WHEREAS**, Section 3-31-6(C) NMSA 1978, provides:

9 “C. Any law which authorizes the pledge of any or all of the pledged
10 revenues to the payment of any revenue bonds issued pursuant to Sections 3-31-1
11 through 3-31-12 NMSA 1978, or which affects the pledged revenues, or any law
12 supplemental thereto or otherwise appertaining thereto, shall not be repealed or
13 amended or otherwise directly or indirectly modified in such a manner as to impair
14 adversely any such outstanding revenue bonds, unless such outstanding revenue
15 bonds have been discharged in full or provision has been fully made therefor;” and

16 **WHEREAS**, the Exchange Act permits a municipality, including the City, that has issued
17 or proposes to issue bonds to enter into an agreement for an exchange of interest rates as provided
18 therein; and

19 **WHEREAS**, in connection with the Bonds, Parity Superior Lien Gross Receipts Tax
20 Obligations or Subordinate Lien Gross Receipts Tax Obligations which may be issued in the future
21 by the City, the Governing Body may determine to enter into a Qualified Exchange Agreement for
22 all or a portion of the Bonds, Parity Superior Lien Gross Receipts Tax Obligations or Subordinate
23 Lien Gross Receipts Tax Obligations which may provide for the payment by the City of a Variable
24 Exchange Rate or a Fixed Exchange Rate and the payment by the Qualified Counterparty of a Fixed
25 Exchange Rate or Variable Exchange Rate; and

1 **WHEREAS**, all required authorizations, consents or approvals of any State, governmental
2 body, agency or authority in connection with the authorization, execution and delivery of the Bonds
3 (i) which are required to have been obtained by the date of the adoption of the Bond Ordinance
4 have been obtained, and (ii) which will be required to be obtained prior to any Closing Date, will
5 have been obtained by that date.

6 **NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE**
7 **CITY OF SANTA FE, NEW MEXICO:**

8 **Section 1. Definitions.** The terms in this section are defined for all purposes of this
9 Ordinance and of any ordinance amendatory hereof or supplemental hereto, or relating hereto, and
10 of any instrument or document appertaining hereto, except where the context by clear implication
11 herein otherwise requires, shall have the following meanings:

12 “Act” means the general laws of the State, including Sections 3-31-1 through 3-31-12
13 NMSA 1978, as amended, and enactments of the Governing Body relating to the issuance of the
14 Bonds, including this Bond Ordinance.

15 “Authorized Officer” means the following officers of the City: Mayor, City Manager, City
16 Finance Director, or other officer of the City when designated by a certificate signed by the Mayor
17 of the City from time to time, a certified copy of which shall be delivered to the Paying Agent and
18 the Registrar.

19 “Bond Counsel” means an attorney or firm of attorneys nationally recognized for expertise
20 in the area of municipal bonds and the exemption of interest on municipal bonds from federal
21 income taxation.

22 “Bond Purchase Agreement” means the bond purchase agreement between the City and
23 the Purchaser in connection with the negotiated sale of the Bonds, the form of which has been
24 presented to the Governing Body in connection with this Bond Ordinance. been presented to the
25 Governing Body in connection with this Bond Ordinance.

1 “Bonds,” “2021 Bonds” or “Series 2021 Bonds” means the “City of Santa Fe, New Mexico
2 Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds, Series 2021”, which are
3 authorized by this Bond Ordinance.

4 “Business Day” means any day other than (i) a Saturday or Sunday, (ii) any day on which
5 the following offices are authorized or required to remain closed: offices of the City and of banks
6 located in the cities in which the principal offices of the Paying Agent and Registrar are located or
7 (iii) a day on which the New York Stock Exchange is closed.

8 “City,” “Municipal,” or “Municipality” means the municipal corporation and body
9 corporate and politic known as the City of Santa Fe, Santa Fe County, New Mexico.

10 “Continuing Disclosure Undertaking” means the continuing disclosure undertaking with
11 respect to the Bonds to be executed on the date of issuance and delivery of the Bonds to the
12 Purchaser, the form of which is included in the Preliminary Official Statement approved pursuant
13 to this Bond Ordinance.

14 “Costs of Issuance” means all costs relating to issuance of the Bonds, including, without
15 limitation, costs of advertising and publication, costs of preparing the Bonds, fees and expenses of
16 the financial advisor, bond counsel, the Paying Agent, the Registrar, the rating fees and other
17 reasonable and necessary fees and costs, including applicable gross receipts taxes, related to the
18 issuance of the Bonds.

19 “Credit Facility” means a letter of credit, standby bond purchase agreement, line of credit,
20 bond insurance policy or reserve account insurance policy, guaranty or similar agreement provided
21 by a bank, insurer or other provider of a Credit Facility rated, at the time the Credit Facility is
22 provided, “A” or better by Fitch and S&P (if such rating agencies are then rating the Bonds),
23 including any substitute therefor, to provide support to pay the purchase price of, or the payment
24 of the principal of and interest on, Obligations.

25 “Cross-over Refunding Bonds” means bonds or obligations issued for the purpose of

1 refunding Obligations if the proceeds thereof are irrevocably deposited in escrow to secure
2 repayment on an applicable redemption date or maturity date of the principal of and redemption
3 premium on the related Obligations being refunded and the earnings on such escrow are required
4 to be used to pay interest on the Cross-over Refunding Bonds.

5 “Debt Service Requirements” for any period means the sum of: (i) the amount required to
6 pay the interest, or to make reimbursements for payments of interest, becoming due on the
7 applicable Obligations during such period; plus (ii) the amount required to pay the principal or
8 accreted value, or to make reimbursements for the payment of principal or accreted value,
9 becoming due on the applicable Obligations during that period, whether at maturity, an accretion
10 term date or upon mandatory sinking fund redemption dates, plus (iii) any net periodic payments
11 on a notional amount required to be made by the City pursuant to a Qualified Exchange Agreement
12 minus (iv) any net periodic payments on a notional amount to be received by the City pursuant to
13 a Qualified Exchange Agreement.

14 (a) No payments required on the applicable Obligations shall be included in
15 any computation of Debt Service Requirements for any computation period prior to the maturity or
16 otherwise certain due dates thereof which may occur because of the exercise of an option by the
17 City, or which may otherwise become due by reason of any other circumstance or contingency,
18 including acceleration, which constitute other than regularly scheduled payments of principal,
19 accreted value, interest or other regularly scheduled payments on the applicable Obligations.

20 (b) Debt Service Requirements required to be made pursuant to a Qualified
21 Exchange Agreement shall be based upon the actual amount required to be paid by the City, if any,
22 to the Qualified Counterparty. In determining that amount, any payments required to be made by
23 either party to the Qualified Exchange Agreement at a Variable Exchange Rate shall be computed,
24 in determining the obligation of the City under the Qualified Exchange Agreement, using the
25 procedures set forth in the applicable sections of this Ordinance.

1 (c) The computation of interest for the purposes of this definition shall be
2 made without considering the interest rate payable pursuant to a Credit Facility, unless, at the time
3 of computation of Debt Service Requirements, payments on Obligations are owed to, or Obligations
4 are owned or held by, the provider of a Credit Facility pursuant to the provisions of that Credit
5 Facility.

6 (d) The accreted value of capital appreciation bonds shall be included in the
7 calculation of interest and principal only for the applicable year during which the accreted value
8 becomes payable.

9 (e) In any computation of Debt Service Requirements relating to the issuance
10 of additional Parity Obligations:

11 (1) There shall be deducted from that computation (i) amounts on
12 deposit in an escrow account related to an issue of Cross-over Refunding Bonds and (ii) proceeds
13 of a series of Obligations deposited to the credit of an account for the payment of capitalized interest
14 on Obligations included as part of the computation during the applicable period.

15 (2) There may be made the adjustment to the Debt Service
16 Requirements applicable to Bond Anticipation Notes described in Paragraph E of Sections 21 and
17 23 of this Ordinance.

18 (f) Except as provided in Paragraph F of Section 21, the purchase or tender
19 price of Put Obligations resulting from the optional or mandatory tender or presentment for
20 purchase of those Put Obligations shall not be included in any computation of Debt Service
21 Requirements.

22 “Depository” means The Depository Trust Company, New York, New York, or such other
23 securities depository as may be designated by an officer of the City.

24 “Environmental Services Gross Receipts Tax” means the environmental services gross
25 receipts tax imposed pursuant to Section 7-19D-10 NMSA 1978 by the Environmental Services

1 Gross Receipts Tax Ordinance on persons engaging in business in the City in the amount of 1/16th
2 of one percent (0.0625%) of the gross receipts of such persons.

3 “Environmental Services Gross Receipts Tax Ordinance” means City Ordinance No. 1993-
4 20 imposing the Environmental Services Gross Receipts Tax, as amended.

5 “Environmental Services Gross Receipts Tax Revenue Fund” means the “City of Santa Fe,
6 New Mexico Environmental Services Gross Receipts Tax Revenue Fund,” maintained by the City
7 and continued in Section 17 of this Ordinance, into which the City shall deposit the Environmental
8 Services Gross Receipts Tax Revenues.

9 “Environmental Services Gross Receipts Tax Revenues” means the environmental services
10 gross receipts tax revenues received by the City pursuant to Section 7-19D-10 NMSA 1978 and the
11 Environmental Services Gross Receipt Tax Ordinance.

12 “Exchange Act” means Section 6-18-8.1 NMSA 1978, as amended and supplemented.

13 “Exchange Termination Payment” means the net amount payable pursuant to a Qualified
14 Exchange Agreement by the City or a Qualified Counterparty to compensate the other party for any
15 losses and costs that such other party may incur as a result of the early termination of the
16 obligations, in whole or in part, of the parties under such Qualified Exchange Agreement.

17 “Federal Securities” means direct obligations of, or obligations the principal of and interest
18 on which are unconditionally guaranteed by the United States of America.

19 “Fiscal Year” for the purposes of this Ordinance means the twelve months commencing on
20 the first day of July of any calendar year and ending on the last day of June of the next calendar
21 year; but it may mean any other 12-month period which the City hereafter may establish.

22 “Fitch” means Fitch Ratings Group, its successors and their assigns, and, if such
23 corporation is dissolved or liquidated or no longer performs the functions of a securities rating
24 agency, any other nationally recognized securities rating agency designated by the City.

25 “Fixed Exchange Rate” means a fixed rate of interest payable by the City or a Qualified

1 Counterparty pursuant to a Qualified Exchange Agreement.

2 “Governing Body” means the members of the governing body designated as councilors
3 who, together with the mayor, are the governing body of the City.

4 “Government Obligations” means direct obligations of, or obligations the principal of and
5 interest on which are unconditionally guaranteed by, the United States of America or certificates
6 or receipts established by the United States Government or its agencies or instrumentalities
7 representing direct ownership of future interests or principal payments on direct obligations of, or
8 obligations fully guaranteed by, the United States of America or any of its agencies or
9 instrumentalities the obligations of which are backed by the full faith and credit of the United States.

10 “Historic Test Period” means any twelve consecutive calendar months designated by an
11 Authorized Officer from time to time out of the eighteen-calendar months next preceding the date
12 of adoption of the City ordinance authorizing the issuance of additional Obligations without regard
13 to any resolution or ordinance supplementing or amending the authorizing ordinance.

14 “Independent Accountant” means (A) an accountant employed by the State of New Mexico
15 and under supervision of the State Auditor of the State of New Mexico, or (B) any registered or
16 certified public accountant or firm of such accountants duly licensed to practice and practicing as
17 such under the laws of the State of New Mexico, appointed and paid by the City, who (1) is, in fact,
18 independent and not under the domination of the City, (2) does not have any substantial interest,
19 direct or indirect, with the City, and (3) is not connected with the City as an officer or employee of
20 the City, but who may be regularly retained to make annual or similar audits of the books or records
21 of the City.

22 “Infrastructure Gross Receipts Tax” means the infrastructure gross receipts tax imposed
23 pursuant to Section 7-19D-11 NMSA 1978 by the Infrastructure Gross Receipts Tax Ordinance on
24 persons engaged in business in the City in an amount of 1/16th of one percent (0.0625%) of the
25 gross receipts of such persons.

1 “Infrastructure Gross Receipts Tax Ordinance” means City Ordinance No. 1993-21
2 imposing the Infrastructure Gross Receipts Tax, as amended.

3 “Infrastructure Gross Receipts Tax Revenue Fund” means the “City of Santa Fe
4 Infrastructure Gross Receipts Tax Revenue Fund” maintained by the City and continued in Section
5 17 of this Ordinance, into which the City shall deposit the Infrastructure Gross Receipts Tax
6 Revenues.

7 “Infrastructure Gross Receipts Tax Revenues” means the infrastructure gross receipts tax
8 revenues received by the City pursuant to Section 7-19D-11 NMSA 1978 and the Infrastructure
9 Gross Receipts Tax Ordinance.

10 “Insured Bank” means any federally or state-chartered savings and loan association or
11 federally or state-chartered commercial bank, the deposits of which are insured by the Federal
12 Deposit Insurance Corporation and which has, or is the lead bank of a parent holding company
13 which has (i) unsecured, uninsured and unguaranteed obligations which are rated AA or better by
14 Fitch and S&P or (ii) combined capital, surplus and undivided profits of not less than \$10,000,000.

15 “Moody’s” means Moody’s Investors Service, its successors and their assigns, and, if such
16 corporation is dissolved or liquidated or no longer performs the functions of a securities rating
17 agency, any other nationally recognized securities rating agency designated by the City.

18 “Obligations” means bonds, notes or any other instrument which evidences a borrowing or
19 other obligation of the City, including Qualified Exchange Agreements, secured by Pledged Gross
20 Receipts Tax Revenues, issued or incurred for any purpose permitted by the Act or the Exchange
21 Act, as amended from time to time.

22 “One-Half Percent Municipal Gross Receipts Tax Ordinance” means City of Santa Fe
23 Ordinance No. 1981-45 imposing a one-half of one percent municipal gross receipts tax.

24 “One-Half Percent Municipal Gross Receipts Tax Revenue Fund” means the “City of Santa
25 Fe, New Mexico One-Half Percent Municipal Gross Receipts Tax Revenue Fund” maintained by

1 the City and continued in Section 17 of this Ordinance, into which the City shall deposit the One-
2 Half Percent Municipal Gross Receipts Tax Revenues.

3 “One-Half Percent Municipal Gross Receipts Tax Revenues” means those revenues
4 received by the City pursuant to the Municipal Local Option Gross Receipts Taxes Act, Sections
5 7-19D-1 through 7-19D-12 NMSA 1978, and the One-Half Percent Municipal Gross Receipts Tax
6 Ordinance.

7 “Ordinance” means this City Ordinance as amended or supplemented from time to time.

8 “Parity Subordinate Lien Gross Receipts Tax Obligations” or “Parity Subordinate
9 Obligations” means the Bonds, the Series 2012B Bonds, the Series 2013B Bonds, the Series 2016C
10 Bonds, and the Series 2016D Bonds, the Series 2017 Taxable Bonds, The Series 2018 Gasoline
11 Tax/Subordinate Lien GRT Bonds, the 2019 Finance Authority Refunding Loan, the 2019 Finance
12 Authority Parking Improvements Loan, any scheduled periodic payments (but not Exchange
13 Termination Payments) required to be made by the City pursuant to a Qualified Exchange
14 Agreement, and any other Obligations hereafter issued or incurred payable from the Pledged Gross
15 Receipts Tax Revenues and issued with a lien on the Pledged Gross Receipts Tax Revenues on
16 parity with the lien thereon of the Bonds.

17 “Paying Agent” means BOKF, NA, as agent for the City for the payment of the Bonds, the
18 interest thereon, and any successor.

19 “Permitted Investments” means any of the following which at the time of such investment
20 are legal investments for the City pursuant to adopted City investment policies and the laws of the
21 State:

22 (a) Government Obligations;

23 (b) Obligations of, or obligations guaranteed as to principal and interest by
24 any agency or instrumentality of the United States which are backed by the full faith and credit of
25 the United States, including, but not limited to: General Services Administration--participation

1 certificates; Government National Mortgage Association (GNMA)--GNMA guaranteed mortgage-
2 backed securities and GNMA guaranteed participation certificates; U.S. Department of Housing &
3 Urban Development--local authority bonds; and U.S. Export-Import Bank--all fully guaranteed
4 obligations;

5 (c) Obligations of the following government-sponsored agencies: Federal
6 Home Loan Mortgage Corporation--participation certificates and senior debt obligations; Farm
7 Credit System--consolidated system-wide bonds and notes; Federal Home Loan Banks--
8 consolidated debt obligations; Federal National Mortgage Association--senior debt obligations and
9 mortgage-backed securities (excluding stripped mortgage securities which are valued greater than
10 par on the portion of unpaid principal); Student Loan Marketing Association--senior debt
11 obligations (excluding securities that do not have a fixed par value and/or whose terms do not
12 promise a fixed dollar amount at maturity or call date) and letter of credit backed issues; Financing
13 Corporation--debt obligations; and Resolution Funding Corporation--debt obligations;

14 (d) Bank time deposits evidenced by certificates of deposit and bankers
15 acceptances issued by an Insured Bank, provided that such time deposits and bankers' acceptances
16 (1) do not exceed at any one time in the aggregate five percent (5%) of the combined total of the
17 capital, surplus and undivided profits of such Insured Bank, or (2) are secured by obligations
18 described in paragraphs (a), (b), (c) and (h) of this definition which obligations at all times have a
19 market value (exclusive of accrued interest) at least equal to 102% of such time deposits so secured;

20 (e) Obligations, other than specified private activity bonds (as defined in
21 Section 57(a)(5)(C) of the Internal Revenue Code, as amended (the "Tax Code")), the interest on
22 which is excluded from gross income of the recipient for federal income tax purposes and any other
23 instrument which does not constitute "investment property" under Section 148 of the Tax Code
24 (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed
25 dollar amount at maturity or call date), as amended from time to time, which is rated in the highest

1 major Rating Category by S&P and Fitch (if such rating agency is then rating the Bonds);

2 (f) Money market instruments and other securities of commercial banks,
3 broker-dealers or recognized financial institutions, which securities or instruments are rated in the
4 highest Rating Category by S&P and Fitch, (if such rating agency is then rating the Bonds), or
5 which securities are guaranteed by a person or entity whose long-term debt obligations are rated in
6 the highest Rating Category by S&P and Fitch (if such rating agency is then rating the Bonds)
7 including, without limitation, securities of, or other interests in, any open-end or closed-end
8 management type investment company or investment trust registered under the provisions or 15
9 U.S.C. Sections 80(a)-1 et. seq., which invest only in, or whose securities are secured only by,
10 obligations of the type set forth in paragraphs (a), (b), (c) and (h) of this definition;

11 (g) Stripped Securities: (1) U.S. Treasury STRIPS and (2) REFCORP
12 STRIPS (stripped by Federal Reserve Bank of New York);

13 (h) Repurchase agreements involving the purchase and sale of, and guaranteed
14 investment contracts, the par value of which is collateralized by a perfected first pledge of, or
15 security interest in, or the payments of which are unconditionally guaranteed by, securities
16 described in parts (a), (b), (c) and (h) of this definition, which collateral is held by the City, or for
17 the benefit of the City, by a party other than the provider of the guaranteed investment contract or
18 repurchase agreement, with a collateralized value of at least 102% of the par value of such
19 repurchase agreement or guaranteed investment contract or 102% of the market value thereof,
20 valued at intervals of no less than monthly and which collateral is not subject to any other pledge
21 or security interest; and

22 (i) Such other investments as are now or may be hereafter authorized as legal
23 investments for the City by the legislature of the State under Section 6-10-10 NMSA 1978, or a
24 similar statutory provision applicable to the City, provided that such investment is rated, at the time
25 of purchase, "A" or better by Fitch and "A" or better by S&P (if such rating agency is then rating

1 the Bonds).

2 “Pledged Gross Receipts Tax Revenues” means, collectively, (1) the State-Shared Gross
3 Receipts Tax Revenues; (2) the One-Half Percent Municipal Gross Receipts Tax Revenues; (3) the
4 Infrastructure Gross Receipts Tax Revenues; (4) the portion of the gross receipts tax distribution to
5 the City made pursuant to Section 7-1-6.46 NMSA 1978, which represents the amount of State-
6 Shared Gross Receipts Tax Revenues, One-Half Percent Municipal Gross Receipts Tax Revenues,
7 and Infrastructure Gross Receipts Tax Revenues that would have been remitted to the City but for
8 the deductions provided by Section 7-9-92 and 7-9-93 NMSA 1978 and any similar distributions
9 made to the City in lieu of State-Shared Gross Receipts Tax Revenues, One-Half Percent Municipal
10 Gross Receipts Tax Revenues and Infrastructure Gross Receipts Tax Revenues pursuant to law;
11 and (5) any other gross receipts tax revenues received by the City, whether from distribution by the
12 State or pursuant to gross receipts taxes imposed by the City, and hereafter (i.e. after the adoption
13 of this Ordinance) pledged to the payment of the Bonds by affirmative act of the Governing Body.

14 “Pledged Revenues” means the Pledged Gross Receipts Tax Revenues.

15 “Preliminary Official Statement” and “Official Statement” means the disclosure
16 documents utilized by the Purchaser in connection with the offer and sale of the Bonds to investors.

17 “Pricing Certificate” means the certificate setting forth the maturity dates, principal
18 amounts, prices, redemption features and other final terms of the Bonds.

19 “Purchaser” means the Underwriter.

20 “Put Obligations” means any Obligations which have put or similar features requiring the
21 City to purchase such Obligations upon notice from the owners thereof.

22 “Qualified Counterparty” means, with respect to a Qualified Exchange Agreement, any
23 party whose senior long term debt obligations, or whose obligations under a Qualified Exchange
24 Agreement are guaranteed by a party whose senior long term debt obligations, are rated (at the time
25 of execution of the Qualified Exchange Agreement) in one of the top two Rating Categories by

1 Fitch and S&P.

2 “Qualified Exchange Agreement” means any financial arrangement between the City and
3 a Qualified Counterparty which satisfies the requirements of the Exchange Act at the time the
4 agreement is entered into.

5 “Rating Category” means a generic securities rating category, without regard, in the case
6 of a long-term rating category, to any refinement or gradation of such long-term rating category by
7 a numerical modifier or otherwise.

8 “Refunded Bonds” means the Refunded Series 2010B Bonds and the Refunded Series
9 2012A Bonds.

10 “Refunded Series 2010B Bonds” means the Series 2010B Bonds maturing on and after
11 June 1, 2022.

12 “Refunded Series 2012A Bonds” means the Series 2010A Bonds maturing on and after
13 June 1, 2022.

14 “Refunding Account” means the “City of Santa Fe, New Mexico Senior Lien Gross
15 Receipts Tax Refunding Revenue Bonds, Series 2021, Refunding Project Account” established in
16 Section 17 hereof and to be maintained by the City.

17 “Refunding Project” means (1) refunding, discharging and paying the Refunded Series
18 2010B Bonds, including interest accrued to the date on which the Refunded Series 2010B Bonds
19 are refunded, (2) refunding, discharging and paying the Refunded Series 2012A Bonds, including
20 interest accrued to the date on which the Refunded Series 2012A Bonds are refunded, and (3)
21 paying the Costs of Issuance allocable to the Refunding Project.

22 “Registrar” means BOKF, N.A., as registrar and transfer agent for the Bonds, and any
23 successor.

24 “Regular Record Date” means the 15th day of the calendar month (whether or not a business
25 day) preceding each regularly scheduled interest payment date on the Bonds.

1 “Related Documents” means the Bond Purchase Agreement, the Pricing Certificate, the
2 Continuing Disclosure Undertaking, the Preliminary Official Statement, the Official Statement, and
3 any other document or agreement containing an obligation of the City as may be required in
4 connection with the issuance of the Bonds.

5 “S&P” means S&P Global, its successors and their assigns, and, if such entity is dissolved
6 or liquidated or no longer performs the functions of a securities rating agency, any other nationally
7 recognized securities rating agency designated by the City.

8 “Sale Price” means the amount paid by the Purchaser for its purchase of the Bonds, set
9 forth in the Pricing Certificate and the Bond Purchase Agreement.

10 “Series 2021 Bond Fund” means the “City of Santa Fe Subordinate Lien Gross Receipts
11 Tax Refunding Revenue Bonds, Series 2021, Bond Fund,” established in Section 17 of this
12 Ordinance.

13 “Series Date” means the date of issuance and delivery of the Bonds to the Purchaser.

14 “Special Record Date” means a special date fixed to determine the names and addresses of
15 registered owners of the Bonds for purposes of paying interest on a special interest payment date
16 for the payment of defaulted interest thereon, all as further provided in Section 5B hereof.

17 “State-Shared Gross Receipts Tax Revenues” means the revenues distributed to the City
18 monthly by the New Mexico Department of Taxation and Revenue pursuant to Sections 7-1-6 and
19 7-1-6.4 NMSA 1978, at the rate authorized (currently 1.225% of the gross receipts of persons doing
20 business within the City) from the proceeds of a state-wide gross receipts tax imposed pursuant to
21 Chapter 7, Article 9, NMSA 1978.

22 “State-Shared Gross Receipts Tax Revenue Fund” means the “City of Santa Fe, New
23 Mexico State-Shared Gross Receipts Tax Revenue Fund” maintained by the City and continued in
24 Section 17 of this Ordinance, into which the City shall deposit the State-Shared Gross Receipts Tax
25 Revenues.

1 “Superior Lien Gross Receipts Tax Obligations”, “Superior Tax Obligations” or “Superior
2 Obligations” means the Series 2013A Bonds, the Series 2014 Bonds, the Series 2016A Bonds, and
3 the Series 2016B Bonds, the Series 2018A Bonds and any other Obligations hereafter issued or
4 incurred payable from the Pledged Gross Receipts Tax Revenues and issued with a lien on the
5 Pledged Gross Receipts Tax Revenues superior to the lien thereon of the Bonds.

6 “Underwriter” means RBC Capital Markets, LLC, as senior manager, and Robert W. Baird
7 & Company, Incorporated, as co-manager, the original purchasers of the Bonds, and their
8 successors and assigns.

9 “Variable Exchange Rate” means a Variable Interest Rate payable by the City or a
10 Qualified Counterparty pursuant to a Qualified Exchange Agreement.

11 “Variable Interest Rate” means an interest rate which varies or fluctuates from time to time.

12 Any provision of this Ordinance regarding a Qualified Counterparty shall be deemed to be
13 of no effect if no Qualified Exchange Agreement is in effect or if a Qualified Counterparty is in
14 default in its obligations under a Qualified Exchange Agreement and no amount is due and owing
15 under a Qualified Exchange Agreement.

16 **Section 2. Ratification.** All action heretofore taken (not inconsistent with the
17 express provisions of this Ordinance) by the Governing Body and officers of the City directed
18 toward the Refunding Project, and toward the authorization, sale and issuance of the Bonds to the
19 Purchaser herein authorized, including, without limitation, the publication of a notice of public
20 meeting and intent to adopt this Ordinance authorizing issuance of the Bonds in an aggregate
21 principal amount not to exceed \$14,745,000 (exclusive of premium which may be paid in
22 connection with the original issuance of the Bonds) be, and the same hereby is ratified, approved
23 and confirmed, notwithstanding any inconsistent prior action.

24 **Section 3. Authorization of the Refunding Project; Call for Redemption of**
25 **Series 2010B and 2012A Bonds.**

1 A. The Refunding Project are hereby authorized at a total cost not to exceed the
2 proceeds of the Bonds, excluding any such cost defrayed or to be defrayed by any source other than
3 proceeds of the Bonds and the necessity thereof is hereby so declared. The Refunding Project will
4 reduce interest costs and effect other economies, and is necessary and in the best interest of the City
5 and its residents.

6 B. The City has elected and does hereby declare its intent to exercise on the behalf
7 and in the name of the City its option to redeem the Refunded Bonds at a redemption price equal
8 to 100% of the principal amount of the Refunded Bonds to be redeemed, plus accrued interest to
9 the redemption date.

10 The City is hereby obligated so to exercise such option, which option shall be deemed to
11 have been exercised upon adoption of this Bond Ordinance and delivery of the Bonds. Forthwith
12 upon delivery of the Bonds, a notice of prior redemption of the Refunded Bonds shall be mailed or
13 delivered to the registered owners of the Refunded Bonds by BOKF, NA, as paying agent and
14 registrar for the Refunded Bonds.

15 **Section 4. Authorization of Bonds; Sale to Underwriter pursuant to Bond**
16 **Purchase Agreement.**

17 A. For the purpose of protecting the public health, conserving the property
18 and advancing the general welfare of the citizens of the City, and for the purpose of
19 defraying the cost of the Refunding Project, it is hereby declared that the interest and
20 necessity of the City and the inhabitants of the City require the issuance by the City of its
21 fully registered (i.e., registered as to payment of both principal and interest) revenue bonds
22 without coupons to be designated “City of Santa Fe Subordinate Lien Gross Receipts Tax
23 Refunding Revenue Bonds, Series 2021,” in an aggregate principal amount not to exceed
24 Fourteen Million Seven Hundred Forty-Five Thousand Dollars (\$14,745,000), exclusive
25 of premium which may be paid in connection with the original purchase of the Bonds. The

1 Bonds shall be payable and collectible, both as to principal and interest, solely from the
2 Pledged Revenues. The Bonds shall be sold pursuant to a negotiated sale to the
3 Underwriter, the selection of which is hereby approved, at a sale price and upon the terms
4 set forth in the Pricing Certificate and the Bond Purchase Agreement, and shall be within
5 the parameters set forth below:

- 6 (1) The Bonds shall be issued for the Refunding Project.
- 7 (2) The maximum par amount of the Bonds shall not be more than
8 \$14,745,000 (excluding any premium paid in connection with the original purchase of the
9 Bonds).
- 10 (3) The final maturity of the Bonds shall be no later than June 1, 2041.
- 11 (4) The maximum interest rate on the Bonds shall be no greater than 12% per
12 annum.
- 13 (5) The Bond shall be payable solely from the Pledged Revenues.
- 14 (6) The Bonds shall be sold to the Underwriter pursuant to a negotiated sale,
15 the final terms of which shall be within the parameters established in this Section, and shall
16 be as set forth in the Pricing Certificate and the Bond Purchase Agreement.
- 17 (7) The maximum sale price of the Bonds shall be not more than \$14,745,000,
18 exclusive of premium payable in connection with the issuance of the Bonds.
- 19 (8) The Purchasers' discount shall not exceed 1% of the aggregate principal
20 amount of the Bonds.
- 21 (9) The Bonds shall be in substantially the form set forth in this Ordinance.
- 22 (10) The City hereby appoints BOKF, NA as the paying agent and registrar for
23 the Bonds.

24 B. The Mayor or, in the Mayor's absence, the City Manager or City Finance Director,
25 is hereby authorized pursuant to this Ordinance to approve the final terms of the Bonds as permitted

1 by Section 6-14-10.2 NMSA 1978, and to execute and deliver the Bond Purchase Agreement and
2 Pricing Certificate.

3 **Section 5. Bond Details.**

4 A. Basic Details. The Bonds shall be dated the date of their issuance and delivery to
5 the Purchaser (herein “Series Date”), and are issuable in the denomination of \$5,000 each or any
6 integral multiple thereof (provided that no Bond may be in a denomination which exceeds the
7 principal coming due on any maturity date and no individual Bond will be issued for more than one
8 maturity). The Bonds shall be numbered consecutively from 1 upwards.

9 The Bonds shall bear interest from the Series Date, payable semi-annually on June 1 and
10 December 1 each year, commencing on June 1, 2022 or such other date as permitted by law and
11 determined in the Bond Purchase Agreement executed and delivered as provided in Section 4B
12 hereof, until their respective maturities and shall bear the rates of interest and shall mature on June
13 1 in each of the designated amounts and years as set forth in the Bond Purchase Agreement and
14 Pricing Certificate.

15 B. Payment-Regular Record Date. The principal of any Bond shall be payable to the
16 registered owner thereof as shown on the registration books kept by the Registrar which is hereby
17 appointed as registrar (and transfer agent) for the Bonds, upon maturity or prior redemption thereof
18 and upon presentation and surrender at the Paying Agent which also is hereby appointed as the
19 paying agent for the Bonds. If any Bond shall not be paid upon such presentation and surrender at
20 or after maturity or on a designated prior redemption date on which the City may have exercised
21 its right to redeem any Bond prior to its stated maturity pursuant to Section 6 of this Ordinance, it
22 shall continue to draw interest at the rate borne by the Bond until the principal thereof is paid in
23 full. Payment of interest on any Bond shall be made to the registered owner of the Bond as of the
24 Regular Record Date by check or draft mailed by the Paying Agent, on or before each interest
25 payment date (or, if such interest payment date is not a Business Day, on or before the next

1 succeeding Business Day), to the registered owner thereof on the Regular Record Date at his
2 address as it last appears on the registration books kept by the Registrar on the Regular Record
3 Date (or by such other arrangements as may be mutually agreed to by the Paying Agent and any
4 registered owner on such Regular Record Date). All such payments shall be made in lawful money
5 of the United States of America. The person in whose name any Bond is registered at the close of
6 business on any Regular Record Date with respect to any interest payment date shall be entitled to
7 receive the interest payable thereon on such interest payment date notwithstanding any transfer or
8 exchange thereof subsequent to such Regular Record Date and prior to such interest payment date;
9 but any such interest not so timely paid or duly provided for shall cease to be payable as provided
10 above and shall be payable to the person in whose name any Bond is registered at the close of
11 business on a Special Record Date fixed by the Registrar for the payment of any such defaulted
12 interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become
13 available for defaulted interest, and notice of any such Special Record Date shall be given not less
14 than ten days prior thereto in the manner required by the Depository or by first-class mail, to the
15 registered owners of the Bonds as of a date selected by the Registrar, stating the Special Record
16 Date and the date fixed for the payment of such defaulted interest.

17 C. Book-Entry. The Bonds may be issued or registered, in whole or in part, in book-
18 entry form from time to time with no physical distribution of bond certificates made to the public,
19 with a Depository acting as securities depository for the Bonds. A single certificate for each
20 maturity date of the Bonds issued in book-entry form will be delivered to the Depository and
21 immobilized in its custody. The book-entry system will evidence ownership of the Bonds in
22 authorized denominations, with transfer of ownership effected on the books of the Depository and
23 its participants (“Participants”). As a condition to delivery of the Bonds in book-entry form, the
24 Purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited,
25 the Bond certificates with the Depository, registered in the name of the Depository or its nominee.

1 Principal and interest will be paid to the Depository or its nominee as the registered owner of the
2 Bonds. The transfer of principal and interest payments to Participants will be the responsibility of
3 the Depository; the transfer of principal and interest payments to the beneficial owners of the Bonds
4 (the “Beneficial Owners”) will be the responsibility of Participants and other nominees of
5 Beneficial Owners maintaining a relationship with Participants (the “Indirect Participants”). The
6 City will not be responsible or liable for maintaining, supervising or reviewing the records
7 maintained by the Depository, Participants or Indirect Participants.

8 If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository
9 determines to discontinue providing its services with respect to the Bonds or (iii) the City
10 determines that a continuation of the system of book-entry transfers through the Depository ceases
11 to be beneficial to the City or the Beneficial Owners, the City will either identify another Depository
12 or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the
13 Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds
14 in the Beneficial Owners’ or nominees’ names, will become the owners of the Bonds for all
15 purposes. In that event, the City shall mail an appropriate notice to the Depository for notification
16 to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the
17 issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

18 Authorized Officers of the City are authorized to sign agreements with Depositories
19 relating to the matters set forth in this Section.

20 Notwithstanding any other provision of this Ordinance, so long as all of the Bonds are
21 registered in the name of the Depository or its nominee, all payments of principal and interest on
22 the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent,
23 Registrar or the City to the Depository as provided in this Ordinance and by the Depository to its
24 Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the
25 manner provided in an agreement or letter of the City to the Depository.

1 **Section 6. Redemption.**

2 A. Optional Redemption. The Bonds may be subject to redemption prior to their
3 stated maturities at the City’s option in one or more units of principal of \$5,000 on at the price and
4 on the dates established in the Pricing Certificate and the Bond Purchase Agreement. Redemption
5 shall be made upon prior notice mailed to each registered owner of each bond selected for
6 redemption as shown on the registration books kept by the Registrar in the manner and upon the
7 conditions provided in the Bond Ordinance.

8 B. Notice by City. At least 45 days prior to any date selected by the City for optional
9 redemption of any of the Bonds, the City shall give written instructions to the Registrar with respect
10 to the optional redemption. The Registrar shall not be required to give notice of any optional
11 redemption unless the Registrar has received written instructions from the City in regard thereto at
12 least 45 days prior to such redemption date (unless such deadline is waived by the Registrar).
13 Additionally, notice of optional redemption shall be given by the City by sending a copy of such
14 notice by first-class, postage prepaid mail, not less than thirty days prior to the optional redemption
15 date to the Paying Agent, if the Registrar is not the Paying Agent.

16 C. Notice by Registrar. Additionally, notice of redemption shall be given by the
17 Registrar by sending a copy of such notice in the manner required by the Depository or by first-
18 class, postage prepaid mail, not more than 60 days and not less than 30 days prior to the redemption
19 date to each registered owner of each Bond selected for redemption as shown on the registration
20 books kept by the Registrar as of the date of mailing of notice. Failure to give such notice by
21 mailing to the registered owner of any Bond, or any defect therein, shall not affect the validity of
22 the proceedings for the redemption of any of the Bonds.

23 D. Other Redemption Details. The notice required by paragraph C of this Section
24 shall specify the number or numbers of the Bond or Bonds or portions thereof to be so redeemed
25 (if less than all are to be redeemed); and all notices required by this Section shall specify the date

1 fixed for redemption, and shall further state that on such redemption date there will become and be
2 due and payable upon each \$5,000 unit of principal so to be redeemed at the Paying Agent the
3 principal thereof, accrued interest, if any, to the redemption date, and the applicable prior
4 redemption premium thereon (if any), and that from and after such date interest will cease to accrue.
5 Accrued interest to the redemption date will be paid by check or draft mailed to the registered
6 owner (or by alternative means if so agreed to by the Paying Agent and the registered owner). Notice
7 having been given in the manner hereinbefore provided, the Bond or Bonds so called for
8 redemption shall become due and payable on the redemption date so designated; and upon
9 presentation thereof at the Paying Agent, the City will pay the Bond or Bonds so called for
10 redemption and the applicable prior redemption premium (if any). In the event that only a portion
11 of the principal amount of a Bond is so redeemed, a new Bond representing the unredeemed
12 principal shall be duly completed, authenticated and delivered by the Registrar to the registered
13 owner pursuant to Section 9 of this Ordinance and without charge to the registered owner thereof.
14 The Registrar and Paying Agent shall comply with any other terms regarding redemption and notice
15 of redemption as required by any applicable agreement with a Depository.

16 E. Conditional Redemption. If money or Government Obligations sufficient to pay
17 the redemption price of the Bonds to be called for redemption are not on deposit with the Paying
18 Agent prior to the giving of notice of redemption pursuant to Paragraph D of this Section 6, such
19 notice shall state such Bonds will be redeemed in whole or in part on the redemption date in a
20 principal amount equal to that part of the redemption price received by the Paying Agent on the
21 applicable redemption date. If the full amount of the redemption price is not received as set forth
22 in the preceding sentence, the notice shall be effective only for those Bonds for which the
23 redemption price is on deposit with the Paying Agent. If all Bonds called for redemption cannot
24 be redeemed, the Bonds to be redeemed shall be selected in a manner deemed reasonable and fair
25 by the City and the Registrar shall give notice, in the manner in which the original notice of

1 redemption was given, that such money was not received and the information required by paragraph
2 E of this Section. In that event, the Registrar shall promptly return to the Owners thereof the Bonds
3 or certificates which it has received evidencing the part thereof which have not been redeemed.

4 **Section 7. Negotiability.** Subject to the provisions specifically made or necessarily
5 implied herein, the Bonds shall be fully negotiable, and shall have all the qualities of negotiable
6 paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of
7 negotiable instruments under the provisions of the Uniform Commercial Code.

8 **Section 8. Execution.**

9 A. **Filing Manual Signatures.** Prior to the execution and authentication of any Bond
10 pursuant to Sections 6-9-1 through 6-9-6, NMSA 1978, the Mayor and City Clerk may each
11 forthwith file with the Secretary of State of New Mexico, his or her manual signature certified by
12 him or her under oath; provided, that such filing shall not be necessary for any officer where any
13 previous such filing may have legal application to the Bonds.

14 B. **Method of Execution.** Each Bond of the issue shall be signed and executed by the
15 facsimile or manual signature of the Mayor under facsimile or manual imprint of the seal of the
16 City, which shall be printed, stamped, engraved or otherwise placed thereon; each Bond shall be
17 executed and attested with the facsimile or manual signature of the City Clerk; and each Bond shall
18 be authenticated by the manual signature by an Authorized Officer of the Registrar as hereafter
19 provided. The Bonds bearing the facsimile or manual signature of the officers in office at the time
20 of the authorization thereof shall be the valid and binding obligations of the City (subject to the
21 requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before
22 the delivery thereof and payment therefor, or before the issuance thereof upon transfer or exchange,
23 any or all of the persons whose facsimile signatures appear thereon shall have ceased to fill their
24 respective offices. The Mayor and City Clerk of the City shall, by the execution of a signature
25 certificate pertaining to the Bonds, adopt as and for their respective signatures the facsimiles thereof

1 appearing on the Bonds; and, at the time of the execution of the signature certificate, the Mayor
2 and City Clerk may each adopt as and for his or her facsimile signature the facsimile signature of
3 his or her predecessor in office in the event that such facsimile signature appears upon any of the
4 Bonds.

5 C. Certificate of Authentication. No Bond shall be valid or obligatory for any purpose
6 unless the certificate of authentication, substantially in the form hereinafter provided, has been duly
7 executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have
8 been duly executed by it if manually signed by an Authorized Officer of the Registrar, but it shall
9 not be necessary that the same officer sign the certificate of authentication on all of the Bonds
10 issued under this Ordinance.

11 **Section 9. Provisions Relating to Registration, Transfer, Replacement and**
12 **Cancellation of and Registration Records for the Bonds.**

13 A. Registration Books -- Transfer and Exchange -- Authentication. Books for the
14 registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer
15 of any Bonds at the Registrar, duly endorsed for transfer or accompanied by an assignment duly
16 executed by the registered owner or his attorney duly authorized in writing, the Registrar shall
17 authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like
18 aggregate principal amount and of the same maturity, bearing a number or numbers not
19 contemporaneously outstanding. Bonds may be exchanged at the Registrar for an equal aggregate
20 principal amount of Bonds of the same maturity of other authorized denominations. The Registrar
21 shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is
22 entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges
23 and transfers of Bonds as provided in this Ordinance shall be without charge to the owner or any
24 transferee, but the Registrar may require the payment by the owner of any Bond requesting
25 exchange or transfer of any tax or other governmental charge required to be paid with respect to

1 such exchange or transfer.

2 B. Times When Transfer or Exchange Not Required. The Registrar shall not be
3 required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during
4 the period of fifteen days next preceding the mailing of notice to the registered owners calling any
5 Bonds for prior redemption pursuant to Section 6 of this Ordinance or (2) to transfer or exchange
6 all or a portion of a Bond after the mailing to registered owners of notice calling such Bond or
7 portion thereof for prior redemption.

8 C. Payment - Registered Owners. The person in whose name any Bond is registered
9 on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner
10 thereof for the purpose of making payment thereof and for all other purposes except as may
11 otherwise be provided with respect to payment of defaulted interest as provided in Section 5B of
12 this Ordinance; and payment of or on account of either principal or interest on any Bond shall be
13 made only to or upon the written order of the registered owner thereof or his legal representative,
14 but such registration may be changed upon transfer of such Bond in the manner and subject to the
15 conditions and limitations provided in this Ordinance. All such payments shall be valid and
16 effectual to discharge the liability upon the Bond to the extent of the sum or sums so paid.

17 D. Replacement Bonds. If any Bond shall be lost, stolen, destroyed or mutilated, the
18 Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may
19 reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate
20 principal amount and of the same subseries and maturity, bearing a number or numbers not
21 contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have
22 matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

23 E. Delivery of Bond Certificates to Registrar. The officers of the City are authorized
24 to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be
25 convenient to be held in custody by the Registrar pending use as provided in this Ordinance.

1 F. Cancellation of Bonds. Whenever any Bond shall be surrendered to the Paying
2 Agent upon payment of the Bond, or to the Registrar for transfer, exchange or replacement as
3 provided in this Ordinance, the Bond shall be promptly canceled by the Paying Agent or Registrar,
4 and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or
5 Registrar to the City.

6 **Section 10. Successor Registrar or Paying Agent.** If the Registrar or Paying Agent
7 initially appointed under this Ordinance shall resign or is prohibited by law from continuing as
8 Registrar or Paying Agent, or if the City shall reasonably determine that the Registrar or Paying
9 Agent has become incapable of fulfilling its duties under this Ordinance, the City may, upon notice
10 mailed to each registered owner of Bonds at the address last shown on the registration books,
11 appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying
12 Agent shall be a bank or trust company located in and in good standing in the United States and
13 having a shareholder's equity (e.g., capital stock, surplus and undivided profits), however
14 denominated, not less than \$50,000,000. It shall not be required that the same institution serve as
15 both Registrar and Paying Agent hereunder, but the City shall have the right to have the same
16 institution serve as both Registrar and Paying Agent hereunder.

17 **Section 11. Special Limited Obligations.** The Bonds and all payments of principal
18 and interest thereon, (whether at maturity or on a redemption date) and the obligations of the City
19 for all other payments, fees, costs, interest and expenses of the City under this Ordinance and under
20 the Related Documents, including all payments due from the City under a Qualified Exchange
21 Agreement, shall be special limited obligations of the City. The principal of and interest on the
22 Bonds and all obligations of the City under the Related Documents shall be payable solely from
23 the Pledged Revenues after payment of any Superior Tax Obligations (and in the case of Exchange
24 Termination Payments, after payment of the Bonds and any Parity Subordinate Obligations), which
25 revenues are hereby pledged.

1 Owners of the Bonds and other parties to the Related Documents, including a Qualified
2 Counterparty, may not look to any general or other fund of the City for the payment of the principal
3 of or interest on, or the fees, costs and expenses relating to, such obligations, except the designated
4 special funds pledged therefor. Neither the Bonds nor the obligations of the City under the Related
5 Documents shall constitute an indebtedness of the City within the meaning of any constitutional,
6 charter or statutory prohibition or limitation, nor shall they be considered or held to be general
7 obligations of the City, and the Bonds, any Related Document and any Qualified Exchange
8 Agreement shall recite that they are payable and collectable solely out of the Pledged Revenues
9 (and in the case of Exchange Termination Payments, after payment of Parity Subordinate
10 Obligations and Subordinate Obligations), and from the other sources stated in this Section, and
11 that the Owners of the Bonds, any other party or a Qualified Counterparty may not look to any
12 general or other municipal fund for the payment of the principal or interest, as applicable, on the
13 Bonds or for the payment of any amounts owed under the Related Documents.

14 Nothing herein shall prevent or prohibit the City from applying other funds of the City
15 legally available therefor to the payment or redemption of the Bonds or to the payment of any
16 amounts owed under a Related Document, in its sole discretion.

17 **Section 12. Form of Bonds, Certificate of Authentication and Assignment.**

18 The Bonds, Registrar's Certificate of Authentication and Form of Assignment shall be in
19 substantially the form set forth in this Section, with such changes therein as are not inconsistent
20 with this ordinance.

21 (Form of Series 2021 Bond)

22 UNITED STATES OF AMERICA

23 COUNTY OF SANTA FE

24 STATE OF NEW MEXICO

1 No. _____

2 \$ _____

3 CITY OF SANTA FE

4 SUBORDINATE LIEN GROSS RECEIPTS TAX

5 REFUNDING REVENUE BOND,

6 SERIES 2021

| | | | |
|----------------------|----------------------|--------------------|--------------|
| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>SERIES DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|--------------------|--------------|

| | | | |
|------------------|--------------|------------|--|
| _____% per annum | June 1, ____ | ____, 2021 | |
|------------------|--------------|------------|--|

11 REGISTERED OWNER: _____

12 PRINCIPAL AMOUNT: _____ DOLLARS

13 The City of Santa Fe (herein "City"), in the County of Santa Fe and State of New Mexico,
14 for value received, hereby promises to pay upon presentation and surrender of this bond, solely
15 from the special funds provided therefor as hereinafter set forth, to the registered owner named
16 above, or registered assigns, on the Maturity Date specified above (unless this bond, if subject to
17 prior redemption, shall have been called for prior redemption in which case on such redemption
18 date), upon the presentation and surrender hereof at BOKF, NA, Albuquerque, New Mexico, as
19 paying agent, or its successor (herein the "Paying Agent"), the Principal Amount stated above, in
20 lawful money of the United States of America, and to pay to the registered owner hereof as of the
21 Regular Record Date (being the 15th day of the calendar month whether or not a business day
22 preceding each regularly scheduled interest payment date as defined in Ordinance No. 2021-15,
23 adopted August 11, 2021, which authorizes this bond and which is referred to herein as the "Bond
24 Ordinance"), by check or draft mailed to such registered owner, on or before each interest payment
25 date as hereinafter provided (or, if such interest payment date is not a business day, on or before

1 the next succeeding business day), at his address as it last appears on the Regular Record Date on
2 the registration books kept for that purpose by BOKF, NA, Albuquerque, New Mexico, as registrar
3 (i.e., transfer agent) for the bonds, or its successor (herein the “Registrar”) or by such other
4 arrangement as may be agreed to by the Paying Agent and the registered owner hereof, interest on
5 such sum in lawful money of the United States of America from the Series Date specified above or
6 the most recent interest payment date to which interest has been fully paid or duly provided for in
7 full (as more fully provided in the Bond Ordinance) until maturity at the per annum Interest Rate
8 specified above, payable on December 1, 2021 and semiannually thereafter on June 1 and December
9 1 in each year. Any such interest not so timely paid or duly provided for shall cease to be payable
10 to the registered owner as of the Regular Record Date and shall be payable to the registered owner
11 as of a Special Record Date (as defined in the Bond Ordinance), as further provided in the Bond
12 Ordinance. If upon presentation and surrender to the Paying Agent at or after maturity or on a
13 designated prior redemption date on which the City may have exercised its right to prior redeem
14 this bond pursuant to the Bond Ordinance, payment of this bond is not made as herein provided,
15 interest hereon shall continue at the rate herein designated until the principal hereof is paid in full.
16 If the Bonds are issued in book-entry only form, an authorized officer of the City and the applicable
17 securities depository (“Depository”) may make other arrangements for the payments on the Bonds.

18 The bonds of the series of which this bond is a part maturing on and after June 1, ____, are
19 subject to redemption prior to maturity at the City’s option in one or more units of principal of
20 \$5,000 on an after June 1, ____, in whole or in part at any time, in such order of maturities as the
21 City may determine (and by lot if less than all of the Bonds of such maturity is called, such selection
22 by lot to be made by the Registrar in such manner as he shall consider appropriate and fair), at a
23 redemption price equal to the principal amount of the Bonds or the portion thereof to be redeemed
24 plus accrued interest, if any, to the redemption date.

25 Redemption shall be made upon mailed notice to each registered owner of each bond

1 selected for redemption as shown on the registration books kept by the Registrar in the manner and
2 upon the conditions provided in the Bond Ordinance.

3 The bonds of the series of which this is one are fully registered (i.e., registered as to
4 payment of both principal and interest), and are issuable in the denomination of \$5,000 or any
5 denomination which is an integral multiple of \$5,000 (provided that no bond may be in a
6 denomination which exceeds the principal coming due on any maturity date and no individual bond
7 will be issued for more than one maturity). Upon surrender of any of such bonds at the Registrar
8 with a written instrument satisfactory to the Registrar duly executed by the registered owner or his
9 duly authorized attorney, such bond may, at the option of the registered owner or his duly
10 authorized attorney, be exchanged for an equal aggregate principal amount of such bonds of the
11 same maturity of other authorized denominations, subject to such terms and conditions as set forth
12 in the Bond Ordinance.

13 This bond is fully transferable by the registered owner hereof in person or by his duly
14 authorized attorney on the registration books kept by the Registrar upon surrender of this bond
15 together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon
16 such transfer a new fully registered bond of authorized denomination or denominations of the same
17 aggregate principal amount and maturity will be issued to the transferee in exchange for this bond,
18 subject to such terms and conditions as set forth in the Bond Ordinance. The City and the Registrar
19 and Paying Agent may deem and treat the person in whose name this bond is registered as the
20 absolute owner hereof for the purpose of making payment and for all other purposes.

21 This bond is one of a series of bonds designated "City of Santa Fe Subordinate Lien Gross
22 Receipts Tax Refunding Revenue Bonds, Series 2021," of like tenor and date, except as to interest
23 rate, number and maturity, authorized for the purpose of (1) refunding, discharging and paying the
24 City of Santa Fe, New Mexico Subordinate Lien Gross Receipts Tax Refunding Revenue Bonds,
25 Series 2010B maturing on and after June 1, 2022, (2) refunding, discharging and paying the City

1 of Santa Fe, New Mexico Gross Receipts Tax Improvement and Refunding Revenue Bonds, Series
2 2012A maturing on and after June 1, 2022, and (3) paying Costs of Issuance of the Bonds, as set
3 forth in the Bond Ordinance.

4 This bond is issued pursuant to and in strict compliance with the Constitution and laws of
5 the State of New Mexico.

6 This bond does not constitute an indebtedness of the City within the meaning of any
7 constitutional or statutory provision or limitation, shall not be considered or be held to be a general
8 obligation of the City, and is payable and collectible solely from the Pledged Gross Receipts Tax
9 Revenues pursuant to the Bond Ordinance, which revenues are so pledged; and the holder of this
10 bond may not look to any general or other fund for the payment of the principal and interest on this
11 obligation, except the special funds pledged therefor. Payment of the bonds of the series of which
12 this bond is one and the interest thereon shall be made solely from, and as security for such payment,
13 there are pledged pursuant to the Bond Ordinance special funds identified as the "One-Half Percent
14 Gross Receipts Tax Revenue Fund," the "Infrastructure Gross Receipts Tax Revenue Fund" and
15 the "State-Shared Gross Receipts Tax Revenue Fund" into which the City covenants to pay the
16 Pledged Gross Receipts Tax Revenues, after payment of all outstanding Superior Lien Gross
17 Receipts Tax Obligations, and concurrently with debt service payments for outstanding Parity
18 Subordinate Lien Obligations, sums sufficient to pay when due the principal of and the interest on
19 the bonds of the series of which this bond is one. For a description of the funds, the nature and
20 extent of the security afforded thereby for the payment of the principal of and interest on the bonds,
21 and other details concerning the bonds, reference is made to the Bond Ordinance. Additional bonds
22 and other obligations, in addition to the series of which this bond is one, may be issued and made
23 payable from the City's Pledged Gross Receipts Tax Revenues having a lien thereon superior to,
24 on parity with, or junior to the lien of the bonds of the series of which this bond is one, in accordance
25 with the provisions of the Bond Ordinance and the ordinances authorizing the issuance of the

1 outstanding Superior Lien Gross Receipts Tax Obligations, or Subordinate Lien Gross Receipts
2 Tax Obligation, as applicable.

3 The City covenants and agrees with the registered owner of this bond and with each and
4 every person who may become the registered owner hereof that it will keep and perform all of the
5 covenants of the Bond Ordinance.

6 This bond is subject to the conditions, and every registered owner hereof by accepting the
7 same agrees with the obligor and every subsequent registered owner hereof that the principal of
8 and the interest on this bond shall be paid, and this bond is transferable, free from, and without
9 regard to any equities between the obligor and the original or any intermediate registered owner
10 hereof for any setoffs or cross-claims.

11 It is further certified, recited and warranted that all the requirements of law have been fully
12 complied with by the City Council and officers of the City in the issuance of this bond; and that it
13 is issued pursuant to and in strict conformity with the Constitution and laws of the State of New
14 Mexico, and particularly the terms and provisions of Sections 3-31-1 through 3-31-12, NMSA
15 1978, as amended, and all laws thereunto enabling and supplemental thereto.

16 This bond shall not be valid or obligatory for any purpose until the Registrar shall have
17 manually signed the certificate of authentication herein.

18 IN WITNESS WHEREOF, the City of Santa Fe has caused this bond to be signed,
19 subscribed, and executed, and attested with the facsimile signatures of its Mayor and its City Clerk,
20 respectively and has caused the facsimile of its corporate seal to be affixed on this bond, all as of
21 the Series Date.

22
23
24 CITY OF SANTA FE
25

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[(FACSIMILE SEAL)]

By _____ (facsimile signature)

Mayor

ATTEST:

By _____ (facsimile signature)

City Clerk

(Form of Registrar's Certificate of Authentication)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, 2021

This is one of the bonds described in the within-mentioned Bond Ordinance, and this bond has been duly registered on the registration books kept by the undersigned as Registrar for such Bonds.

BOKF, NA,

Albuquerque, New Mexico, as Registrar

By _____

Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

ASSIGNMENT

For value received, _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books of the Registrar, with full power of substitution in the premises.

Signature Guaranteed:

Name and Address of Transferee

1
2 Dated: _____

Social Security Number or other
Tax Identification Number

3
4
5
6 (End of Form of Assignment)

7 (End of Form of Series 2021 Bond)

8 **Section 13. Period of Project's Usefulness.** It is hereby determined and recited that
9 the useful life of the capital projects financed with proceeds of the Refunded Series 2010B Bonds
10 and Refunded Series 2012A Bonds is not less than the final maturity date of the Bonds.

11 **Section 14. Delivery of Bonds and Initial Registration.** When the Bonds have been
12 duly executed, authenticated, registered and sold, the Mayor or other Authorized Officer identified
13 in Section 4B hereof shall deliver them to the Purchaser on receipt of the agreed purchase price.
14 The Registrar shall initially register the Bonds in the name of Cede & Co.

15 **Section 15. Authorization to Execute Related Documents and Delegated**
16 **Authority.**

17 A. **Approval of Documents; Ratification.** The form, terms and provisions of the
18 Related Documents are in all respects approved, authorized and confirmed, with such changes
19 therein not inconsistent with this Ordinance as the Authorized Officers of the City deem necessary
20 or desirable.

21 B. **Delegated Authority and Execution of Documents.** In addition to the delegation
22 of authority provided in Section 4B hereof, the officers, agents and employees of the City are
23 authorized, empowered and directed to take all action required by this Ordinance, and all such other
24 action as may be necessary or appropriate to effectuate the provisions of this Ordinance, the Related
25 Documents and any other documents as may be necessary or appropriate to carry out and comply

1 with the provisions of this Ordinance.

2 **Section 16. Use of Bond Proceeds; Purchaser Not Responsible.** Except as herein
3 otherwise specifically provided in this Ordinance, the proceeds from the sale of the Bonds shall be
4 used and paid solely for the valid costs of the Refunding Project.

5 A. Refunding Account. An amount of proceeds received from the sale of the Bonds
6 shall be deposited in the Refunding Account and used to pay the costs of the Refunding Project.

7 B. Payment of Costs of Issuance. An amount of proceeds received from the sale of
8 the Bonds shall be used to pay Costs of Issuance, and to the extent not needed to pay Costs of
9 Issuance, shall be deposited in the Series 2021 Bond Fund.

10 C. Project Completion. It is anticipated that the Refunding Project shall be completed
11 on the date of delivery of the Bonds.

12 D. Purchaser Not Responsible. The validity of the Bonds is not dependent on nor
13 affected by the validity or regularity of any proceedings related to the completion of the Refunding
14 Project as defined in this Ordinance. The Purchaser of the Bonds, and any subsequent owner of
15 any Bonds, shall in no manner be responsible for the application or disposal by the City or by any
16 officer or any employee or other agent of the City of the moneys derived from the sale of the Bonds
17 or of any other moneys designated in this Ordinance.

18 **Section 17. Establishment and Continuance of Funds and Accounts.** The City
19 hereby creates, or continues, as applicable, the following special and separate trust funds:

20 A. Refunding Account. The Refunding Account to be maintained by the Paying
21 Agent is hereby created for the deposit of a portion of the proceeds of the Bonds for the Refunding
22 Project.

23 B. State-Shared Gross Receipts Tax Revenue Fund. The “City of Santa Fe, New
24 Mexico State-Shared Gross Receipts Tax Revenue Account of the General Fund of the City,” is
25 hereby continued to be maintained by the City and deposited in an Insured Bank, into which the

1 City shall deposit the State-Shared Gross Receipts Tax Revenues.

2 C. One-Half Percent Municipal Gross Receipts Tax Revenue Fund. The “City of
3 Santa Fe, New Mexico One-Half Percent Municipal Gross Receipts Tax Revenue Fund,” is hereby
4 continued to be maintained by the City and deposited in an Insured Bank, into which the City shall
5 deposit the One-Half Percent Municipal Gross Receipts Tax Revenues.

6 D. Infrastructure Gross Receipts Tax Revenue Fund. The “City of Santa Fe, New
7 Mexico Infrastructure Gross Receipts Tax Revenue Fund,” is hereby continued to be maintained
8 by the City and deposited in an Insured Bank, into which the City shall deposit the Infrastructure
9 Gross Receipts Tax Revenues.

10 E. Environmental Services Gross Receipts Tax Revenue Fund. The “City of Santa
11 Fe, New Mexico Environmental Services Gross Receipts Tax Revenue Fund,” is hereby continued
12 to be maintained by the City and deposited in an Insured Bank, into which the City shall deposit
13 the Environmental Services Gross Receipts Tax Revenues.

14 F. Series 2021 Bond Fund. The “City of Santa Fe Senior Lien Gross Receipts Tax
15 Refunding Revenue Bonds, Series 2021, Bond Fund” is hereby created to be maintained by the
16 City and deposited in an Insured Bank.

17 **Section 18. Administration of Pledged Gross Receipts Tax Revenue Fund.**

18 So long as any of the Bonds shall be outstanding, either as to principal or interest or both, the
19 following payments shall be made monthly from the Pledged Gross Receipts Tax Revenues:

20 A. Bond Fund Payments.

21 (1) First, as a first charge on the Pledged Revenues, the amounts necessary to
22 pay the Debt Service Requirements on Superior Tax Obligations now outstanding or
23 hereafter issued, or to fund any reserve account as required by the terms of any ordinance
24 authorizing the issuance of Superior Tax Obligations, shall be withdrawn first from the
25 One-Half Percent Municipal Gross Receipts Tax Revenue Fund, and if funds therein are

1 insufficient, then if pledged for such Superior Tax Obligations, from the Infrastructure
2 Gross Receipts Tax Revenue Fund, and, if pledged for such Superior Tax Obligations, from
3 the Environmental Services Gross Receipts Tax Revenue Fund, if funds therein are still
4 insufficient, then from the State-Shared Gross Receipts Tax Revenue Fund in that order or
5 in such other order as permitted or required by the authorizing ordinances, at the time
6 prescribed in such authorizing ordinances.

7 (2) Second, but subject to and after the withdrawals authorized by the
8 preceding paragraph A(1), so long as any of the Bonds shall be outstanding, the following
9 amounts shall be withdrawn from the One-Half Percent Municipal Gross Receipts Tax
10 Revenue Fund, then from the Infrastructure Gross Receipts Tax Revenue Fund if the
11 moneys in the One-Half Percent Municipal Gross Receipts Tax Revenue Fund are not
12 sufficient, and, if such moneys are still insufficient, then from the State-Shared Gross
13 Receipts Tax Revenue Fund (unless the City determines that such amounts shall be
14 withdrawn from such funds in some other order), and credited to the Bond Fund:

15 (a) Interest Payments. Monthly, commencing on the first day of the
16 first month following the delivery of the Bonds, an amount in equal monthly
17 installments necessary, together with any moneys therein and available therefor,
18 to pay the next maturing installment of interest on the Bonds then outstanding and
19 monthly thereafter commencing on each interest payment date, one-sixth (1/6th)
20 of the amount necessary to pay the next maturing installment of interest on the
21 outstanding Bonds, and

22 (b) Principal Payments. Monthly, commencing on the first day of the
23 first month following delivery of the Bonds, an amount in equal monthly
24 installments necessary, together with any moneys therein and available therefor,
25 to pay the next maturing installment of principal on the Bonds then outstanding

1 and monthly thereafter commencing on the first day of the twelfth month preceding
2 each principal payment date, one-twelfth (1/12th) of the amount necessary to pay
3 the next maturing installment of principal on the Bonds.

4 (3) Third, but concurrently with the payments required by paragraph A(2) of
5 this section, funds remaining in the One-Half Percent Municipal Gross Receipts Tax
6 Revenue Fund, and if the funds therein are insufficient, then funds remaining in the
7 Infrastructure Gross Receipts Tax Revenue Fund, and if the funds therein are insufficient,
8 then funds remaining in the State-Shared Gross Receipts Tax Revenue Fund and, if pledged
9 therefor, funds remaining in the Environmental Services Gross Receipts Tax Revenue
10 Fund, shall be used by the City to pay the Debt Service Requirements of such additional
11 Parity Subordinate Obligations, if any, hereafter authorized to be issued and payable from
12 Pledged Revenues.

13 If, prior to any interest payment date or principal payment date, there has been accumulated
14 in the Bond Fund the entire amount necessary to pay the next maturing installment of interest or
15 principal, or both, the payment required in subparagraphs 2(a) and 2(b) (whichever is applicable)
16 of this paragraph, may be appropriately reduced and the required monthly amounts again shall be
17 so credited to such account commencing on such interest payment date or principal payment date
18 (whichever is applicable).

19 B. Debt Service Reserve Fund. No debt service reserve fund will be created or
20 required for the Bonds.

21 C. Termination Upon Deposits to Maturity. No payment need be made into the Series
22 2021 Bond Fund if the amount in such fund totals a sum at least equal to the entire amount of the
23 Bonds then outstanding, both as to principal and interest to their respective maturities, and both
24 accrued and not accrued, in which case, moneys in the Series 2021 Bond Fund in an amount at least
25 equal to such principal and interest requirements shall be used solely to pay such as the same accrue

1 and any moneys in excess thereof in the Series 2021 Bond Fund and any other moneys derived
2 from the Pledged Revenues may be used in any lawful manner determined by the City.

3 D. Defraying Delinquencies in the Series 2021 Bond Fund; Use of Moneys in the
4 Series 2021 Bond Fund. If, in any month, amounts in the One-Half Percent Municipal Gross
5 Receipts Tax Revenue Fund are insufficient to make the payments into the Series 2021 Bond Fund
6 required by Paragraph A(2) of this Section 18, there shall be withdrawn first from the Infrastructure
7 Gross Receipts Tax Revenue Fund and then from the State-Shared Gross Receipts Tax Revenue
8 Fund, and deposited in the Series 2021 Bond Fund the additional amounts necessary to make the
9 payments into the Series 2021 Bond Fund required by Paragraph A of this Section 18. The moneys
10 in the Series 2021 Bond Fund shall be used solely and only for the purpose of paying the principal
11 of and the interest on the Bonds issued under this Ordinance; provided, however, that any moneys
12 in the Series 2021 Bond Fund in excess of accrued and unaccrued principal and interest
13 requirements to the respective maturities of the outstanding Bonds may be used in any lawful
14 manner.

15 E. Payment of Additional Obligations and Qualified Exchange Agreements. Either
16 prior to, concurrently with or subsequent to the payments required by Paragraph A of this Section
17 18, depending upon whether the additional Obligations are Superior Obligations or Parity
18 Subordinate Obligations or Super Subordinate Obligations (as defined in Section 21 hereof) as
19 provided in this Ordinance, the Pledged Gross Receipts Tax Revenues shall be used by the City for
20 the payment of Debt Service Requirements on additional Obligations, if any, hereafter authorized
21 to be issued and payable from the Pledged Revenues as the same accrue. In the event that such
22 obligations are Parity Subordinate Obligations, the payments of Debt Service Requirements on
23 such additional Obligations shall be made concurrently with the payments required by Paragraphs
24 A(2), A(3) and D of this Section 18 (provided that such payments may be made at any intervals as
25 may be provided in the ordinance or resolution authorizing such additional Obligations). The

1 following amounts required to be paid by the City shall be paid from Pledged Gross Receipts Tax
2 Revenues with the same priority as other payments of Debt Service Requirements on Parity
3 Subordinate Obligations:

4 (1) Any amount to reimburse or pay a bond insurer or reserve account insurer
5 or guarantor, or to make payments or reimbursements pursuant to another Credit Facility,
6 for payments of Debt Service Requirements made on Parity Subordinate Obligations; and
7 amounts payable to a Qualified Counterparty under a Qualified Exchange Agreement,
8 excluding Exchange Termination Payments, if such payments are designated in a City
9 ordinance relating to that Qualified Exchange Agreement as having a lien on Pledged
10 Revenues on parity with the lien thereon of Parity Subordinate Obligations;

11 (2) Reimbursement of any reserve fund Credit Facility obtained for any issue
12 of Parity Subordinate Obligations; and

13 (3) Cash deposits to any required reserve fund established with respect to any
14 issue of Parity Subordinate Obligations.

15 Each payment of Debt Service Requirements on Parity Subordinate Obligations shall be
16 transferred to the Paying Agent for payment of Parity Subordinate Obligations, or directly to a
17 Qualified Counterparty, bond insurer, reserve account insurer or guarantor or other provider of a
18 Credit Facility entitled to receive payments on Parity Subordinate Obligations, on or before the due
19 date of such payment.

20 F. Payment of Expenses and Certain Obligations which are not Parity Subordinate
21 Obligations. After and subject to the payments required, and provisions contained in, any of the
22 preceding paragraphs of this Section, any remaining Pledged Gross Receipts Tax Revenues shall
23 be used, to the extent necessary, for payment of: (i) any other amounts, expenses, fees and interest
24 owed by the City relating to the issuance, delivery, servicing, payment, redemption and refunding
25 of Parity Subordinate Obligations and (ii) other Obligations relating to Parity Subordinate

1 Obligations owed by the City pursuant to the Related Documents, any Qualified Exchange
2 Agreement (excluding Exchange Termination Payments), bond insurance policy, reserve fund
3 insurance policy or similar documents which are not payable pursuant to any other prior paragraph
4 of this Section.

5 G. RESERVED.

6 H. Use of Surplus Revenues. After making the payments required to be made by
7 Paragraphs A to F of this Section 18, the remaining Pledged Gross Receipts Tax Revenues, if any,
8 may be applied to any other lawful purposes. The One-Half Percent Municipal Gross Receipts Tax
9 Revenues received by the City pursuant to the One-Half Percent Municipal Gross Receipts Tax
10 Ordinance shall be used only for the purposes authorized by that ordinance. The Infrastructure
11 Gross Receipts Tax Revenues received by the City pursuant to the Infrastructure Gross Receipts
12 Tax Ordinance shall be used only for the purposes authorized by that ordinance. The
13 Environmental Services Gross Receipts Tax Revenues received by the City pursuant to the
14 Environmental Services Gross Receipts Tax Ordinance shall be used only for the purposes
15 authorized in that ordinance.

16 I. Variable Interest Rate. In making the computations required by this Section,
17 interest on Obligations which bear a Variable Interest Rate shall be computed: (i) at the actual
18 Variable Interest Rate or Variable Exchange Rate for the computation period, if such rate can be
19 computed exactly, or (ii) if the Variable Interest Rate or Variable Exchange Rate cannot be
20 computed exactly, at the actual rate for the immediately preceding computation period.

21 **Section 19. General Administration of Funds.** The funds and accounts designated
22 in Sections 16 through 18 of this Ordinance shall be administered as follows:

23 A. Investment of Money. Any moneys in any fund designated in Sections 16 through
24 18 may be invested in any Permitted Investments. The obligations so purchased as an investment
25 of moneys in a fund shall be deemed at all times to be part of the fund, and the interest accruing

1 thereon and any profit realized therefrom shall be credited to the fund, and any loss resulting from
2 each investment shall be charged to the fund. The City Finance Director shall present for
3 redemption or sale on the prevailing market any obligations so purchased as an investment of
4 moneys in the fund whenever it shall be necessary to do so in order to provide moneys to meet any
5 payment or transfer from such fund.

6 B. Deposits of Funds. Except for direct investments in Permitted Investments
7 allowed by Paragraph A of this Section 19, the moneys and investments comprising each of the
8 funds and accounts hereinabove designated in Sections 16 through 18 of this Ordinance shall be
9 maintained and kept separate from all other funds and accounts in an Insured Bank or Insured
10 Banks. The amounts prescribed shall be paid to the appropriate funds as specified in Sections 16
11 through 18. Each payment shall be made into the proper bank account and credited to the proper
12 fund not later than the last day designated; provided that when the designated date is a Sunday or a
13 legal holiday, then such payment shall be made on the next preceding secular day. Nothing in this
14 Ordinance shall prevent the establishment of one such bank account or more (or consolidation with
15 any existing bank account), for all of the funds and accounts in Sections 16 through 18 of this
16 Ordinance.

17 **Section 20. Subordinate Lien on Pledged Revenues.** The Pledged Gross Receipts
18 Tax Revenues and the amounts and securities on deposit in the Bond Fund, and the proceeds
19 thereof, are hereby authorized to be pledged to, and are hereby pledged, and the City grants a
20 security interest therein, for the payment of the principal of and interest on the Bonds, subject to
21 the uses thereof permitted by, and the priorities set forth in, this Ordinance. The Bonds constitute
22 an irrevocable subordinate lien (but not an exclusive subordinate lien) on the Pledged Revenues
23 subordinate to the lien thereon of Superior Obligations, and co-equal with the lien thereon of the
24 outstanding Parity Subordinate Obligations.

25 **Section 21. Additional Superior Obligations and Parity Subordinate Obligations.**

1 A. Limitations Upon Issuance of Additional Superior Obligations. No provision of
2 this Ordinance shall be construed in such a manner as to prevent the issuance by the City of
3 additional Obligations payable from Pledged Revenues and constituting a lien upon such revenues
4 prior and superior to the lien of the Bonds on Pledged Revenues. Before any additional Superior
5 Obligations are issued or Obligations refunding outstanding Superior Obligations, the conditions
6 set forth in the ordinances authorizing the issuance of Superior Obligations or refunding Superior
7 Obligations, as applicable, must be satisfied.

8 Before any additional Parity Subordinate Obligations are actually issued (excluding
9 refunding bonds the proceeds of which are used to refund Superior Obligations as provided in
10 Section 22, but including Parity Subordinate Obligations which are refunding bonds which refund
11 subordinate obligations), the following conditions shall be met:

12 (1) The Parity Subordinate Obligations must be Obligations; and

13 (2) The City shall then be current in all of the deposits required to be made
14 with respect to the Parity Subordinate Obligations (including, if applicable, any obligation
15 to fund any reserve account required by the terms of any ordinance authorizing the issuance
16 of any such Obligations); and

17 (3)

18 (a) No additional Parity Subordinate Obligations shall be issued
19 unless the Pledged Gross Receipts Tax Revenues for the Historic Test Period shall
20 have been sufficient to pay an amount representing two hundred percent (200%)
21 of the combined maximum annual Debt Service Requirements coming due in any
22 subsequent Fiscal Year on the then outstanding Superior Obligations, outstanding
23 Parity Subordinate Obligations and the Parity Subordinate Obligations proposed
24 to be issued (excluding the accumulation of any reserves therefor); and

25 (b) In making the computations required by this subparagraph (3)

1 other gross receipts tax revenues, including without limitation, the Environmental
2 Services Gross Receipts Tax Revenues, received by the City, whether from
3 distribution by the State or pursuant to gross receipts taxes imposed by the City
4 (other than State-Shared Gross Receipts Tax Revenues) pledged to the Superior
5 Obligations, Parity Subordinate Obligations and the Parity Subordinate
6 Obligations proposed to be issued, may be included only to the extent such gross
7 receipts tax revenues are pledged to a particular series of such outstanding
8 Obligations or proposed Parity Subordinate Obligations and only to the extent of
9 the maximum annual Debt Service Requirements on such outstanding Obligations
10 or proposed Parity Subordinate Obligations.

11 B. Super Subordinate Obligations Permitted; Certain Obligations Prohibited. No
12 provision of this Ordinance shall be construed in such a manner as to prevent the issuance by the
13 City of additional Obligations payable from the Pledged Revenues with a lien on Pledged Revenues
14 subordinate and junior to the lien of the Bonds thereon, nor to prevent the issuance of Obligations
15 refunding all or part of the Bonds as permitted by Section 22.

16 C. Variable Interest Rate. In making the computations required by this Section 21
17 and Section 22, Obligations which bear a Variable Interest Rate shall be deemed to bear interest at
18 the maximum rate permitted for those Obligations.

19 D. Certificate of City Finance Director. A written certificate or opinion of the City
20 Finance Director that the Pledged Revenues for the applicable Historic Test Period are sufficient
21 to pay the amounts required in this Section 21 shall be required in making a determination that the
22 requirements set forth in this Section have been satisfied and shall be conclusively presumed to be
23 accurate in determining that such requirements have been satisfied.

24 E. Bond Anticipation Notes. Whenever the City shall have authorized the issuance
25 of Superior Obligations or Parity Subordinate Obligations under the Act and the City shall, at the

1 time, be permitted by the laws of the State to issue notes representing loans in anticipation of the
2 sale of such Superior Obligations or Parity Subordinate Obligations ("Bond Anticipation Notes"),
3 the City may by resolution or ordinance authorize the issuance of Bond Anticipation Notes in
4 anticipation of the sale of such Superior Obligations or Parity Subordinate Obligations, provided,
5 however, that before any Bond Anticipation Notes are actually issued, the conditions of Section
6 21A shall be met. Bond Anticipation Notes shall not be issued in an amount exceeding the principal
7 amount of the Superior Obligations or Parity Subordinate Obligations in anticipation of the sale of
8 which such notes are proposed to be issued.

9 For the purposes of determining compliance with this Section, as of the date of issuance of
10 any Bond Anticipation Notes, the aggregate principal amount of all outstanding Bond Anticipation
11 Notes (including such proposed Bond Anticipation Notes) shall never exceed the principal amount
12 of a hypothetical issue of Superior Obligations or Parity Subordinate Obligations which could be
13 issued hereunder having an assumed final maturity of twenty (20) years, bearing an assumed rate
14 of interest equal to the highest rate then borne by any Bond Anticipation Note then outstanding (or,
15 if none, the interest rate borne by the proposed Bond Anticipation Notes to be issued) and having
16 debt service due in each Fiscal Year in approximately equal amounts.

17 F. Put Obligations. In making the computations required by this Section 21 and
18 Section 22, the principal amount of any Put Obligations to be outstanding in the Fiscal Year when
19 the combined maximum annual Debt Service Requirements come due shall be excluded from the
20 maximum annual Debt Service Requirements only if the Credit Facility providing liquidity or
21 standby purchase support for Put Obligations is rated, on the date the computations are made, "A"
22 or better by Fitch or S&P (if such rating agencies are then rating the Bonds). If there is no Credit
23 Facility for the Put Obligations or the rating requirement for the Credit Facility set forth in the
24 preceding sentence is not satisfied, the principal amount of the Put Obligations to be outstanding
25 in the Fiscal Year when combined maximum annual Debt Service Requirements come due shall be

1 considered in computing maximum annual Debt Service Requirements.

2 **Section 22. Refunding Bonds.** The provisions of Section 21 hereof are subject to
3 the following exceptions:

4 A. Privilege of Issuing Refunding Obligations. If at any time after the Bonds, or any
5 part thereof, shall have been issued and remain outstanding, the City shall find it desirable to refund
6 any outstanding Parity Subordinate Obligations or other outstanding obligations payable from the
7 Pledged Revenues, such bonds or other obligations, or any part thereof, may be refunded (but only
8 with the consent of the registered owner or owners thereof, unless the bonds or other obligations,
9 at the time of their required surrender for payment, shall then mature, or shall then be callable for
10 prior redemption at the City's option), regardless of whether the priority of the lien for the payment
11 of the refunding obligations on the Pledged Revenues is changed (except as provided in Paragraph
12 A of Section 21 and in Paragraphs B and C of this Section 22).

13 B. Limitations Upon Issuance of Refunding Obligations. No refunding bonds or other
14 refunding obligations payable from the Pledged Revenues shall be issued on parity with the Bonds
15 herein authorized, unless:

16 (1) The lien on the Pledged Revenues of the outstanding obligations so
17 refunded is on parity with the lien thereon of the Bonds herein authorized; or

18 (2) The refunding bonds or other refunding obligations are issued in
19 compliance with Paragraph A of Section 21 of this Ordinance.

20 C. Refunding Part of an Issue. The refunding bonds or other obligations so issued
21 shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same
22 issue which is not refunded, if any there be; and the registered owner or owners of such refunding
23 bonds or such other refunding obligations shall be subrogated to all of the rights and privileges
24 enjoyed by the registered owner or owners of the bonds or other obligations of the same issue
25 refunded thereby.

1 D. Limitations Upon Issuance of any Refunding Obligations. Any refunding bonds
2 or other refunding obligations payable from the Pledged Revenues shall be issued with such details
3 as the City may by ordinance provide, subject to the inclusion of any such rights and privileges
4 designated in Paragraph C of this Section 22, but without any impairment of any contractual
5 obligations imposed upon the City by any proceedings authorizing the issuance of any unrefunded
6 portion of such outstanding obligations of any one or more issues (including but not necessarily
7 limited to the issue herein authorized). If only a part of the outstanding bonds and any other
8 outstanding obligations of any issue or issues payable from the Pledged Revenues are refunded,
9 then such obligations may not be refunded without the consent of the registered owner or owners
10 of the unrefunded portion of such obligations, unless:

11 (1) The refunding bonds or other refunding obligations do not increase any
12 aggregate annual principal and interest requirements evidenced by such refunding
13 obligations and by the outstanding obligations not refunded on and prior to the last maturity
14 date of such unrefunded obligations, or

15 (2) The refunding bonds or other refunding obligations are issued in
16 compliance with Paragraph A of Section 21 hereof, or

17 (3) The lien on the Pledged Revenues for the payment of the refunding
18 obligations is subordinate to each such lien for the payment of any obligations not refunded.

19 E. Cross-over Refunding Bonds. If the refunding bonds to be issued are Cross-over
20 Refunding Bonds, the ordinance providing for the issuance thereof shall provide (1) that until the
21 date on which the principal portion of the related Parity Subordinate Obligations being refunded is
22 to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds, the Cross-over
23 Refunding Bonds shall not be Parity Subordinate Obligations and shall be payable solely from the
24 escrow provided for in the related ordinance, and (2) a certificate of an Independent Accountant
25 shall be prepared to demonstrate the sufficiency of the moneys and investments in the escrow to

1 pay the principal of and interest on the Cross-over Refunding Bonds until the date on which the
2 principal portion of the related Parity Subordinate Obligations being refunded is to be paid or
3 redeemed and to pay or redeem the related Parity Subordinate Obligations being refunded.

4 **Section 23. Equality of Bonds.** The Bonds authorized to be issued hereunder and
5 from time to time outstanding shall not be entitled to any priority one over the other in the
6 application of the Pledged Revenues, regardless of the time or times of their issuance, it being the
7 intention of the Governing Body that there shall be no priority among the Bonds regardless of the
8 fact that they may be actually issued and delivered at different times.

9 **Section 24. Protective Covenants.** The City hereby covenants and agrees with each
10 and every registered owner of the Bonds that:

11 A. **Payment of Bonds Herein Authorized.** The City will promptly pay the principal
12 of and the interest on every Bond issued hereunder and secured hereby at the place, on the dates
13 and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.
14 Such principal and interest are payable solely from the Pledged Revenues. Nothing in the Bonds,
15 any Qualified Exchange Agreement or this Ordinance shall be construed as obligating the City to
16 pay principal or interest on any of the Bonds from, and the holders of the Bonds and any Qualified
17 Counterparty may not look to, any general or other fund of the City, except those specifically set
18 forth herein.

19 B. **Records.** So long as any of the Bonds remain outstanding, proper books of record
20 and account will be kept by the City, separate and apart from all other records and accounts,
21 showing complete and correct entries of all transactions relating to the Pledged Revenues.

22 C. **Audits.** The City further agrees that it will, by each March 31 following the close
23 of each Fiscal Year, cause an audit of such books and accounts to be made by an Independent
24 Accountant, showing the revenues and expenditures of the Pledged Revenues. The City agrees to
25 furnish forthwith a copy of each of such audits and reports to the Purchaser upon request. Any

1 registered owner of a Bond shall have the right to discuss, with the Independent Accountant or
2 person making the audit, the report and the contents thereof and to ask for such additional
3 information as he may reasonably require.

4 D. Extending Interest Payments. In order to prevent any accumulation of claims for
5 interest after maturity, the City will not directly or indirectly extend or assent to extension of time
6 for the payment of any claim for interest on any of the Bonds and it will not directly or indirectly
7 be a party to or approve any arrangement for any such extension or for the purpose of keeping alive
8 any of such interest.

9 E. Performing Duties. The City will faithfully and punctually perform all duties with
10 respect to the Bonds required by the Constitution and laws of the State of New Mexico and the
11 ordinances and resolutions of the City including but not limited to the proper segregation of the
12 Pledged Revenues and their application of the respective funds.

13 F. Other Liens. Other than the outstanding Parity Obligations, the outstanding
14 Subordinate Obligations and the Bonds as recited in this Ordinance, there are no liens or
15 encumbrances of any nature whatsoever on or against the Pledged Revenues. This Ordinance does
16 not prohibit the issuance of Parity Obligations with a lien on the Pledged Revenues on parity with
17 the lien thereon of the Bonds nor the issuance of Subordinate Lien Gross Receipts Tax Obligations
18 with a lien on the Pledged Revenues subordinate to the lien thereon of the Bonds.

19 G. City's Existence. The City will maintain its corporate identity and existence so
20 long as any of the Bonds herein authorized remain outstanding unless another political subdivision
21 by operation of law succeeds to the liabilities and rights of the City, without affecting to any
22 substantial degree the privileges and rights of any registered Owner of any outstanding Bonds.

23 H. Duty With Respect to Pledged Revenues. If the statutes or any ordinance which
24 materially affects the Pledged Revenues or any part of such ordinances, shall ever be held to be
25 invalid or unenforceable, it shall be the duty of the City, to the extent authorized by law, to

1 immediately take any action necessary to produce sufficient Pledged Revenues to comply with the
2 contracted obligations of this Ordinance, except as provided in Paragraph I of this Section 24.

3 I. Impairment of Contract. The City agrees that any law or ordinance or resolution
4 of the City in any manner affecting the Pledged Revenues or the Bonds, or otherwise appertaining
5 thereto, shall not be repealed or otherwise directly or indirectly modified, in such a manner as to
6 impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or
7 provision has been fully made therefor, or unless the consent of the required percentage of the
8 registered owners of the then outstanding Bonds is obtained pursuant to Section 32 of this
9 Ordinance.

10 J. Tax Covenant. The City covenants that it will use, and will restrict the use and
11 investment of, the proceeds of the Bonds in such manner and to such extent as may be necessary
12 so that (a) the Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds
13 under Sections 141, 148 or 149 of the Tax Code, including applicable regulations, rulings and
14 judicial decisions, or (ii) be treated other than as bonds to which Section 103(a) of the Tax Code
15 applies, and (b) the interest thereon will not be treated as a preference item under Section 57 of the
16 Tax Code. The City further covenants (a) that it will take or cause to be taken such actions that
17 may be required of it for the interest on the Bonds to be and to remain excluded from gross income
18 for federal income tax purposes, (b) that it will not take or authorize to be taken any actions that
19 would adversely affect that exclusion, and (c) that it, or persons acting for it, will, among other acts
20 of compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the borrowings,
21 (ii) restrict the yield on investment property, (iii) make timely and adequate rebate payments, yield
22 reduction payments or payments of alternative amounts in lieu of rebate to the federal government,
23 (iv) maintain books and records and make calculations and reports, and (v) refrain from certain
24 uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that
25 interest under the Tax Code.

1 Authorized Officers of the City are hereby authorized (a) to make or effect any election,
2 selection, designation, choice, consent, approval, or waiver on behalf of the City with respect to the
3 Bonds as the City is permitted or required to make or give under the federal income tax laws,
4 including, without limitation thereto, any of the elections provided for in or available under Section
5 148 of the Tax Code, for the purpose of assuring, enhancing or protecting favorable tax treatment
6 or status of the Bonds or interest thereon or assisting in the compliance with requirements for that
7 purpose, reducing the burden or expense of such compliance, reducing the rebate amount, yield
8 reduction payments or payments of penalties, or making payments of special amounts in lieu of
9 making computations to determine, or paying, excess earnings as rebate or yield reduction
10 payments, or obviating those amounts or payments, as determined by that officer, which action
11 shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain
12 calculations, make payments, including amounts required to be rebated to the United States
13 pursuant to Section 148(f) of the Tax Code, and make or give reports, covenants and certifications
14 of and on behalf of the City, as may be appropriate to assure the exclusion of interest from gross
15 income and the intended tax status of the Bonds, and (c) to give one or more appropriate certificates
16 of the City, for inclusion in the transcript of the proceedings for the Bonds, setting forth the
17 reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds,
18 the facts, circumstances and estimates on which they are based, and other facts and circumstances
19 relevant to the tax treatment of the interest on and the tax status of the Bonds.

20 K. Limitation on Obligations with Variable Interest Rates. The City shall not issue
21 Parity Obligations or Subordinate Obligations with a Variable Interest Rate which, at the time of
22 issuance, are assigned a lower rating than the rating then assigned to the Bonds, as applicable, by
23 Fitch or S&P, unless the written consent of such rating agency to a lower rating is obtained prior
24 to issuance of such Superior Lien Gross Receipts Tax Obligations or Parity Gross Receipts Tax
25 Obligations.

1 L. Notice of Qualified Exchange Agreements to Rating Agencies. The City shall not
2 enter into a Qualified Exchange Agreement which is an Obligation or with respect to any
3 Obligations without first providing notice of such Qualified Exchange Agreement to Fitch and S&P
4 and without first receiving written confirmation from Fitch and S&P that entering into such
5 Qualified Exchange Agreement, in and of itself, would not result in a reduction of the ratings then
6 assigned to the Bonds, as applicable, by Fitch and S&P.

7 M. Continuing Disclosure Undertaking. Authorized Officers of the City are
8 authorized to sign such documents with respect to the City's continuing disclosure obligations as
9 are necessary or desirable to comply with the Continuing Disclosure Undertaking and requirements
10 of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities
11 Exchange Act of 1934, as amended.

12 **Section 25. Defeasance.** When all principal and interest in connection with the Bonds
13 hereby authorized have been duly paid, the pledge and lien and all obligations hereunder shall
14 thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the
15 meaning of this Ordinance. There shall be deemed to be such due payment as to any Bond when
16 the Governing Body has placed in escrow and in trust with a commercial bank located within or
17 without the State of New Mexico and exercising trust powers, an amount sufficient (including the
18 known minimum yield from Federal Securities in which such amount may initially be invested, if
19 applicable) to meet all requirements of principal and interest as the same become due to its maturity
20 or designated redemption date as of which the City shall have exercised or obligated itself to
21 exercise its option to call the Bond. The Federal Securities shall become due prior to the respective
22 times on which the proceeds thereof shall be needed, in accordance with a schedule established and
23 agreed upon between the Governing Body and such bank at the time of the creation of the escrow
24 or the Federal Securities shall be subject to the redemption at the option of the holders thereof to
25 assure such availability as so needed to meet such schedule. Federal Securities within the meaning

1 of this Section 25 shall include only direct obligations of, or obligations the principal of and interest
2 on which are unconditionally guaranteed by, the United States of America and which are not
3 callable prior to maturity by the issuer of such obligations.

4 **Section 26. Events of Default.** Each of the following events is hereby declared an
5 “event of default”:

6 A. Nonpayment of Principal. If payment of the principal of any of the Bonds herein
7 authorized to be issued shall not be made when the same become due and payable; or

8 B. Nonpayment of Interest. If payment of any installment of interest shall not be
9 made when the same becomes due and payable; or

10 C. Incapable to Perform. If the City shall for any reason be rendered incapable of
11 fulfilling its obligations (but not including any obligation of the City under any Qualified Exchange
12 Agreement) hereunder; or

13 D. Default of any Provision. If the City shall default in the due and punctual
14 performance of its covenants or conditions, agreements and provisions contained in the Bonds or
15 in this Ordinance on its part to be performed (other than defaults described in Subparagraphs A, B
16 and C of this Section 26), and if such default shall continue for 60 days after written notice
17 specifying such default and requiring the same to be remedied shall have been given to the City by
18 the registered owners of 25% in principal amount of the Bonds then outstanding.

19 E. Bankruptcy or Insolvency of City. (1) The City shall (a) apply for or consent to
20 the appointment of or the taking of possession by, a receiver, custodian, trustee, liquidator or the
21 like of the City or of all or a substantial part of its property, (b) commence a voluntary case under
22 the Federal Bankruptcy Code, or (c) file a petition seeking to take advantage of any other law
23 relating to bankruptcy, insolvency, or reorganization, or (2) a proceeding or case shall be
24 commenced, without application or consent of the City, in any court of competent jurisdiction
25 seeking (a) the liquidation, reorganization, dissolution, winding-up or adjustment of debts of the

1 City, (b) appointment of a trustee, receiver, custodian, liquidator or the like of the City or of all or
2 a substantial part of its assets, or (c) similar relief in respect of the City under any law relating to
3 bankruptcy, insolvency, reorganization, winding-up or adjustment of debts.

4 **Section 27. Remedies of Defaults.** Upon the happening and continuance of any of the
5 events of default as provided in Section 26 of this Ordinance, then and in every case the registered
6 owner or owners of not less than 25% in principal amount of the Bonds then outstanding, including
7 but not limited to a trustee or trustees, may proceed against the City, its Governing Body, and its
8 agents, officers and employees to protect and enforce the rights of any registered owner of Bonds
9 under this Ordinance by mandamus or other suit, action or special proceedings in equity or at law,
10 in any court of competent jurisdiction, either for specific performance of any covenant or agreement
11 contained herein or award or execution of any power herein granted for the enforcement of any
12 power, legal or equitable remedy as such registered owner or owners may deem most effectual to
13 protect and enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful
14 or in violation of any right of any registered owner, or to require the Governing Body of the City
15 to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such
16 proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all
17 registered owners of the Bonds then outstanding. The failure of any such registered owner so to
18 proceed shall not relieve the City or any of its officers, agents or employees of any liability for
19 failure to perform any duty. Each right or privilege of any such registered owner (or trustee thereof)
20 is in addition and cumulative to any other right or privilege, and the exercise of any right or
21 privilege by or on behalf of any registered owner shall not be deemed a waiver of any other right
22 or privilege thereof.

23 **Section 28. Duties Upon Default.** Upon the happening of any of the events of default
24 as provided in Section 26 of this Ordinance, the City, in addition, will do and perform all proper
25 acts on behalf of and for the registered owners of the Bonds to protect and preserve the security

1 created for the payment of the principal of and interest on the Bonds promptly as the same become
2 due. All proceeds derived from the Pledged Revenues, so long as any of the Bonds herein
3 authorized, either as to principal or interest, are outstanding and unpaid, shall be paid into the proper
4 fund and used for the purposes therein provided. In the event the City fails or refuses to proceed
5 as in this Section 28 provided, the registered owner or registered owners of not less than 25% in
6 principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect
7 and enforce the rights of the registered owners as hereinabove provided.

8 **Section 29. Enforcement.** Any registered owner of any one or more of the Bonds,
9 may, either by law or in equity, by suit, action, mandamus or other appropriate proceedings in any
10 court of competent jurisdiction enforce the payment of principal of, and interest on, any Bond on
11 or after the date on which such payment is due, and may by suit, action, mandamus or other
12 appropriate proceeding or proceedings enforce and compel the performance of such payment in
13 accordance with the provisions of this Ordinance.

14 **Section 30. Severability.** If any Section, paragraph, clause or provision of this
15 Ordinance shall be held to be invalid or unenforceable, the invalidity or unenforceability of such
16 Section, paragraph, clause or provision shall not affect any of the remaining provisions of this
17 Ordinance.

18 **Section 31. Repealer Clause.** All ordinances or parts of ordinances inconsistent
19 herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be
20 construed to revive any ordinance or part of any ordinance heretofore repealed.

21 **Section 32. Amendment.**

22 A. **Limitations upon Amendments.** This Ordinance may be amended or supplemented
23 by ordinance or resolution of the Governing Body without the consent of registered owners:

24 (1) To cure any ambiguity, or to cure, correct or supplement any defect or
25 inconsistent provision contained in this Ordinance;

1 (2) To grant to the registered owners any additional rights, remedies, powers
2 or authority that may lawfully be granted to them;

3 (3) To obtain or maintain a rating on the Bonds from any rating agency which
4 amendment, in the judgment of Bond Counsel, does not materially adversely affect the
5 registered owners of the Bonds;

6 (4) To achieve compliance with federal securities or tax laws, as applicable;

7 (5) To make any other changes in this Ordinance which, in the opinion of
8 Bond Counsel, is not materially adverse to the registered owners; and

9 (6) To make any other changes in this Ordinance in connection with the
10 execution of a Qualified Exchange Agreement, which changes do not adversely affect the
11 rating(s) assigned to the Bonds by Fitch and S&P (if such rating agencies are then rating
12 the Bonds) and do not adversely affect the registered owners.

13 B. Additional Amendments. Except as provided above, this Ordinance may only be
14 amended or supplemented by ordinance adopted by the Governing Body in accordance with the
15 laws of the State, without receipt by the City of any additional consideration, but with the written
16 consent of the registered owners of a majority of the principal amount of the outstanding Bonds
17 which are affected by the amendment or supplement (not including Bonds which are then owned
18 by or for the account of the City); provided, however, that, without first obtaining the consent of
19 all registered owners of the outstanding Bonds, no such ordinances shall have the effect of
20 permitting:

21 (1) An extension of the maturity of any Bond; or

22 (2) A reduction in the principal amount of or interest rate on any Bond; or

23 (3) A reduction of the principal amount of Bonds required for consent to such
24 amendment or supplement.

25 C. Proof of Instruments. The fact and date of the execution of any instrument under

1 the provisions of this Section may be proved by the certificate of any officer in any jurisdiction
2 who by the laws of that jurisdiction is authorized to take acknowledgments of deeds within that
3 jurisdiction that the person signing the instrument acknowledged before him the execution of that
4 instrument, or may be proved by an affidavit of a witness to the execution sworn to before such
5 officer.

6 D. Proof of Bonds. The principal amount and number of Bonds owned by any person
7 executing such instrument and the date of holding that instrument may be proved by a certificate
8 executed by a bank or trust company showing that on the date mentioned that person had on deposit
9 with the bank or trust company the Bonds described in the certificate.

10 **Section 33. Ordinance Irrepealable.** After any of the Bonds herein authorized are
11 issued, this Ordinance shall be and remain irrepealable until the Bonds and interest thereon shall
12 be fully paid, canceled and discharged as therein provided, or there has been defeasance as provided
13 in Section 25 of this Ordinance.

14 **Section 34. Effective Date, General Summary for Publication.** Upon due adoption
15 of this Ordinance, the ordinance shall be recorded and preserved by the City Clerk, authenticated
16 by the signature of the Mayor and City Clerk, and the seal of the City impressed hereon, and the
17 title and general summary of the subject matter contained in this Ordinance (set out below) shall
18 be published in a newspaper which maintains an office and is of general circulation in the City and
19 this Ordinance shall be in full force and effect after its publication in accordance with law.

20 Pursuant to Section 3-17-5 NMSA 1978, as amended, the title and a general summary of
21 the subject matter contained in this Ordinance shall be published in substantially the following
22 form:

23 (Form of Summary of Ordinance for Publication)

24 CITY OF SANTA FE, NEW MEXICO

25 NOTICE IS HEREBY GIVEN of the title and of a general summary of the subject matter

1 contained in an ordinance duly adopted and approved by the Governing Body of the City of Santa
2 Fe on July 28, 2021. A complete copy of the ordinance is available for public inspection during
3 the normal and regular business hours of the City Clerk in the office of the City Clerk, City Hall,
4 200 Lincoln Avenue, Santa Fe, New Mexico and is available online at
5 library.municode.com/nm/santa_fe/codes/code_of_ordinances.

6 The title of the ordinance is:

7 **AN ORDINANCE**

8 **AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF SANTA FE,**
9 **NEW MEXICO SUBORDINATE LIEN GROSS RECEIPTS TAX REFUNDING**
10 **REVENUE BONDS, SERIES 2021 IN AN AGGREGATE PRINCIPAL AMOUNT**
11 **NOT TO EXCEED \$14,745,000 FOR THE PURPOSE OF (1) REFUNDING,**
12 **DISCHARGING AND PAYING THE CITY OF SANTA FE, NEW MEXICO**
13 **SUBORDINATE LIEN GROSS RECEIPTS TAX REFUNDING REVENUE**
14 **BONDS, SERIES 2010B AND MATURING ON AND AFTER JUNE 1, 2022; (2)**
15 **REFUNDING, DISCHARGING AND PAYING THE CITY OF SANTA FE, NEW**
16 **MEXICO GROSS RECEIPTS TAX IMPROVEMENT AND REFUNDING**
17 **REVENUE BONDS, SERIES 2012A AND MATURING ON AND AFTER JUNE 1,**
18 **2022; AND (3) PAYING COSTS OF ISSUANCE OF THE SERIES 2021 BONDS;**
19 **CALLING FOR THE REDEMPTION OF THE OUTSTANDING SERIES 2010B**
20 **BONDS AND SERIES 2012A BONDS; PROVIDING THAT THE BONDS WILL BE**
21 **PAYABLE AND COLLECTIBLE FROM CERTAIN GROSS RECEIPTS TAX**
22 **REVENUES DISTRIBUTED TO THE CITY; APPROVING THE SELECTION OF**
23 **AN UNDERWRITER AND FORMS OF A PRELIMINARY OFFICIAL**
24 **STATEMENT AND A PAYING AGENT REGISTRAR AND DEPOSITARY AGENT**
25 **AGREEMENT; DELEGATING AUTHORITY TO THE MAYOR OR, IN THE**

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(End of Form of Ordinance for Publication)

PASSED, APPROVED, AND ADOPTED this 11th day of August, 2021

GOVERNING BODY OF THE
CITY OF SANTA FE

(SEAL)



ALAN WEBBER, MAYOR

ATTEST:

Kristine Mihelcic

[Kristine Mihelcic \(Aug 23, 2021 16:44 MDT\)](#)
KRISTINE MIHELIC, CITY CLERK

APPROVED AS TO FORM:

Peter Franklin

[Peter Franklin \(Aug 23, 2021 15:47 MDT\)](#)

PETER FRANKLIN – MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A. AS BOND

COUNSEL