

EXTRACT OF MINUTES of a regular public meeting of the County Board of The County of Lake, Illinois, held on the 10th Floor of the County Administrative Tower, located at 18 North County Street, Waukegan, Illinois, in said County at 9:00 o'clock A.M., on the 10th day of October, 2023.

* * *

The Chair called the meeting to order and directed the County Clerk to call the roll.

Upon the roll being called Sandy Hart, the Chair, and the following County Board Members were physically present at said location: _____

The following County Board Members were allowed by a majority of the members of the County Board in accordance with and to the extent allowed by rules adopted by the County Board to attend the meeting by video or audio conference: _____

No County Board Member was not permitted to attend the meeting by video or audio conference.

The following County Board Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The Chair announced that the County Board would next consider the adoption of an ordinance providing for the payment of certain bonds of the County with lawfully available funds

on hand and authorizing and directing the execution of an escrow agreement with Amalgamated Bank of Chicago, in connection therewith.

Whereupon the Chair presented and the County Clerk read by title an ordinance as follows, a copy of which was provided to each County Board Member prior to said meeting and to everyone in attendance at said meeting who requested a copy:

AN ORDINANCE providing for the payment of certain outstanding bonds of The County of Lake, Illinois, and authorizing and directing the execution of an Escrow Agreement in connection therewith.

* * *

WHEREAS, The County of Lake, Illinois (the “*County*”), is a duly organized and existing unit of local government created and existing under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Counties Code of the State of Illinois, as amended; and

WHEREAS, the County has issued and has outstanding Special Service Area Number 16 Unlimited Ad Valorem Special Tax Bonds, Series 2013, of the County (the “*Prior Bonds*”); and

WHEREAS, the County Board of the County (the “*Board*”) hereby finds that there are sufficient funds of the County on hand and lawfully available, including but not limited to lawfully available funds in the (1) Special Service Area Number 16 Unlimited Ad Valorem Special Tax Bonds, Series 2013, Bond Fund, (2) Debt Service Reserve Account for The County of Lake, Illinois, Special Service Area Number 16 Unlimited Ad Valorem Special Tax Bonds, Series 2013, and (3) Special Service Area Number 16 Unlimited Ad Valorem Special Tax Bonds, Series 2013, Project Fund, to pay all or a portion of the Prior Bonds (the “*Available Funds*”); and

WHEREAS, the County Board hereby further finds that it is necessary and in the best interests of the County to apply the Available Funds, in an amount not to exceed \$4,870,000, to the payment of all or a portion of the Prior Bonds described in the hereafter-defined Escrow Agreement (the “*Defeased Bonds*”); and

WHEREAS, in order to properly provide for the payment of the Defeased Bonds, it will be necessary to transfer Available Funds to Amalgamated Bank of Chicago, as escrow agent (the “*Escrow Agent*”), pursuant to the Escrow Agreement, to be invested by the Escrow Agent, on behalf of the County, in direct obligations of or obligations guaranteed by the full faith and credit

of the United States of America (as herein further described and defined as the “*Government Securities*”), the principal of and interest on which will be used to pay the principal of and interest on the Defeased Bonds upon redemption prior to maturity; and

WHEREAS, it is necessary that the Board authorize the form of Escrow Agreement with the Escrow Agent and direct the execution of the Escrow Agreement by officers of the County:

NOW, THEREFORE, Be it Ordained by the County Board of The County of Lake, Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Definitions. The words and terms used in this Ordinance shall have the definitions set forth for them in the form of Escrow Agreement provided herein, unless the context or use of same shall clearly indicate that another meaning is intended.

Section 3. The Funding of the Escrow. The County Treasurer is hereby authorized and directed to permanently transfer the Available Funds to the Escrow Agent pursuant to the Escrow Agreement on the date of the Escrow Agreement (not later than December 30, 2023). Such funds shall be used and are hereby appropriated to acquire the Government Securities, to fund the costs incurred in connection with the execution and delivery of the Escrow Agreement and to provide a beginning cash deposit.

Section 4. Form and Authorization of Agreement. The Agreement and all the terms thereof, in the form provided hereby, are hereby approved, and the Chair of the Board and County Clerk are hereby authorized and directed to execute the Agreement in the name of the County. The Agreement shall be in substantially the following form:

FORM OF ESCROW AGREEMENT

This Escrow Agreement, dated October __, 2023, by and between The County of Lake, Illinois (the “*County*”), and Amalgamated Bank of Chicago, a banking corporation having trust powers, organized and operating under the laws of the State of Illinois, located in Chicago, Illinois (the “*Escrow Agent*”), in consideration of the mutual promises and agreements herein set forth:

WITNESSETH:

ARTICLE I

DEFINITIONS

The following words and terms used in this Agreement shall have the following meanings unless the context or use clearly indicates another or different meaning:

Section 1.01. “*Agreement*” means this Agreement between the County and the Escrow Agent.

Section 1.02. “*Board*” means the County Board of the County.

Section 1.03. “*Code*” means Section 148 of the Internal Revenue Code of 1986, and all lawful regulations promulgated thereunder.

Section 1.04. “*County*” means The County of Lake, Illinois.

Section 1.05. “*Defeased Bonds*” means the outstanding bonds of the County as follows:

\$4,750,000 Special Service Area Number 16 Unlimited Ad Valorem Special Tax Bonds, Series 2013, dated December 31, 2013, being all of the bonds outstanding from an issue in the original principal amount of \$7,000,000, fully registered and without coupons, due on December 30, 2038, and bearing interest at the rate per annum of 5.00%.

Section 1.06. “*Escrow Account*” means the trust account established under this Agreement by the deposit of the Government Securities and the beginning cash.

Section 1.07. “*Escrow Agent*” means Amalgamated Bank of Chicago, a banking corporation having trust powers, organized and operating under the laws of the State of Illinois,

located in Chicago, Illinois, not individually but in the capacity for the uses and purposes hereinafter mentioned, or any successor thereto.

Section 1.08. “*Government Securities*” means the non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America as to principal and interest deposited hereunder as more particularly described in *Exhibit A* to this

Section 1.09. “*Ordinance*” means the ordinance adopted on the 10th day of October, 2023, by the Board entitled:

AN ORDINANCE providing for the payment of certain outstanding bonds of The County of Lake, Illinois, and authorizing and directing the execution of an Escrow Agreement in connection therewith.

Section 1.10. “*Paying Agent*” means Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent for the Defeased Bonds.

ARTICLE II

CREATION OF ESCROW

Section 2.01. The County, by the Ordinance, has authorized the provision for payment of the Defeased Bonds by the deposit on demand and to purchase on behalf of the County the Government Securities. Such deposit and securities will provide all moneys necessary to pay the principal of and interest on the Defeased Bonds upon redemption prior to maturity.

Section 2.02. The County shall deposit \$_____ with the Escrow Agent pursuant to this Agreement. Funds so deposited shall be used for the purchase of the Government Securities and the funding of a beginning cash escrow deposit on demand in the amount of \$_____ (the “*Beginning Deposit*”) [and for the payment of the costs incurred by the County in connection with this Agreement and set forth in *Exhibit B* hereto]. The Beginning Deposit and the Government Securities are held in an irrevocable trust fund account for the County to the benefit of the holders

of the Defeased Bonds to pay the principal of and interest on the Defeased Bonds upon redemption prior to maturity.

Section 2.03. The principal of and income and profit to be received from the Government Securities, when paid at maturity, and the Beginning Deposit, will be sufficient, at all times pending the final payment of the Defeased Bonds, to pay all interest on and all principal of the Defeased Bonds upon redemption prior to maturity.

ARTICLE III

COVENANTS OF ESCROW AGENT

The Escrow Agent covenants and agrees with the County as follows:

Section 3.01. The Escrow Agent will hold the Government Securities and all interest income or profit derived therefrom and all uninvested cash in an irrevocable segregated and separate trust fund account for the sole and exclusive benefit of the holders of the Defeased Bonds until final payment thereof.

Section 3.02. The beginning cash escrow deposit shall not be invested by the Escrow Agent. The Escrow Agent shall hold balances not so invested in the Escrow Account on demand and in trust for the purposes hereof and shall secure same in accordance with applicable Illinois law for the securing of public funds.

Section 3.03. The Escrow Agent will take no action in the investment or securing of the proceeds of the Government Securities which would cause the Defeased Bonds to be classified as “arbitrage bonds” under the Code, *provided*, it shall be under no duty to affirmatively inquire whether the Government Securities as deposited are properly invested under said section; and, *provided, further*, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

Section 3.04. The Escrow Agent will promptly collect the principal, interest or profit from the Government Securities and promptly apply the same as necessary to the payment of principal and interest on the Defeased Bonds upon redemption prior to maturity as herein provided.

Section 3.05. The Escrow Agent will remit to the Paying Agent, in good funds on or before each principal or interest payment on the Defeased Bonds, moneys sufficient to pay such principal and interest as will meet the requirements for the retirement of the Defeased Bonds, and such remittances shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

Section 3.06. The Escrow Agent will make no payment of fees, charges or expenses due or to become due, of the Paying Agent or the bond registrar and paying agent on the Defeased Bonds, and the County either paid such fees, charges and expenses in advance as set forth in Section 3.07 hereof or covenants to pay the same as they become due.

Section 3.07. The charges, fees and expenses of the Escrow Agent have been paid in advance, and all charges, fees or expenses of the Escrow Agent in carrying out any of the duties, terms or provisions of this Agreement shall be paid solely therefrom.

Section 3.08. The County does hereby call the Defeased Bonds for redemption and payment prior to maturity on December 30, 2023. The Escrow Agent will cause the Paying Agent to provide for and give timely notice of the call for redemption of the Defeased Bonds. The form and time of the giving of such notice regarding the Defeased Bonds shall be as specified in the ordinance authorizing the issuance of the Defeased Bonds. The County shall reimburse the Escrow Agent for any actual out of pocket expenses incurred in the giving of such notice, but the failure of the County to make such payment shall not in any respect whatsoever relieve the Escrow Agent from carrying out any of the duties, terms or provisions of this Agreement.

The Escrow Agent shall also cause the Paying Agent to give notice of the call of the Defeased Bonds, on or before the date the notice of such redemption is given to the holders of the Defeased Bonds, to the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Information with respect to procedures for submitting notice can be found at <https://msrb.org>.

Section 3.09. The Escrow Agent has all the powers and duties herein set forth with no liability in connection with any act or omission to act hereunder, except for its own negligence or willful breach of trust, and shall be under no obligation to institute any suit or action or other proceeding under this Agreement or to enter any appearance in any suit, action or proceeding in which it may be defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall be deemed to have failed to take any such action, unless and until it shall have been indemnified by the County to its satisfaction against any and all costs and expenses, outlays, counsel fees and other disbursements, including its own reasonable fees, and if any judgment, decree or recovery be obtained by the Escrow Agent, payment of all sums due it, as aforesaid, shall be a first charge against the amount of any such judgment, decree or recovery.

Section 3.10. The Escrow Agent may in good faith buy, sell or hold and deal in any of the Defeased Bonds.

Section 3.11. If at any time it shall appear to the Escrow Agent that the available proceeds of the Government Securities and deposits on demand in the Escrow Account will not be sufficient to make any payment due to the holders of any of the Defeased Bonds, the Escrow Agent shall notify the Board, not less than five (5) days prior to such date, and the County agrees that it will

from any funds legally available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur.

ARTICLE IV

COVENANTS OF THE COUNTY

The County covenants and agrees with the Escrow Agent as follows:

Section 4.01. The Escrow Agent shall have no responsibility or liability whatsoever for (a) any of the recitals of the County herein, (b) the performance of or compliance with any covenant, condition, term or provision of the Ordinance, and (c) any undertaking or statement of the County hereunder or under the Ordinance.

Section 4.02. All payments to be made by, and all acts and duties required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the County.

ARTICLE V

AMENDMENTS, REINVESTMENT OF FUNDS, IRREVOCABILITY OF AGREEMENT

Section 5.01. Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement.

Section 5.02. Except as provided in Section 5.04 hereof, all of the rights, powers, duties and obligations of the County hereunder shall be irrevocable and shall not be subject to amendment by the County and shall be binding on any successor to the officials now comprising the Board during the term of this Agreement.

Section 5.03. This Agreement may be amended or supplemented, and the Government Securities or any portion thereof may be sold, redeemed, invested or reinvested, in any manner provided (any such amendment, supplement, or direction to sell, redeem, invest or reinvest to be referred to as a “*Subsequent Action*”), upon submission to the Escrow Agent of each of the following:

(1) Certified copy of proceedings of the Board authorizing the Subsequent Action and copy of the document effecting the Subsequent Action signed by duly designated officers of the County.

(2) An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds that the Subsequent Action has been duly authorized by the Board and will not adversely affect the tax-exempt status of the interest on the Defeased Bonds nor violate the covenants of the County not to cause the Defeased Bonds to become “arbitrage bonds” under the Code, and that the Subsequent Action does not materially adversely affect the legal rights of the holders of the Defeased Bonds.

(3) An opinion of a firm of nationally recognized independent certified public accountants that the amounts (which will consist of cash or deposits on demand held in trust or receipts from non-callable direct obligations of or non-callable obligations guaranteed by the full faith and credit of the United States of America, all of which shall be held hereunder) available or to be available for payment of the Defeased Bonds will remain sufficient to pay upon redemption prior to maturity all principal and interest on the Defeased Bonds after the taking of the Subsequent Action.

ARTICLE VI

MERGER, CONSOLIDATION OR RESIGNATION OF ESCROW AGENT

Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. The Escrow Agent may at any time resign as Escrow Agent under this Agreement by giving 30 days' written notice to the County, and such resignation shall take effect upon the appointment of a successor Escrow Agent by the County. The County may select as successor Escrow Agent any financial institution with capital, surplus and undivided profits of at least \$75,000,000 and having a corporate trust office within the State of Illinois, and which is authorized to maintain trust accounts for municipal corporations in Illinois under applicable law.

ARTICLE VII

NOTICES TO THE COUNTY AND THE ESCROW AGENT

Section 7.01. All notices and communications to the County and the Board shall be addressed in writing to: County Board, The County of Lake, 18 N County Street, 9th Floor, Waukegan, Illinois 60085.

Section 7.02. All notices and communications to the Escrow Agent shall be addressed in writing to: Amalgamated Bank of Chicago, Corporate Trust Department, 30 North LaSalle Street, Chicago, Illinois 60602.

ARTICLE VIII

TERMINATION OF AGREEMENT

Section 8.01. That, upon final disbursement of funds sufficient to pay the principal and interest of the Defeased Bonds as hereinabove provided for, the Escrow Agent will transfer any balance remaining in the Escrow Account to the County with due notice thereof mailed to the Board, and thereupon this Agreement shall terminate.

IN WITNESS WHEREOF, The County of Lake, Illinois, has caused this Agreement to be signed in its name by the Chair of the Board and to be attested by the County Clerk of the County; and Amalgamated Bank of Chicago, Chicago, Illinois, not individually, but in the capacity as hereinabove described, has caused this Agreement to be signed in its corporate name by one of its officers and attested by one of its officers under its corporate seal hereunto affixed, all as of the ____ day of October, 2023.

THE COUNTY OF LAKE, ILLINOIS

By

Chair, County Board

Attest:

County Clerk

AMALGAMATED BANK OF CHICAGO,
Chicago, Illinois

By

Its _____

Attest:

Its _____

[BANK SEAL]

EXHIBIT A
GOVERNMENT SECURITIES

**[EXHIBIT B
CLOSING COSTS]**

Section 5. Purchase of the Government Securities. The Escrow Agent and Speer Financial, Inc., are each hereby authorized to act as agent for the County in the purchase of the Government Securities described and set forth in the Escrow Agreement.

Section 6. Certificate of Reduction of Taxes. The Chair of the County Board and the County Treasurer are hereby directed to prepare and file with the County Clerk a Certificate of Reduction of Taxes Heretofore Levied for the Payment of Bonds showing the Prior Bonds being paid and directing the abatement of taxes heretofore levied to pay the Defeased Bonds.

Section 7. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 8. Repealer and Effective Date. All ordinances, resolutions or parts thereof in conflict herewith be and the same are hereby repealed and that this Ordinance shall be in full force and effect forthwith upon its adoption.

ADOPTED by the County Board of The County of Lake, Illinois, this 10th day of October, 2023.

Chair of the County Board of
The County of Lake, Illinois

ATTEST:

County Clerk and ex-officio
Clerk of the County Board of
The County of Lake, Illinois

Member _____ moved and Member _____
seconded the motion that said ordinance as presented and read by title be adopted.

After a full and complete discussion thereof, the Chair directed that the County Clerk call
the roll for a vote upon the motion to adopt said ordinance.

Upon the roll being called, the following members voted AYE: _____

The following members voted NAY: _____

Whereupon the Chair declared the motion carried and said ordinance adopted, and in open
meeting approved and signed said ordinance and directed the County Clerk to record the same in
full in the records of the County Board of The County of Lake, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at said
meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

County Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Lake, Illinois (the “*County*”), and as such official I am the keeper of the records and files of the County Board of the County (the “*Board*”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board held on the 10th day of October, 2023, insofar as same relates to the adoption of an ordinance entitled:

AN ORDINANCE providing for the payment of certain outstanding bonds of The County of Lake, Illinois, and authorizing and directing the execution of an Escrow Agreement in connection therewith.

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

I do further certify that the deliberations of the Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Board at least 48 hours in advance of the holding of said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that at least one copy of said agenda was continuously available for public review during the entire 48-hour period preceding said meeting, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Counties Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board in the conduct of said meeting and in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this 10th day of October, 2023.

County Clerk

[SEAL]