



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 2/23/2023

File ID: 2022-1315

Department: Administration

Subject:

Type of Action: Unanimous Consent

Introduction of an Ordinance authorizing the City's General Obligation Warrants, Series 2023-A, General Obligation Warrants, Series 2023-B, General Obligation Sewer Warrants, Series 2023-C, and General Obligation School Warrants, Series 2023-D, together with other documents and instruments in connection therewith.

Type of Document: Ordinance No.

Finance Information:

Account Number: TBD

City Cost Amount: TBD

Total Cost: TBD

Special Circumstances:

Grant Funded: NA

Grant Title - CFDA or granting Agency: NA

Resolution #: NA

Location: (list below)

Address: NA

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

**AN ORDINANCE TO PROVIDE FOR THE
ISSUANCE BY THE CITY OF HUNTSVILLE OF ITS
\$66,835,000 GENERAL OBLIGATION WARRANTS, SERIES 2023-A
\$26,790,000 GENERAL OBLIGATION WARRANTS, SERIES 2023-B
\$44,605,000 GENERAL OBLIGATION SEWER WARRANTS, SERIES 2023-C
AND
\$45,425,000 GENERAL OBLIGATION SCHOOL WARRANTS, SERIES 2023-D**

BE IT ORDAINED by the City Council of the City of Huntsville in the State of Alabama as follows:

Section 1. Definitions and Use of Phrases.

(a) **Definitions.** The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations as used herein:

"Authorized Denominations" means the sum of \$5,000 or any integral multiple thereof.

"Bank" means Regions Bank, Birmingham, Alabama, in its capacity as registrar, transfer agent and paying agent with respect to the Warrants, and includes any successor Bank appointed pursuant to Section 20 hereof.

"Callable Warrants" means those of the Warrants having stated maturities in 2034 and thereafter.

"City" means the municipal corporation of Huntsville in the State of Alabama and includes its successors and assigns and any municipal corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"City Clerk" means the city clerk of the City, and any interim city clerk of the City.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor Code thereto.

"Council" means the governing body of the City as from time to time constituted.

"Eligible Investments" means (a) United States Securities, (b) Eligible Securities, and (c) any money market fund invested solely in United States Securities.

"Eligible Securities" means an interest-bearing certificate of deposit issued by the Bank or any bank, savings and loan association or trust company organized under the laws of the United States of America or any state thereof that is (to the extent not insured by the Federal

Deposit Insurance Corporation) collaterally secured by a pledge of United States Securities (a) having at any date of calculation a market value (taking account of any accrued interest thereon) not less than the principal of and the accrued interest on the certificates of deposit secured thereby, (b) deposited and pledged with any Federal Reserve Bank or with any bank or trust company organized under the laws of the United States or any state thereof, and having combined capital and surplus and undivided profits of not less than \$100,000,000, and (c) for which a receipt signed by the bank or trust company having custody of such collateral securities and containing a sufficient description thereof has been furnished to the Bank.

"Herein," "hereby," "hereunder," "hereof," and other equivalent words refer to this Ordinance as an entirety and not solely to the particular portion hereof in which any such word is used.

"Holder" means the person in whose name a Warrant is registered on the registry books of the Bank pertaining to the Warrants.

"Improvements" means the 2023-A Improvements, the 2023-B Improvements, the 2023-C Improvements, and the 2023-D Improvements.

"Interest Payment Date" means each September 1 and March 1, commencing September 1, 2023.

"Mayor" means the Mayor of the City.

"Overdue Interest" means interest due but not paid on the interest payment date on which such interest is required to be paid.

"Overdue Interest Payment Date" means the date fixed by the Bank, pursuant to the provisions of Section 15 hereof, for the payment of Overdue Interest on the Warrants.

"Record Date" means the fifteenth (15th) calendar day of the month next preceding any March 1 or September 1.

"Redemption Date" means the date fixed for redemption of any of the Callable Warrants pursuant to the provisions of Section 4 hereof.

"Redemption Price" means the price at which the Callable Warrants may be redeemed.

"Resolution" and **"Ordinance"** mean, respectively, a resolution or ordinance adopted by the Council.

"Series 2023-A Warrant Fund" means the special fund of the City created in Section 6(a) hereof.

"Series 2023-B Warrant Fund" means the special fund of the City created in Section 6(b) hereof.

"Series 2023-C Warrant Fund" means the special fund of the City created in Section 6(c) hereof.

"Series 2023-D Warrant Fund" means the special fund of the City created in Section 6(d) hereof.

"Series 2023-A Warrants" means the City's \$66,835,000 General Obligation Warrants, Series 2023-A, dated the date of delivery.

"Series 2023-B Warrants" means the City's \$26,790,000 General Obligation Warrants, Series 2023-B, dated the date of delivery.

"Series 2023-C Warrants" means the City's \$44,605,000 General Obligation Sewer Warrants, Series 2023-C, dated the date of delivery.

"Series 2023-D Warrants" means the City's \$45,425,000 General Obligation School Warrants, Series 2023-D, dated the date of delivery.

"United States Securities" means any securities that are direct obligations of the United States of America.

"Warrant Funds" means the Series 2023-A Warrant Fund, the Series 2023-B Warrant Fund, the Series 2023-C Warrant Fund and the Series 2023-D Warrant Fund.

"Warrants" without other qualifying words, means the Series 2023-A Warrants, the Series 2023-B Warrants, the Series 2023-C Warrants and the Series 2023-D Warrants.

"Winning Bidder" shall mean, with respect to the Series 2023-A Warrants, the 2023-A Winning Bidder, with respect to the Series 2023-B Warrants, the 2023-B Winning Bidder, with respect to the Series 2023-C Warrants, the 2023-C Winning Bidder, and with respect to the Series 2023-D Warrants, the 2023-D Winning Bidder.

"2023-A Improvements" means various public capital improvements within the City consisting of, among other things (i) expansion and renovations of the Sandra Moon Complex (a public facility containing a library, community facilities, a gymnasium and other public facilities), (ii) public safety training facility improvements and other public safety and protection facility improvements, (iii) public parking lots and facilities, (iv) athletic field and playground improvements, (v) public roadway, drainage, infrastructure and utility improvements, and (vi) various other public capital improvements, equipment and assets for the City.

"2023-A Winning Bidder" means HilltopSecurities, as underwriter for the Series 2023-A Warrants.

"2023-B Improvements" means various public capital improvements within the City consisting of, among other things, public park improvements, land for public parking and public parking improvements, public roadway improvements and other public capital improvements, equipment and assets for the City.

"2023-B Winning Bidder" means PNC Capital Markets, as underwriter for the Series 2023-B Warrants.

"2023-C Improvements" means various public capital improvements to the sanitary sewer system of the City including, without limitation, intake lines and related assets, tanks, clarifiers, general infrastructure, equipment, and other public capital improvements for the expansion of the western area waste water treatment plant portion of the City sewer system, along with other public capital improvements, equipment and assets for the City sewer system.

"2023-C Winning Bidder" means Mesirow Financial, Inc., as underwriter for the Series 2023-C Warrants.

"2023-D Improvements" means various public capital improvements for public school purposes including a new central office building, a new career and technical education academy, renovations to existing public school facilities, site improvements, equipment, and various other infrastructure, improvements and assets for public school purposes within the City.

"2023-D Winning Bidder" means BofA Securities, as underwriter for the Series 2023-D Warrants.

(b) **Use of Phrases.** The definitions set forth in Section 1(a) hereof shall be deemed applicable whether the words defined are herein used in the singular or the plural.

Wherever used herein any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. Findings. The Council has ascertained and does hereby find and declare as follows:

(a) The City has determined it necessary, wise and in the public interest to design, develop, install, construct and acquire various public capital improvements within the City herein defined and described as the 2023-A Improvements, the 2023-B Improvements, the 2023-C Improvements, and the 2023-D Improvements; and

(b) The City intends to finance the costs of the 2023-A Improvements with proceeds of the Series 2023-A Warrants, the costs of the 2023-B Improvements with proceeds of the Series 2023-B Warrants, the costs of the 2023-C Improvements with proceeds of the Series 2023-C Warrants, and the costs of the 2023-

D Improvements with proceeds of the Series 2023-D Warrants;
and

(c) each of the bids for the Series 2023-A Warrants, the Series 2023-B Warrants, the Series 2023-C Warrants, and the Series 2023-D Warrants set forth on Exhibit I was submitted to the City electronically via PARITY pursuant to the Notice of Sale for such series and by the deadline therein provided; and

(d) with respect to each of the Series 2023-A Warrants, the Series 2023-B Warrants, the Series 2023-C Warrants and the Series 2023-D Warrants, the bid filed with the City by the 2023-A Winning Bidder, the 2023-B Winning Bidder, the 2023-C Winning Bidder and the 2023-D Winning Bidder, respectively, produces the lowest net interest cost (*i.e.*, the lowest effective borrowing cost) to the City for such series.

Section 3. Authorization of the Warrants. (a) **Principal Amount, Maturities and Interest Rates.** (i) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Code of Alabama 1975, as amended (the "Alabama Code"), there are hereby authorized to be issued the Series 2023-A Warrants. The Series 2023-A Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on March 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate
2024	\$1,995,000	5.000%
2025	2,095,000	5.000%
2026	2,205,000	5.000%
2027	2,315,000	5.000%
2028	2,435,000	5.000%
2029	2,560,000	5.000%
2030	2,690,000	5.000%
2031	2,830,000	5.000%
2032	2,975,000	5.000%
2033	3,130,000	5.000%
2034	3,290,000	5.000%
2035	3,455,000	5.000%
2036	3,635,000	5.000%
2037	3,820,000	5.000%
2038	4,015,000	5.000%
2039	4,225,000	5.000%
2040	4,440,000	5.000%
2041	4,665,000	5.000%
2042	4,905,000	5.000%

2043 5,155,000 5.000%

The Series 2023-A Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 29 hereof, be designated by the purchasers thereof from the City.

(ii) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2023-B Warrants. The Series 2023-B Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on March 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate
2024	\$800,000	5.000%
2025	840,000	5.000%
2026	885,000	5.000%
2027	930,000	5.000%
2028	975,000	5.000%
2029	1,025,000	5.000%
2030	1,080,000	5.000%
2031	1,135,000	5.000%
2032	1,195,000	5.000%
2033	1,255,000	5.000%
2034	1,320,000	5.000%
2035	1,385,000	5.000%
2036	1,455,000	5.000%
2037	1,530,000	5.000%
2038	1,610,000	5.000%
2039	1,690,000	5.000%
2040	1,780,000	5.000%
2041	1,870,000	5.000%
2042	1,965,000	5.000%
2043	2,065,000	5.000%

The Series 2023-B Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 29 hereof, be designated by the purchasers thereof from the City.

(iii) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2023-C Warrants. The Series 2023-C Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on March 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate
2024	\$1,330,000	5.000%
2025	1,400,000	5.000%
2026	1,470,000	5.000%
2027	1,545,000	5.000%
2028	1,625,000	5.000%
2029	1,710,000	5.000%
2030	1,795,000	5.000%
2031	1,890,000	5.000%
2032	1,985,000	5.000%
2033	2,090,000	5.000%
2034	2,195,000	5.000%
2035	2,305,000	5.000%
2036	2,425,000	5.000%
2037	2,550,000	5.000%
2038	2,680,000	5.000%
2039	2,820,000	5.000%
2040	2,960,000	5.000%
2041	3,115,000	5.000%
2042	3,275,000	5.000%
2043	3,440,000	5.000%

The Series 2023-C Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 29 hereof, be designated by the purchasers thereof from the City.

(iv) Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly but without limitation Section 11-81-4 and Section 11-47-2 of the Alabama Code, there are hereby authorized to be issued the Series 2023-D Warrants. The Series 2023-D Warrants shall be issued as fully registered warrants without coupons, shall be dated the date of their delivery, shall mature and become payable on March 1 in the years and in the amounts and shall bear interest at the per annum rates of interest as follows:

Maturity Date (March 1)	Principal Amount	Interest Rate
2024	\$670,000	5.000%
2025	705,000	5.000%
2026	740,000	5.000%
2027	775,000	5.000%
2028	815,000	5.000%
2029	860,000	5.000%
2030	905,000	5.000%
2031	950,000	5.000%
2032	1,000,000	5.000%

2033	1,050,000	5.000%
2034	1,105,000	5.000%
2035	1,160,000	5.000%
2036	1,220,000	5.000%
2037	1,280,000	5.000%
2038	1,345,000	5.000%
2039	1,415,000	5.000%
2040	1,490,000	5.000%
2041	1,565,000	5.000%
2042	1,645,000	5.000%
2043	1,730,000	5.000%
2044	1,820,000	5.000%
2045	1,910,000	5.000%
2046	2,010,000	5.000%
2047	2,110,000	5.000%
2048	2,220,000	5.000%
2053	12,930,000	5.000%

The Series 2023-D Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 29 hereof, be designated by the purchasers thereof from the City.

(b) **Place and Manner of Payment.** The principal of and the premium, if any, on the Warrants shall be payable at the principal corporate trust office of the Bank in the City of Birmingham, Alabama, upon presentation and surrender of the Warrants as the same become due and payable. Except as provided in Section 15 hereof, interest on the Warrants shall be payable by check or draft mailed by the Bank to the registered Holders of the Warrants at the addresses shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the Record Date next preceding each Interest Payment Date. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such due date is not a business day, on the next business day immediately following such due date). The Bank shall cause all payments of the principal of and the interest and premium, if any, on the Warrants to be accompanied by CUSIP numbers with appropriate dollar amounts for each CUSIP number.

(c) **Computation of Interest and Interest Payment Dates.** The Warrants shall bear interest from their date until their respective maturities at the per annum rates of interest set forth in subsection (a)(i) above with respect to the Series 2023-A Warrants, subsection (a)(ii) above with respect to the Series 2023-B Warrants (computed on the basis of a 360-day year of twelve consecutive 30-day months), subsection (a)(iii) above with respect to the Series 2023-C Warrants (computed on the basis of a 360-day year of twelve consecutive 30-day months), and subsection (a)(iv) above with respect to the Series 2023-D Warrants (computed on the basis of a 360-day year of twelve consecutive 30-day months). Such interest shall be payable semiannually on each Interest Payment Date. The Series 2023-A Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection

(a)(i) above, (ii) the Series 2023-B Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(ii) above, (iii) the Series 2023-C Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(iii) above, and (iv) the Series 2023-D Warrants shall bear interest after their respective maturities until paid at the per annum rates of interest set forth in subsection (a)(iv) above.

Section 4. Redemption Provisions. (a) Optional Redemption. (i) Those of the Series 2023-A Warrants having stated maturities on March 1, 2034, and thereafter, will be subject to redemption and payment prior to maturity, at the option of the City, as a whole or in part, on March 1, 2033, and on any date thereafter, at and for a redemption price equal to the par or face amount of each Series 2023-B Warrant redeemed, plus accrued interest thereon to the date fixed for redemption.

(ii) Those of the Series 2023-B Warrants having stated maturities on March 1, 2034, and thereafter, will be subject to redemption and payment prior to maturity, at the option of the City, as a whole or in part, on March 1, 2033, and on any date thereafter, at and for a redemption price equal to the par or face amount of each Series 2023-B Warrant redeemed, plus accrued interest thereon to the date fixed for redemption.

(iii) Those of the Series 2023-C Warrants having stated maturities on March 1, 2034, and thereafter, will be subject to redemption and payment prior to maturity, at the option of the City, as a whole or in part, on March 1, 2033, and on any date thereafter, at and for a redemption price equal to the par or face amount of each Series 2023-C Warrant redeemed, plus accrued interest thereon to the date fixed for redemption.

(iv) Those of the Series 2023-D Warrants having stated maturities on March 1, 2034, and thereafter, will be subject to redemption and payment prior to maturity, at the option of the City, as a whole or in part, on March 1, 2033, and on any date thereafter, at and for a redemption price equal to the par or face amount of each Series 2023-D Warrant redeemed, plus accrued interest thereon to the date fixed for redemption.

(b) **Mandatory Redemption** The Series 2023-D Warrants maturing on March 1, 2053 (the "2023-D Term Warrants") shall be redeemed, at a redemption price equal to the face amount of 2023-D Term Warrants to be redeemed plus accrued interest thereon to the date fixed for redemption, on March 1 in the years and in the principal amounts as follows:

2023-D Term Warrants Maturing in March 1	
Year	Amount
2049	\$2,335,000
2050	2,455,000
2051	2,580,000
2052	2,710,000
2053 (maturity)	2,850,000

In the event the City shall have partially redeemed 2023-D Term Warrants or shall have provided for a partial redemption of 2023-D Term Warrants in such a manner that 2023-D Term Warrants for the redemption of which provision is made are considered as fully paid, the City may elect to apply all or any part (but only in integral multiples of \$5,000) of the principal amount of such 2023-D Term Warrants so redeemed or to be redeemed to the reduction of the principal amount of 2023-D Term Warrants required to be redeemed pursuant to the schedules set forth immediately above on any March 1 coterminous with or subsequent to the date such optional redemption actually occurs.

(c) **Manner of Effecting Redemption.** Any redemption or prepayment of any series of Warrants shall be effected in the following manner:

(i) **Call.** The City shall by Resolution or Ordinance call for redemption on a stated date when they are by their terms subject to redemption Warrants (or principal portions thereof) and shall recite in said Resolution or Ordinance (A) that the City is not in default in the payment of the principal of or the interest or premium, if any, on any of the Warrants of the particular series to be redeemed, or (B) that all of the Warrants then outstanding of the particular series to be redeemed are to be retired on the Redemption Date; provided, however, that it shall not be necessary for the City to adopt any such Resolution or Ordinance in the case of any redemption of Warrants if the redemption is one that is required by the provisions of any mandatory redemption requirement herein contained. A certified copy of any such Resolution or Ordinance, if one shall be required, shall be furnished to the Bank not less than thirty-five (35) days prior to the Redemption Date, unless a shorter period is acceptable to the Bank.

(ii) **Notice by First Class Mail.** The Bank (on behalf of the City) shall cause to be forwarded by First Class Mail to the registered Holder of each of the Warrants the principal of which is to be redeemed, in whole or in part, at the address of such registered Holder as such address appears on the registry books of the Bank pertaining to the registration of the Warrants, a notice, dated the date such notice is mailed by the Bank, stating the following: that Warrants (identified by the complete name and date of the Warrants) in certain specified principal amounts (or portions thereof) bearing stated numbers, CUSIP numbers, interest rates and maturity dates, have been called for redemption and will become due and payable at the Redemption Price or Redemption Prices on a specified Redemption Date, and that all interest thereon will cease after the Redemption Date. Such notice shall contain the telephone number of the Bank to which inquiries can be addressed and shall be so mailed not more than sixty (60) nor less than thirty (30) days prior to the Redemption Date, but Holders of any Warrants may waive the requirements of this subsection with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants.

(iii) **Payment of Redemption Price.** The City shall make available at the Bank, on or prior to the Redemption Date, in immediately available funds, the

total Redemption Price of the Warrants (or portions thereof) that are to be prepaid and redeemed on the Redemption Date.

The City and the Bank will, to the extent deemed by them to be practicable under the circumstances and to the extent permitted by law, comply with the standards set forth in the Securities and Exchange Commission's Exchange Act Release No. 23856 dated December 3, 1986, regarding redemption notices but their failure to do so shall not invalidate the redemption of any Warrants with respect to which the other requirements of this Section 4 have been satisfied. Upon compliance with the foregoing requirements on its part contained in this subsection, and if the City is not on the Redemption Date in default in the payment of the principal of or the interest or premium, if any, on any of the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price on the Redemption Date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be redeemed in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion of such Warrant. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

Section 5. General Obligation. The indebtedness evidenced and ordered paid by the Warrants is and shall be a general obligation of the City for payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City are hereby irrevocably pledged.

Section 6. Warrant Funds (a) Series 2023-A Warrant Fund. There is hereby created a special fund to be designated the "City of Huntsville Series 2023-A Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2023-A Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2023-A Warrants have been paid in full. Payments into the Series 2023-A Warrant Fund shall be made as follows:

(i) there shall be paid into the Series 2023-A Warrant Fund, simultaneously with the issuance of the Series 2023-A Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(ii) on or before last day of each August and February, beginning with the month of August, 2023, and thereafter until the principal of and interest on the Series 2023-A Warrants shall have been paid in full, the City will pay into the Series 2023-A Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2023-A Warrants on the next

succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2023-A Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2023-A Warrant Fund of any sum out of the proceeds from the sale of the Series 2023-A Warrants, pursuant to the provisions of paragraph (i) of this subsection (a), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2023-A Warrant Fund an amount equal to any such sum so paid into the Series 2023-A Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (a) to be made into the Series 2023-A Warrant Fund all earnings on investments made pursuant to the provisions of subsection (e) of this Section 6, to the end that all moneys held in the Series 2023-A Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2023-A Warrants) shall be paid out for purposes for which the Series 2023-A Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2023-A Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2023-A Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2023-A Warrants, howsoever the same may mature, there shall be in the Series 2023-A Warrant Fund moneys in excess of the amount required to retire the Series 2023-A Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2023-A Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2023-A Warrants at the time outstanding, no further payments need be made into the Series 2023-A Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2023-A Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(b) **Series 2023-B Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2023-B Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2023-B Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2023-B Warrants have been paid in full. Payments into the Series 2023-B Warrant Fund shall be made as follows:

(i) there shall be paid into the Series 2023-B Warrant Fund, simultaneously with the issuance of the Series 2023-B Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(ii) on or before last day of each August and February, beginning with the month of August, 2023, and thereafter until the principal of and interest on the Series 2023-B Warrants shall have been paid in full, the City will pay into the Series 2023-B Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2023-B Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2023-B Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2023-B Warrant Fund of any sum out of the proceeds from the sale of the Series 2023-B Warrants, pursuant to the provisions of paragraph (i) of this subsection (a), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2023-B Warrant Fund an amount equal to any such sum so paid into the Series 2023-B Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (a) to be made into the Series 2023-B Warrant Fund all earnings on investments made pursuant to the provisions of subsection (e) of this Section 6, to the end that all moneys held in the Series 2023-B Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2023-B Warrants) shall be paid out for purposes for which the Series 2023-B Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2023-B Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2023-B Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2023-B Warrants, howsoever the same may mature, there shall be in the Series 2023-B Warrant Fund moneys in excess of the amount required to retire the Series 2023-B Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2023-B Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2023-B Warrants at the time outstanding, no further payments need be made into the Series 2023-B Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2023-B Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(c) **Series 2023-C Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2023-C Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2023-C Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2023-C Warrants have been paid in full. Payments into the Series 2023-C Warrant Fund shall be made as follows:

(i) there shall be paid into the Series 2023-C Warrant Fund, simultaneously with the issuance of the Series 2023-C Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(ii) on or before last day of each August and February, beginning with the month of August, 2023, and thereafter until the principal of and interest on the Series 2023-C Warrants shall have been paid in full, the City will pay into the Series 2023-C Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2023-C Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2023-C Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2023-C Warrant Fund of any sum out of the proceeds from the sale of the Series 2023-C Warrants, pursuant to the provisions of paragraph (i) of this subsection (a), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2023-C Warrant Fund an amount equal to any such sum so paid into the Series 2023-C Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (a) to be made into the Series 2023-C Warrant Fund all earnings on investments made pursuant to the provisions of subsection (e) of this Section 6, to the end that all moneys held in the Series 2023-C Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2023-C Warrants) shall be paid out for purposes for which the Series 2023-C Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2023-C Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2023-C Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2023-C Warrants, howsoever the same may mature, there shall be in the Series 2023-C Warrant Fund moneys in excess of the amount required to retire the Series 2023-C Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2023-C Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2023-C Warrants at the time outstanding, no further payments need be made into the Series 2023-C Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2023-C Warrant Fund so that all amounts shall be available to the Bank in immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(d) **Series 2023-D Warrant Fund.** There is hereby created a special fund to be designated the "City of Huntsville Series 2023-D Warrant Fund," for the purpose of providing for the payment of the principal of and interest and premium, if any, on the Series 2023-D

Warrants, at the respective maturities of said principal, interest and premium, if any, which special fund shall be maintained until the principal of and the interest and premium, if any, on the Series 2023-D Warrants have been paid in full. Payments into the Series 2023-D Warrant Fund shall be made as follows:

(i) there shall be paid into the Series 2023-D Warrant Fund, simultaneously with the issuance of the Series 2023-D Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds, if any, which may be referable to accrued interest; and

(ii) on or before last day of each August and February, beginning with the month of August, 2023, and thereafter until the principal of and interest on the Series 2023-D Warrants shall have been paid in full, the City will pay into the Series 2023-D Warrant Fund an amount equal to the sum of (A) the semiannual installment of interest that will mature on the Series 2023-D Warrants on the next succeeding Interest Payment Date plus (B) the principal that will mature on the Series 2023-D Warrants on the then next succeeding Interest Payment Date; provided, however, that following payment into the Series 2023-D Warrant Fund of any sum out of the proceeds from the sale of the Series 2023-D Warrants, pursuant to the provisions of paragraph (i) of this subsection (a), there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Series 2023-D Warrant Fund an amount equal to any such sum so paid into the Series 2023-D Warrant Fund pursuant to the provisions of the said paragraph (i).

There shall also be credited on the payments due under this subsection (a) to be made into the Series 2023-D Warrant Fund all earnings on investments made pursuant to the provisions of subsection (e) of this Section 6, to the end that all moneys held in the Series 2023-D Warrant Fund (exclusive of amounts held therein for the payment of matured but unrepresented Series 2023-D Warrants) shall be paid out for purposes for which the Series 2023-D Warrant Fund was created within thirteen (13) months from the date such moneys first become available for such purposes. The Bank shall promptly notify the City of the receipt of such earnings and the amount thereof.

All moneys paid into the Series 2023-D Warrant Fund shall be used only for payment of the principal of and the interest and premium, if any, on the Series 2023-D Warrants, upon or after the respective maturities of such principal, interest and premium; provided, that, if at the final maturity of the Series 2023-D Warrants, howsoever the same may mature, there shall be in the Series 2023-D Warrant Fund moneys in excess of the amount required to retire the Series 2023-D Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Series 2023-D Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Series 2023-D Warrants at the time outstanding, no further payments need be made into the Series 2023-D Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section. The City shall make the deposits into the Series 2023-D Warrant Fund so that all amounts shall be available to the Bank in

immediately available funds not later than 10:00 a.m., Birmingham, Alabama time on the last business day prior to the Interest Payment Date with respect to which the payment is made.

(e) **Trust Nature of and Security for the Warrant Funds.** (i) **Series 2023-A Warrant Fund.** The Series 2023-A Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2023-A Warrant Fund is herein created. Each depository for the Series 2023-A Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2023-A Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2023-A Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2023-A Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2023-A Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(ii) **Series 2023-B Warrant Fund.** The Series 2023-B Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2023-B Warrant Fund is herein created. Each depository for the Series 2023-B Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2023-B Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2023-B Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2023-B Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2023-B Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(iii) **Series 2023-C Warrant Fund.** The Series 2023-C Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2023-C Warrant Fund is herein created. Each depository for the Series 2023-C Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2023-C Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2023-C Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2023-C Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2023-C Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(ii) **Series 2023-D Warrant Fund.** The Series 2023-D Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2023-D Warrant Fund is herein created. Each depository for the Series 2023-D Warrant Fund shall at all times keep the moneys on deposit with it in the Series 2023-D Warrant Fund continuously secured for the benefit of the City and the Holders of the Series 2023-D Warrants either:

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2023-D Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for such depository so to secure any portion of the moneys on deposit in the Series 2023-D Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency that may succeed to its duties) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (f) of this Section 6.

(f) **Investment of Moneys in the Warrant Funds.** With respect to each of the Warrant Funds, so long as the City shall not be in default hereunder it may, at any time and from time to time as it in its sole discretion shall deem advisable, cause to be invested in Eligible Investments any or all of the moneys in such Warrant Funds; provided, that, each such investment shall mature not later than the Interest Payment Date next following the date such investment is made. In the event of any such investment, the securities in which the investment is made shall become a part of such Warrant Fund and shall be held by the depository for the moneys so invested to the same extent as if they were moneys on deposit in such Warrant Fund. The City may likewise at any time and from time to time cause any securities in which any such investment shall be made to be sold or otherwise converted into cash, whereupon the net proceeds derived from any such sale or conversion, after payment of all necessary expenses incident to such sale or conversion, shall become a part of such Warrant Fund. Each depository for such Warrant Fund shall be fully protected in making investments, sales, and conversions of any such securities upon direction given to it by the City.

Section 7. Form of Warrants. (a) **Form of Series 2023-A Warrants.** The Series 2023-A Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

GENERAL OBLIGATION WARRANT

SERIES 2023-A

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2023, and semiannually on each March 1 and September 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation Warrants, Series 2023-A", and aggregating \$66,835,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on February 23, 2023.

Those of the Warrants having a stated maturity on March 1, 2034, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2033, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its Interim City Clerk, and has caused this Warrant to be dated March 9, 2023.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

Interim City Clerk

Form of Registration Certificate

Date of Registration: March 9, 2023.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby

irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this _____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(b) **Form of Series 2023-B Warrants.** The Series 2023-B Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION WARRANT
SERIES 2023-B**

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2023, and semiannually on each September 1 and March 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation Warrants, Series 2023-B", and aggregating \$26,790,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on February 23, 2023.

The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a

new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

Those of the Warrants having a stated maturity on March 1, 2034, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2033, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its Interim City Clerk, and has caused this Warrant to be dated March 9, 2023.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

Interim City Clerk

Form of Registration Certificate

Date of Registration: March 9, 2023.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this _____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(c) **Form of Series 2023-C Warrants.** The Series 2023-C Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION SEWER WARRANT
SERIES 2023-C**

Interest Rate	Maturity Date	CUSIP Number
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Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2023, and semiannually on each September 1 and March 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day

immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation Sewer Warrants, Series 2023-C", and aggregating \$44,605,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on February 23, 2023.

Those of the Warrants having a stated maturity on March 1, 2034, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2033, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its Interim City Clerk, and has caused this Warrant to be dated March 9, 2023.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

Interim City Clerk

Form of Registration Certificate

Date of Registration: March 9, 2023.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this _____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

(d) **Form of Series 2023-D Warrants.** The Series 2023-D Warrants shall be in substantially the following form:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF HUNTSVILLE

**GENERAL OBLIGATION SCHOOL WARRANT
SERIES 2023-D**

Interest Rate

Maturity Date

CUSIP Number

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Huntsville, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **CEDE & CO.**, or registered assigns, the principal sum of

_____ **DOLLARS**

on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on September 1, 2023, and semiannually on each September 1 and March 1 thereafter until the due date hereof.

The principal of and the premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal corporate trust office of Regions Bank (the "Bank") in the City of Birmingham, Alabama, or its successor under the Ordinance hereinafter referred to. Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the August 15 or the February 15 next preceding each September 1 or March 1, as the case may be. The Ordinance hereinafter referred to provides that

all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Payment of such interest shall be deemed to have been timely made if such check or draft is mailed by the Bank on the due date of such interest (or, if such date is not a Business Day, on the next Business Day immediately following such date). Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated "General Obligation School Warrants, Series 2023-D", and aggregating \$45,425,000 in principal amount (the "Warrants"). This Warrant is issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly but without limitation Section 11-47-2 and Section 11-81-4 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") of the City duly adopted by the governing body of the City on February 23, 2023.

Those of the Warrants having a stated maturity on March 1, 2034, and thereafter, shall be subject to redemption and payment, at the option of the City, on any date on or after March 1, 2033, in whole or in part (and if in part, in multiples of \$5,000 in such maturities as the City in its sole discretion shall designate, and if less than all the Warrants having the same maturity are to be redeemed, those to be redeemed shall be selected pro rata by the Bank), at and for a redemption price for each Warrant (or portion thereof) redeemed equal to the face or par amount thereof plus accrued interest to the redemption date.

Those of the Warrants having stated maturities on March 1, 2053 are subject to scheduled mandatory redemption at and for a redemption price, with respect to each Warrant (or portion thereof) redeemed, equal to the principal amount thereof plus accrued interest to the date fixed for redemption, but only to the extent required by the Ordinance.

The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by First Class Mail to the registered owner hereof, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the holders thereof shall then and there surrender them for redemption, and all future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and the interest and premium, if any, on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

In the event that this Warrant (or any principal portion hereof) is duly called for redemption, the Bank shall not be required to register, transfer or exchange this Warrant during the period of forty-five (45) days next preceding the date fixed for its redemption.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of its Mayor, has caused its corporate seal to be hereunto imprinted, has caused this Warrant to be attested by the signature of its Interim City Clerk, and has caused this Warrant to be dated March 9, 2023.

CITY OF HUNTSVILLE

By _____
Mayor

[SEAL]

Attest:

Interim City Clerk

Form of Registration Certificate

Date of Registration: March 9, 2023.

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

REGIONS BANK

By: _____
Its Authorized Officer

Form of Assignment

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within-mentioned Bank.

Dated this _____ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)*
By _____
(Authorized Officer)

Its Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a

recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

Section 8. Execution of Warrants by the City. The Warrants shall be executed on behalf of the City by the Mayor and attested by the Interim City Clerk, and the seal of the City shall be impressed on each of the Warrants. Signatures on the Warrants by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Warrants, whether initially issued or exchanged for Warrants of different denominations from those initially issued.

Section 9. Registration Certificate on Warrants. A Registration Certificate by the Bank, in substantially the form hereinabove recited, duly executed by the manual signature of an authorized officer of the Bank, shall be endorsed on each of the Warrants and shall be essential to its validity.

Section 10. Registration and Transfer of Warrants. All Warrants shall be registered as to both principal and interest, and shall be transferable only on the registry books of the Bank. The Bank shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified.

No transfer of a Warrant shall be valid hereunder except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank, whereupon the City shall execute, and the Bank shall register and deliver to the transferee, a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name a Warrant is registered on the books of the Bank shall be the sole person to whom or on whose order payments on account of the principal thereof and of the interest and premium, if any, thereon may be made. Each Holder of any of the Warrants, by receiving or accepting such Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, the Warrants may be transferred only in accordance with the provisions of this Ordinance.

Each transferee of a Warrant takes it subject to all payments of principal and interest in fact made with respect thereto.

Section 11. Exchange of Warrants. Upon the request of the Holder of one or more Warrants, the City shall execute, and the Bank shall register and deliver, upon surrender to the Bank of such Warrant or Warrants in exchange thereof, a Warrant or Warrants in different Authorized Denominations of the same maturity and interest rate and together aggregating the

same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the person surrendering such Warrant or Warrants. All Warrants surrendered for exchange pursuant to the provisions of this Section 11 shall be accompanied by a written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank.

Section 12. Expenses of Registration, Transfer and Exchange. Any registration, transfer or exchange of any of the Warrants shall be made without charge to the Holders thereof, except that (a) the Holder requesting any such registration, transfer or exchange shall pay all taxes and other governmental charges required to be paid in connection with such registration, transfer or exchange, and (b) the Holder shall pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant in accordance with Section 17 hereof.

Section 13. Time Limits on Registration, Transfer or Exchange. If any Warrant is called for redemption in whole or in part, the Bank shall not be required to register, transfer or exchange such Warrant during the period of forty-five (45) days next preceding the Redemption Date.

Section 14. Accrual of Interest on Warrants. All Warrants issued prior to September 1, 2023 in exchange for Warrants initially delivered, shall bear interest from March 9, 2023, and all Warrants issued on or after September 1, 2023, shall bear interest from the September 1 or March 1, as the case may be, next preceding the date of its registration and delivery unless (a) such date of registration and delivery is a September 1 or March 1, in which event such Warrant shall bear interest from the date of its registration and delivery, or (b) at the time of such registration and delivery the City is in default in the payment of interest on the Warrant in lieu of which such new Warrant is issued, in which event such new Warrant shall bear interest from the last Interest Payment Date to which interest has previously been paid or made available for payment on the Warrant in lieu of which such new Warrant is issued. The preceding provision shall be construed to the end that the issuance of a Warrant shall not affect any gain or loss in interest to the Holder thereof.

Section 15. Persons to Whom Payment of Interest on Warrants Is to Be Made. (a) Interest on the Warrants shall, except as provided in paragraph (b) of this Section 15, be payable in lawful money of the United States of America by check or draft mailed by the Bank to the Holders of the Warrants at the addresses shown on the registry books of the Bank pertaining to the Warrants as of the close of business on the Record Date next preceding the Interest Payment Date for which such payment is to be made.

(b) Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to a Holder of a Warrant solely by reason of such Holder having been the Holder on the Record Date next preceding the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

(i) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest on the Warrants, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest respecting the Warrants.

(ii) Such Overdue Interest Payment Date fixed by the Bank shall be a date not more than twenty (20) days following the expiration of the period described in the foregoing subparagraph (i).

(iii) Overdue Interest on the Warrants shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered in the registry books of the Bank pertaining to the Warrants on the Overdue Interest Payment Date.

(c) Payment of Overdue Interest on the Warrants in the manner herein prescribed to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 16. Persons Deemed Owners of Warrants. The City and the Bank may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is so registered, shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 17. Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event any Warrant is mutilated, lost, stolen or destroyed, the City may execute and the Bank shall thereupon register and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the City and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the City and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

In lieu of issuing a new Warrant to replace any mutilated, lost, stolen or destroyed Warrant which shall have already matured or been called for redemption, the Bank may pay such Warrant at or after the maturity or Redemption Date applicable thereto if the Holder of such Warrant satisfies the same terms and conditions as those provided in the preceding provisions of this Section 17 for the replacement of such Warrant. Any mutilated Warrant surrendered to the Bank pursuant to the terms of this Section 17 shall be destroyed by the Bank after a Warrant in replacement thereof has been issued.

Section 18. Retention of Moneys for Payment of Warrants. The amounts held by the Bank for the payment of the principal of and interest on any Warrants due on any date shall, pending such payment, be held in trust by the Bank for the benefit of the holders of

the Warrants entitled thereto, and for the purposes of this Ordinance the principal of and interest on such Warrants shall no longer be considered to be unpaid. If any Warrant shall not be presented for payment within a period of one (1) year following the date when such Warrant becomes due, whether by maturity, redemption or otherwise, or if the check or draft providing for any payment of interest on any Warrant shall not have been negotiated within such period, the Bank shall return to the City any moneys theretofore held by it for payment of such Warrant or such interest.

Section 19. Cancellation of Warrants. The Bank shall forthwith cancel all Warrants which have been paid by it, whether by maturity, redemption or otherwise, and shall destroy such Warrants and if requested by the City deliver a certificate to that effect to the City.

Section 20. (a) Appointment of Bank and Acceptance or Duties. The Bank is hereby designated and appointed and shall act as registrar, transfer agent and paying agent with respect to the Warrants. The Bank shall signify its acceptance of the duties of the Bank under this Ordinance by filing with the City a written acceptance thereof not later than the date of the issuance of the Warrants. In such acceptance the Bank shall accept and agree to perform the duties required by this Ordinance, either expressly or by reasonable implication, subject, however, to the following conditions:

(i) The Bank shall undertake to perform such duties and only such duties as are specifically set forth in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Bank.

(ii) The Bank need not recognize a Holder of a Warrant as such without the satisfactory establishment of title to such Warrant as shown on the registry books of the Bank.

(iii) The Bank may be a Holder or a pledgee of any of the Warrants as if not Bank hereunder.

(iv) The Bank shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(v) The Bank shall not be liable to pay or allow interest on any moneys to be held by it under this Ordinance or otherwise to invest any such moneys, except as specifically required by this Ordinance or as may be required by law or other written agreement between the City and the Bank.

(vi) The Bank may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.

(vii) The Bank shall, upon reasonable request, inform the City of the amount at the time on deposit in any of the special funds or accounts created hereunder.

(b) **Bank to Maintain Registration Books.** The Bank will keep on file at its principal corporate trust office registration books listing the names and addresses of the holders of the Warrants and proper records of account relating to the receipt, disbursement, investment, allocation and application of moneys under this Ordinance.

(c) **Resignation by Bank.** The Bank and any successor Bank may resign and be discharged from the duties under this Ordinance by causing written notice specifying the effective date, postage prepaid, to the City and to every Holder of a Warrant. Unless the effective date of the Bank's resignation shall coincide with the appointment of a successor Bank by the Holders of the Warrants as herein provided, such date shall be at least thirty (30) days after the date on which notice to the City and the Holders of the Warrants shall have been mailed.

(d) **Removal of Bank.** The Bank may be removed at any time by an instrument or concurrent instruments in writing delivered to the Bank.

(e) **Appointment of Successor Bank; Interim Bank.** In case the Bank shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the Holders of a majority in aggregate principal amount of Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Bank to be incapable of acting, the City, by an instrument signed by the Mayor, shall appoint an interim Bank to serve until a successor Bank shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants as provided above. Whenever necessary to avoid or fill a vacancy in the office of Bank, the City will appoint an interim Bank in order that there shall at all times be a Bank hereunder. Any interim Bank so appointed by the City shall immediately and without further act be superseded by the Bank appointed by the holders of the Warrants.

The City shall cause notice of the appointment of an interim Bank, in the event that such an appointment is made, to be forwarded by First Class mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Bank, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the City shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Bank. Every interim or successor Bank appointed pursuant to this Section 20 shall be a trust company or bank which is qualified to perform all duties of the Bank under this Ordinance and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Bank upon reasonable or customary terms.

(f) **Concerning any Successor Bank.** Every successor Bank shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing

accepting its appointment as Bank hereunder, and thereupon such successor Bank, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall, nevertheless, on the written request of the City or such successor Bank, execute and deliver an instrument transferring to such successor Bank all rights, powers and interests of such predecessor hereunder; and every predecessor Bank shall deliver all securities and moneys held by it as Bank hereunder to its successor.

(g) **Merger or Consolidation of Bank.** Any corporation into which the Bank may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank, shall be the successor of the Bank hereunder, without the execution or filing of any paper or any further act on the part of the Bank or the City. In case the registration certificates with respect to any Warrants shall have been executed by the Bank then in office, any successor by merger or consolidation to such Bank may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Bank had itself registered such Warrants.

(h) **Compensation of Bank.** Subject to the provisions of any separate agreement with the Bank, the City shall pay to the Bank from time to time reasonable compensation for all services rendered by it under this Ordinance, including its services as registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

Section 21. Sale of Warrants. (a) the Series 2023-A Warrants are hereby awarded to the 2023-A Winning Bidder at and for a price equal to \$75,175,188.52, which such price represents the face amount of the Series 2023-A Warrants, less an underwriting discount of \$277,556.13, plus original issue premium of \$8,617,744.65.

(b) the Series 2023-B Warrants are hereby awarded to the 2023-B Winning Bidder at and for a price equal to \$30,069,950.63, which such price represents the face amount of the Series 2023-B Warrants, less an underwriting discount of \$60,994.37, plus original issue premium of \$3,340,945.00.

(c) the Series 2023-C Warrants are hereby awarded to the 2023-C Winning Bidder at and for a price equal to \$50,114,358.68, which such price represents the face amount of the Series 2023-C Warrants, less an underwriting discount of \$202,131.57, plus original issue premium of \$5,711,490.25.

(d) the Series 2023-D Warrants are hereby awarded to the 2023-D Winning Bidder at and for a price equal to \$50,117,281.83, which such price represents the face amount of the Series 2023-D Warrants, less an underwriting discount of \$61,081.82, plus original issue premium of \$4,753,363.65.

Section 22. Approval of Preliminary Official Statement; Authorization of Official Statement. The actions of the City and PFM Financial Advisors, LLC, Financial

Advisor to the City, in circulating a Preliminary Official Statement dated February 15, 2023, with respect to the Warrants, a copy of which is presented to the meeting at which this Ordinance is adopted (which copy shall be attached as Exhibit II to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full in this Ordinance) is hereby ratified and confirmed. The actions of the City in causing the Preliminary Official Statement to be "deemed final" as of its dated date for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission are hereby accepted and confirmed. The Mayor is hereby authorized and directed to execute and deliver on behalf of the City, the Official Statement respecting the Warrants and dated the date of this Ordinance (the "Official Statement"), which such Official Statement shall be in substantially the same form as the Preliminary Official Statement with such updates and changes as shall be necessary to reflect the results of the sale of the Warrants and such other changes as shall be approved by the Mayor.

Section 23. Authorization of Continuing Disclosure Agreement. The Mayor is hereby authorized and directed to execute and deliver, on behalf of the City, a Continuing Disclosure Agreement the date of the Warrants, for the benefit of the beneficial owners of the Warrants, in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached as Exhibit III to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full in this Ordinance), with such changes thereto as shall be necessary to reflect the terms of this Ordinance respecting the Warrants and such further changes as the said Mayor shall approve. The Interim City Clerk is hereby authorized and directed to attest the said Continuing Disclosure Agreement.

Section 24. Authorization of Related Documents and Actions; Financial Advisor and Bond Counsel to the City. (a) The Mayor, the Interim City Clerk, and the Finance Director of the City are hereby authorized and directed to execute, seal, attest and deliver such other documents and certificates and to take such other actions on behalf of the City as may be necessary to consummate the sale and issuance of the Warrants and carry out fully the transactions contemplated by this Ordinance including, without limiting the generality of the foregoing, the execution and delivery of a Tax Compliance Agreement and Certificate (the "Tax Compliance Agreement") establishing facts and circumstances necessary to support the conclusion that the Warrants are not "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations promulgated thereunder, and an IRS Form 8038-G.

(b) Pursuant to Section (g)(3) of the debt management policy of the City, the Council hereby ratifies and confirms the retention of PFM Financial Advisors LLC, as Financial Advisor to the City and Bradley Arant Boult Cummings LLP, as Bond Counsel to the City.

Section 25. Use of Proceeds from Sale of Warrants. (a) **Establishment of Construction Fund.** With respect to each series of the Warrants, the proceeds thereof, less the sum of the underwriting discount referable thereto, shall be wired by the Winning Bidder to the Bank and applied to pay the costs of issuing such series, with the balance remitted by the Bank for deposit into such account or fund, or accounts or funds, as shall be directed from time to time in writing by the Finance Director of the City (collectively, the "Construction Fund"), for payment of the Improvements to be financed by such series.

(b) **Investment of Amounts in Construction Fund.** Amounts on deposit in the Construction Fund, pending their withdrawal and application for the costs of the Improvements, shall be invested as directed by the Finance Director of the City. Permitted investments for amounts in the Construction Fund are set forth in Section 11-81-21 *et. seq.*, Code of Alabama 1975, as amended, and include such other investments as may be further permitted by Alabama law; all subject, however, to the limitations set forth in Section 29 hereof and as further provided, limited, and set forth in the Tax Compliance Agreement herein authorized.

Section 26. Provisions Respecting Registration of Warrants to Comply with Provisions of the Code. The City and the Bank recognize that the provisions of the Code require that the Warrants be in "registered form," and that, in general, each Warrant must be registered as to both principal and interest and any transfer of any Warrant must be effected only by the surrender of the old Warrant and by either the reissuance of the old Warrant to a new Holder or the issuance of a new Warrant to a new Holder. The provisions of this Ordinance pertaining to the registration, transfer, exchange or reissuance of the Warrants need not or shall not be followed if the Bank receives an opinion of nationally recognized bond counsel that compliance with requirements in addition to or in lieu of the requirements of this Ordinance pertaining to such registration, transfer, exchange or reissuance is required or permitted under the provisions of the Code or under other applicable laws and regulations.

Section 27. Denominations of Warrants as Initially Issued. With respect to each series of the Warrants, the warrants of each maturity shall be initially issued in Authorized Denominations as requested by the Winning Bidder for such series and registered in the names of the persons, firms or corporations specified by such Winning Bidder. If, for any reason, the City is unable to prepare or cause to be prepared Warrants of such series in the Authorized Denominations requested by the applicable Winning Bidder and registered in the names specified by such Winning Bidder, the City may deliver one Warrant for each maturity in the principal amount of such maturity, each registered in a name designated by the applicable Winning Bidder.

Section 28. Provisions for Payment at Par. Each bank at which the Warrants shall at any time be payable, by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal, interest and premium, if any, on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expenses. The City agrees with the Holders of the Warrants that it will pay all charges for fees and expenses which may be made by such bank in the making of remittances in bankable funds of the principal of and interest on any of the Warrants.

Section 29. Concerning the Code. The City recognizes that the Code imposes certain conditions to the exemption from federal income taxation of the interest income on the Warrants. Accordingly, the City agrees that it will continuously comply with all requirements imposed by the Code as a condition to the exemption from federal income taxation of the interest income on the Warrants. Without limiting the generality of the foregoing:

(i) the City will not permit the gross proceeds of the Warrants to be invested or reinvested in a manner that would cause the Warrants to be considered "arbitrage bonds" within the meaning of Section 148 of the Code, and the City will make timely rebate payments to the United States of America as required by Section 148(f) of the Code; and

(ii) the City will not apply the proceeds of the Warrants in such a manner that would cause any of the Warrants to be "private activity bonds" within the meaning of the Code.

Section 30. Registration of Warrants in the Book-Entry Only System. The provisions of this Section 30 shall apply with respect to any Warrant registered to CEDE & CO. or any other nominee of DTC while the Book-Entry Only System is in effect and shall, during the period of their application, supersede any contrary provisions of this Ordinance.

The Warrants shall be issued as one fully registered warrant for each maturity in the total principal amount of such maturity. On the date of the initial authentication and delivery of the Warrants, the Warrants shall be registered in the name of CEDE & CO., as nominee of DTC as the Owner of all the Warrants. With respect to Warrants registered in the name of CEDE & CO., as nominee of DTC, the City and the Bank shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, banks, trust companies, clearing corporations and various other entities, some of whom, or their representatives, own DTC) or to any Beneficial Owner (which means, when used with reference to the Book-Entry Only System, the person who is considered the beneficial owner thereof pursuant to the arrangements for book entry determination of ownership applicable to DTC) with respect to the following: (i) the accuracy of the records of DTC, CEDE & CO. or any participant with respect to any ownership interest in the Warrants, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Warrants, including any notice of redemption, or (iii) the payment to any Participant, or any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal or purchase price of or premium, if any, or interest on the Warrants. The Bank shall pay all principal of and premium, if any, or interest on the Warrants only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on such Warrants to the extent of the sum so paid. No person other than DTC shall receive a Warrant. Upon delivery by DTC to the Bank of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Section 30 shall refer to such new nominee of DTC.

Upon receipt by the Bank of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities hereunder, the Bank shall issue, transfer and exchange Warrants as requested by DTC in Authorized Denominations, and whenever DTC requests the Bank to do so, the Bank will cooperate with DTC in taking appropriate action after reasonable notice to arrange for a substitute bond depository willing and able upon reasonable and customary terms to maintain custody of the Warrants registered in whatever name or names

the Owners transferring or exchanging such Warrants shall designate, in accordance with this Section 30.

In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain Warrants registered in the name of an Owner other than DTC, the City may so notify DTC and the Bank, whereupon DTC will notify the Participants, of the availability through DTC of such Warrants. In such event, upon the return by DTC of all Warrants held by DTC in the name of Cede & Co., the Bank shall issue, transfer and exchange Warrants in Authorized Denominations as requested by DTC, and whenever DTC requests the City and the Bank to do so, the Bank and the City will cooperate with DTC in taking appropriate action after reasonable notice to make available Warrants registered in whatever name or names the Beneficial Owners transferring or exchanging Warrants shall designate, in accordance with this Section 30.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Warrant is registered in the name of CEDE & CO., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Warrant and all notices with respect to such Warrant shall be made and given, respectively, to DTC as provided in their Letter of Representations.

In the event that the Book-Entry Only System pursuant to this Section 30 is discontinued, the Beneficial Owners shall be registered on the Registry Books as the Owners of the Warrants. Subsequent to the discontinuation of the Book-Entry Only System, Warrants may be registered, transferred and exchanged in accordance with the provisions of this Ordinance (other than this Section 30).

Section 31. Provisions of Ordinance Severable. The provisions of this Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

Section 32. Creation of Contract. The provisions of this Ordinance shall constitute a contract between the City and each Holder of the Warrants.

ADOPTED this 23rd day of February, 2023.

City Council President
City of Huntsville, Alabama

APPROVED this 23rd of February, 2023.

Mayor
City of Huntsville, Alabama

Exhibit I
Schedule of Bids Received for Warrants

Exhibit II
Preliminary Official Statement

Exhibit III
Form of Continuing Disclosure Agreement